


**Rent Assessment Panel for Wales**

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| <b>Notice of the Rent Assessment Committee Decision</b>   |   | File Reference Number:<br>RAC/0023/01/17 |
| Address of Premises<br>13A Haig Place<br>Ely<br>Cardiff<br>CF5 4PF  | The Committee members were<br><br>Andrew Sheftel<br>Mark Taylor   |  |
| (1) The Committee has decided that the rent for the above premises is:<br><br>The new rent will be entered by the rent officer in the rent register.  | £105.00 per week<br><br>(This amount excludes council tax and water rates but includes any amounts entered in boxes 3-5 below.) |  |
| (2) The effective date is:<br>The new rent will apply from this date.   | 26 <sup>th</sup> July 2017  |  |
| (3) The rent is not to be registered as variable.   |   |  |
| (4) The amount for services is:   | N/A   |  |
| (5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:  | N/A   |  |
| (6) The rent is not exempt from the maximum fair rent because of repairs or improvements carried out by the landlord.   |   |  |
| (7) Details (other than rent) where different from Rent Register entry: N/A   |   |  |
| Date of decision: <u>26/07/17</u>   | <br>Chairman                               |  |
| <b>If the fair rent the Committee determined was higher than the maximum fair rent, the limit on fair rent increases may apply. If this is the case, the uncapped fair rent the committee determined is shown in box 8. This is shown for information purposes only and does not affect the rent payable.</b> |   |  |
| (8) The uncapped fair rent was: N/A   |   |  |

Y TRIBIWNLYS EIDDO PRESWYL  
RESIDENTIAL PROPERTY TRIBUNAL  
RENT ASSESSMENT COMMITTEE

**Ref: RAC/0023/01/17**

**In the matter of Rent Act 1977**

**In the matter of** 13A Haig Place, Ely, Cardiff CF5 4PF

**Tribunal:** Andrew Sheftel (Chairman)  
Mark Taylor (Surveyor)

**Applicant:** Peter Bowen

**Respondent:** Wales & West Housing Association Limited

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***DECISION***

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**The decision in summary**

- 1. The registered rent for 13A Haig Place, Ely, Cardiff, is determined at £105 per week.**
- 2. The registration of the rent takes effect from 26 July 2017.**

**Background**

- 3. The Applicant, Peter Bowen, is the Rent Act protected tenant of 13A Haig Place, Ely, Cardiff CF5 4PF (the "Property"). The landlord and Respondent is Wales & West Housing Association Limited ('Wales & West').**
- 4. On 17 November 2016, Wales & West applied under s.67 of the Rent Act 1977 for the registration of a fair rent of £115.52 per week. The rent had previously been registered upon determination on 23 February 2015 at £98.50 per week.**
- 5. Pursuant to Wales & West's application, the rent officer registered a rent of £105 per week on 22 December 2016.**

6. Mr Bowen has objected to the rent officer's determination. Accordingly, in accordance with paragraph 6, Schedule 10 to the Rent Act 1977, the rent officer referred the matter to the Rent Assessment Committee ('RAC').
7. Mr Bowen's objections to the increased rent related in part to allegations regarding Wales & West's management of and repairs to the property. His emailed submissions have included: raising the issue of unauthorised car parking and vehicle obstructions in the locality (a matter Mr Bowen has referred to the police); a previous leak coming through the bedroom ceiling; delays in installing replacement toilets and a stair-lift; and the alleged removal of two screws from the boiler.
8. The RAC inspected the property on 26 July 2017. Neither Mr Bowen nor Wales & West attended the subsequent hearing.
9. The property is an end of link semi-detached house, constructed in the early 1990s. It is located in a small cul-de-sac of residential properties of varying age and styles. The locality is approximately 3 miles east of the centre of Cardiff with reasonable shops and facilities within walking distance.
10. The property is of traditional construction with brick walls, tile roof and double-glazed windows and external doors and plastic rainwater goods. There are enclosed front and rear gardens mainly laid to lawn with a small rear patio. In addition, beyond the rear garden there is a secure hard standing for two vehicles
11. The ground floor comprises a through lounge/dining area off a central hall with a separate cloakroom with WC and wash hand basin. There is a rear kitchen with serving hatch through to the dining area. The first floor comprises two rear double bedrooms with a single to the front. In addition there is a bathroom, which has been converted with a large walk in shower/wet room with WC and wash hand basin, the floor is finished in non-slip vinyl. Gas and electricity are both supplied with hot water and heating from a wall mounted gas boiler which appeared to be in full working order.
12. Generally, the property is decorated to an adequate but basic standard with painted and plastered walls and textured ceilings. It was noted that there was cracking to various areas of the internal walls and intersection with the ceilings, the cause of this was not immediately apparent, but did not appear to extend into the exterior brick work. Apart from the kitchen and bathroom there are no floor finishes, with bare wooden floorboards.

## **The law**

13. Section 70 of the Rent Act 1977 sets out the factors to be considered when determining a fair rent. In particular, and of relevance to this application, we are required to have regard to the age, character, locality and state of repair of the property.
14. Further, s.70 requires the RAC to disregard:
  - a) The personal circumstances of the parties;
  - b) Any disrepair or other defect attributable to a failure by Mr Bowen under the terms of the tenancy;
  - c) Any improvements carried out by the tenant, other than as required under the tenancy.
15. The RAC must also assume that the number of people seeking to become tenants of similar properties in the area on terms identical to Mr Bowen's tenancy (save as to rent) is not substantially greater than the number of such properties which are available to rent on such terms. In other words, we must make certain assumptions regarding scarcity and demand.
16. In addition, further regulation of Rent Act rents is provided by the Rent Acts (Maximum Fair Rent) Order 1999 ('the Maximum Fair Rent Order'), which places a cap on the permissible amount of the increase of a fair rent between one registration and the next. The cap is based upon the amount of increase in the Retail Prices Index between the dates of the two registrations.
17. By virtue of section 72 of the Rent Act 1977, the registration of the rent takes effect from the date when the RAC reached its decision.

## **Determination**

18. Mr Bowen's allegations regarding Wales & West's management of the Property had been considered by the rent officer. The rent officer also had the benefit of inspecting the property. In the absence of any further evidence, either of the condition of the property or otherwise, we can find no basis to vary the rent officer's determination.
19. The starting point in assessing a rent under s.70 of the Rent Act 1977 is to establish the market rent for the property. To that rent, a number of adjustments are made, to reflect the requirements of s.70.
20. The rent officer had provided information on a range of rents for three-bedroom houses in the locality between £138.46 and £190.38 per week between

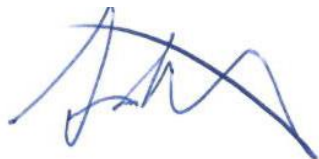
8th June 2016 and December 2016. The Rent Officer had considered the market rent to be £138.46 per week, which is at the bottom end of the range provided. Taking into account all of the evidence, using our own skill and expertise and having regard to the size and location of the property, we concur with the rent officer's figure as a starting point.

21. The rent officer has also made deductions of £3 in respect of the quality of the kitchen and £12 due to the lack of carpeting. Again, having inspected the property, we agree with the rent officer in respect of these two deductions. With regard to the kitchen, the cupboard units were in fact installed relatively recently and are in reasonable condition, although the RAC understands that the white goods in the kitchen have not been supplied by the landlord but belong to Mr Bowen. In the circumstances, the RAC determines the adjusted market rent to be £123.46.
22. We are required by the Act to take into account in assessing a fair rent for the Property whether there is an excess of demand over supply of accommodation such as this in the area. The rent officer states that he has adjusted the market rent by 15% to take the scarcity into account. We are satisfied on the basis of our own knowledge that there is a shortage of rented accommodation available at the present time. Social housing is still very much in demand no doubt aided by the fact that rents are generally lower than in the private sector. The shortage of available properties has the effect of increasing market rents and the fair rent regime was introduced with a view to counter-balancing this. Accordingly, we agree with the rent officer's figure. It recognises the fact that over the wider area there is a shortage of properties such as this for rent.
23. We therefore accept the rent officer's calculations and determine the rent at £105 per week.
24. We are required to consider whether the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply. The existing rent, registered on the 23<sup>rd</sup> February 2015 at £98.50 per week. The Retail Prices Index (RPI) published for February 2015 was 256.7 – this is slightly different to the figure that appears in the rent officer's calculations, although this makes no difference to the overall result). The RPI published for June 2017 was 272.3. The relevant increase in the RPI was 15.6. The appropriate enhancement factor in accordance with the Order is 0.05. To calculate the maximum fair rent we apply the formula as set out in the Order as follows:

$$\text{Maximum Fair Rent} = £98.50 \times (1 + 0.05 + (15.6/256.7)) = £109.50.$$

25. Accordingly, under the Maximum Fair Rent Order, the capped fair rent is £109.50 per week. As the rent we have determined does not exceed the maximum fair rent, the Order does not apply.

Dated this 3<sup>rd</sup> day of August 2017

A handwritten signature in blue ink, consisting of several fluid, overlapping strokes that are difficult to decipher as specific letters.

Chairman