

Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0026/12/13
Address of Premises 1 Tan Derw Llanelidan Ruthin LL15 2RA	The Committee members were J D M Jones R B Griffiths	
(1) The Committee has decided that the rent for the above premises is: The new rent will be entered by the rent officer in the rent register.	£360 per calendar month (This amount excludes council tax and water rates but includes any amounts entered in boxes 3-5 below.)	
(2) The effective date is: The new rent will apply from this date.	4 th February 2014	
(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>4th February 2014</u>	 Chairman	
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.		
(8) The uncapped fair rent was: n/a		

Y Tribiwnlys Eiddo Preswyl

Residential Property Tribunal

Rent Assessment Committee sitting on the 4th February 2014

(Rent Act 1977)

Reference: RAC/0026/12/13 Tan Derw

Property: 1 Tan Derw, Llanelidan, Ruthin LL15 2RA

Landlord: Sir P V Naylor-Leyland

Tenant: Mr J E Jones

Committee: Mr D Jones

Mr R Griffiths

DECISION

Background

1. We were duly convened as a Rent Assessment Committee under the provisions of the Rent Act 1977 on the 4th February 2014 at 1 Tan Derw, Llanelidan, Ruthin LL15 2RA.
2. We had before us a reference from the Rent Officer for North East Wales in respect of 1 Tan Derw Llanelidan Ruthin (“the Property”). The Rent Officer had registered a Fair Rent of £371.00 per calendar month on the 3rd December 2013 effective from that date. John Euryrn Jones (“the Tenant”) by an appeal dated 11th December 2013 objected to the registration and accordingly the matter was referred to us by the Rent Officer. Sir P V Naylor-Leyland (“the Landlord”) requested a Fair Rent of £360 pcm by application dated 30th October 2013 made through his agents Balfours with Berringtons of the Estate Office the Vallets Hereford.
3. It is noted from the Landlord’s application that the existing rent was £335 pcm.

Inspection

4. The Committee inspected the Property on the morning of the 4th February 2014. The inspection took place in the presence of the Tenant. The Property is located approximately 5 miles from the market town of Ruthin in a delightful rural setting. Many of the properties in the village of Llanelidan form part of the Landlord’s estate.
5. The Property is a semi-detached house set in pleasant gardens overlooking the village. It is constructed of brick part rendered under a slate roof. Outside there is a brick storage area. The accommodation comprises a small entrance hall, good size living room, a kitchen with small adjacent storage room and a rear porch. Upstairs the accommodation comprises 2 double and one single bedroom and shower room with WC and wash basin.

6. The windows are single glazed metal casement. There is a rudimentary part central heating system which is understood to have been installed by the Tenant. It is powered from a boiler behind the open fire in the living room (which it is understood from the Tenant does not work at present although the chimney has recently been relined by the landlord). The Tenant has installed storage heaters in some of the rooms to provide background heat. It is understood the Tenant had also carried out improvements to the kitchen in providing new kitchen units. In addition, the Tenant has removed the downstairs WC and installed a new WC upstairs and fitted a new shower unit (although the Landlord provided the labour for this). The Property is well maintained by the Tenant who has also installed fitted wardrobes in the main bedroom.
7. The Property is connected to mains drainage water and electricity. It does not have vehicular access or garage although there is street parking available nearby.
8. Although the Property is pleasant it is very dated and if it were to be let now on the open market it is likely that considerable expenditure would be necessary in updating the electrical system providing double glazing and a central heating system.

Representations

9. The Parties indicated that they did not want a hearing and accordingly the Committee dealt with the matter on the basis of their inspection and the Landlord's and the Tenant's written representations along with the Rent Officer's papers.
10. It is noted from the Rent Officer's Fair Rent Valuation sheet which accompanied the papers that he considers a market rent for the Property to be £500 pcm. He is of the opinion that scarcity exists for this type of property in the locality. He has accordingly made an allowance for this in his calculations. In addition he has allowed for the fact that the Tenant is responsible for provision of carpets, curtains and furnishing the Property.
11. The Tenant by letter dated the 30th December 2013 made representations with regard to improvements he has carried out. Namely:
 - a. He installed a solid fuel central heating system on both ground and first floors.
 - b. He remodelled the kitchen.
 - c. He replaced the outside toilet with a toilet in the bathroom.
 - d. He made a substantial contribution to updating the bathroom and installing a shower unit.
12. The Tenant acknowledged that the Landlord had carried out repairs to the chimney and patio area but said that no structural improvements have been carried out to the Property since it was built in 1933. The Tenant said that it was almost impossible to heat the property adequately in winter months. The Property is of brick construction with single glazed metal frame windows.
13. The Landlord's agents Balfours with Berringtons made representations by letter dated 2nd January 2014 and provided details of market rents for other similar properties in the locality. They provided letting particulars for a number of other properties in the locality including 2 Tan Derw which is the other half of this semi-detached property. Number 2 Tan Derw was described as fully refurbished and modernised and having parking. It had an asking rent of £515 pcm.

14. It was also said on behalf of the Landlord that since 2011 the Landlord has installed a new liner in the flue serving the fireplace in the sitting room.
15. By way of observation, the Landlord's agents said in their representations that they consider that over the last 2 years there has been a considerable demand for lettings of 2 and 3 bedroom cottages in rural villages and generally that rents have increased by 10% over the 2 year period.

The Decision

16. The Committee find that the Property is situated in a very pleasant rural area and provides reasonable family accommodation. It is very dated although it has been modernised over the years (mainly by the Tenant but with some help from the Landlord). However, it lacks double glazing and an effective central heating system. Although it is well maintained by the Tenant, who has fitted it out to provide comfortable family accommodation, it is essentially unmodernised and needs a new electrical system and double glazing. It has a basic kitchen and bathroom although both have been partially updated by the Tenant.
17. The Committee accept the Rent Officers opinion that there is scarcity of property of this type available for letting in the locality and we propose to apply a scarcity factor of 15%.
18. Taking in to account the provisions of s70 of the Rent Act 1977 the Committee considers that the market rent for this property should be £500 pcm. However, in view of the matters mentioned above and in particular the lack of an effective central heating system, double glazing, a very dated electrical system, basic kitchen and bathroom and the lack of carpets and curtains, adjustments need to be made to the market rent in order to arrive at a Fair Rent.
19. We set out our calculations below:

Market Rent		£500pcm
Less adjustments:		
Lack of Central Heating	£20	
Carpets/Curtains	£7	
Basic Kitchen/Bathroom	£25	
Condition	£10	
Double Glazing	£15	=====
		£77.00
		=====
Adjusted Market Rent		£423.00
Deduct for Scarcity at 15%		£63
Fair Rent (ex services)		£360pcm

20. The Property is subject to the Rent Act (Maximum Fair Rent Order 1999) under which a maximum Fair Rent is calculated. Maximum Fair Rent under the Order is £373 pcm. This is calculated as follows:

Existing Rent	£335pcm
RPI at last registration	238.50
RPI at the 1 st this month	253.40
Enhancement factor	0.050
Maximum Fair Rent (ex service)	£373pcm (rounded up to the nearest 50p)

21. The Maximum Fair Rent exceeds the Fair Rent which has been fixed by this committee and accordingly the order does not apply. We record that the Fair Rent for this Property is £360 pcm exclusive of services.

22. It is recorded for the purpose of the Rent Act 1977 (as amended by the Housing Act 1980) that this decision was made on the 4th day February 2014.

Dated this 19th day of February 2014



Chairman