

Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision	File Reference Number: 1026021/17
---	--------------------------------------

Address of Premises 17 Kenneth Treasure Court Bethania Row St Mellons Cardiff	The Committee members were Mr R S Taylor – Lawyer Chairman Mr R Davies – FRICS Mrs C Trotman-Jones - MRICS
---	---

(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.	106.61 per week (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.	18 September 2012
---	-------------------

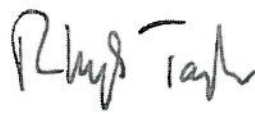
(3) The rent is to be registered as variable.

(4) The amount for services is:	31.91per week
---------------------------------	---------------

(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	NA
--	----

(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: NA

Date of decision: <u>18 September 2012</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: £ NA	
--------------------------------------	--

EXAMPLES OF HOW THE MAXIMUM FAIR RENT IS CALCULATED

Example 1 – The rent officer’s decision

The rent officer receives an application for the rent of 1A Acacia Avenue to be re-registered. The rent was last registered at £200 per month in March 2009. The published RPI (all items) for the month of March 2009 was 211.3. The rent officer is to register the rent on 31 March 2011. The latest published RPI (all items) on the first day of March 2011 is 229.0.

Firstly, the rent officer works out the change in the RPI since the last registration was made:

$$229.0 - 211.3 = 17.7.$$

He divides the result by the RPI figure for the month when the last rent registration was made to get the proportionate change:

$$17.7 \div 211.3 = 0.0837671.$$

He then adds the equivalent of an additional 5% (7.5% if this is the first application for registration after the limit was introduced, subsequent registrations will be 5%).

$$0.0837671 + 0.5 = 0.1337671.$$

He then adds 1 = 1.1337671.

He then multiplies the result by the existing registered rent:

$$£200 \times 1.1337671 = £226.75.$$

He then rounds the result up to the nearest 50 pence. The maximum fair rent the rent officer could register is therefore £227 per month.



Y Tribiwnlys Eiddo Preswyl Residential Property Tribunal

address of property

17 Kenneth Treasure Court

date

18.9.2012

(populate the pink cells with figures)

market rent

£ 85.00 per week

adjustments

lack of central heating

0

carpets curtains

2

condition

0

basic bathroom

0

basic kitchen

0

double glazing

0

other (tenants improvements)

0

total

2

adjusted market rent

£ 83.00

scarcity %

10 %

amount of reduction

£ 8.30

fair rent (ex services)

£ 74.70

Fair Rent ex services

74.7

Services

31.91

Fair Rent inc services

£ 106.61

maximum fair rent calculation

a) present RPI for last month published

242.1

b) RPI for month of last registration

220.7

c) = a) less b)

21.4

d) divide c) by b)

0.096964

e) add enhancement factor

0.05

add 1

1

f) total

1.146964

g) last registered rent (ex services)

£ 66.16

H) multiply f) and g)

£ 75.88

Round to nearest 50 pence

£ 76.00

Add services

£ 31.91

Total with services

£ 107.91

Rent Assessment Committee (Wales)

First Floor, West Wing, Southgate House, Wood Street, Cardiff. CF10 1EW.
Telephone 029 20922777. Fax 029 20236146. E-mail: rpt@wales.gsi.gov.uk

REASONS FOR DECISION OF RENT ASSESMENT COMMITTEE (WALES) Rent Act 1977 s.70

Premises: 17 Kenneth Treasure Court, Bethania Row, St Mellons, Cardiff
("the property")

Ref: 1026021/17 Kenneth Treasure

Hearing: 18 September 2012

Tenant: Mrs Richards

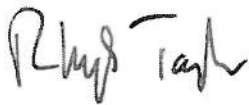
Landlord: United Welsh Housing Association

Members of Tribunal: Mr R S Taylor – Lawyer Chairman
Mr R Davies – FRICS
Mrs C Trotman-Jones - MRICS

DECISION

1. The fair rent for the property shall be registered in the sum of £106.61 per week, inclusive of £31.91 variable service charges, which shall apply from the 18 September 2012

18 September 2012

A handwritten signature in black ink, appearing to read 'Rhys Taylor', written in a cursive style.

Rhys Taylor - Chairman

REASONS

Background.

1. This is an appeal concerning the decision of a Rent Officer dated 2 July 2012, concerning the registration of a fair rent for the property.
2. By application dated 25 April 2012 the landlord applied for the rent to be registered at £117.78 per week, inclusive of services of £31.91.
3. The previous rent, registered on 24 March 2010, was for £96.50 per week effective from 24 March 2010, inclusive of variable service charges of £30.34.
4. The Rent Officer registered a new fair rent on the 2 July 2012 in the sum of £102.50 per week to be effective from 2 July 2012. This figure is exclusive of water charges but inclusive of variable services of £28.76.
5. The landlord indicated in a letter dated 6 July 2012 (received 10 July) that it wished to appeal against the decision of the Rent Officer as the service charge had not been allowed to the extent requested. The Rent Officer accordingly referred the matter to us by letter dated 17 July 2012.

Inspection.

6. The committee inspected the property on the 18 September 2012. The tenant was unwell and away from the property so the site manager, Miss Shannon allowed us access to it.
7. The property is within a purpose built sheltered scheme of 29 residential units of traditional construction with facing brick elevations and concrete interlocking tile roofs. The scheme comprises 28, 1 bed room properties (and 1, 2 bedroom property) on ground and first floors. The scheme is attractively designed with all flats having individual front door access. The common facilities of a common room including a galley kitchen, laundry room, and guest room with WC facilities, toilets and scheme manager's office are in a separate building with a flat above. This flat was once a warden's flat, and has 2 bedrooms but is now rented out.

8. Externally there are communal bin stores and outside drying facilities. The scheme has a pleasant feel to it and we were told by one of the residents, as we conducted our inspection of the scheme, that it had won the Cardiff in bloom competition 3 years running. The scheme is bordered by a landscaped area which is well tended. We were told that the landscaped areas are, technically speaking, common areas, but in practice the grassed areas immediately fronting or backing on to ground floor flats are treated by the residents informally as their own and the scheme managers are content for decking to be installed in such positions.
9. There is limited onsite car parking for residents. The scheme itself is situated at the end of a quiet residential road on the boarder of Old St Mellons. Whilst there is a public house and chapel nearby, other facilities are a little walk away. The road where the scheme is situated feeds on to one of the main routes into Cardiff City Centre making travel by bus travel convenient from this location.
10. The property comprises a self contained 1 bedroomed ground floor flat, with hallway and lounge leading on to the kitchen. The property is maintained to a high standard with newish units in both the kitchen and bathroom, the latter having been specially adopted to accommodate walk in showers. The carpets and curtains are supplied by the tenants themselves. The property also benefits from three generously sized cupboards and benefits from gas central heating and UPVC double glazing. There is a well maintained emergency call system with pull cords in each room.

Written submissions.

11. Neither party has requested an oral hearing and each have provided very limited written submissions.
12. The tenant has little to say and makes reference to some of her physical ailments, something which we are not able to take into account when setting the rent.
13. The Landlord complains that the 'table' rent for this sized property is £81.77 whereas the Rent Officer has allowed only £73.44 and further, the full service charge has not been allowed, which, the Landlord states will result in an increased service charge burden on other residents.

14. Save for that neither party has provided detailed submission and we are left to exercise our judgment as an expert committee

Market rent.

15. Applying our judgment as an expert committee we have determined that the market rent for the property is £85 per week exclusive of services.

s.70 Rent Act adjustments

16. From the headline figure we must make the adjustments pursuant to s.70 of the Rent Act 1977. We make a deduction of £2 per week for carpets and curtains supplied by the tenants.
17. This means we have a total of £2 per week to come off the market rent of £85 per week. This results in an adjusted market rent of £83 per week.

Services

18. We have reviewed the budgets which go to produce a service charge figure of £31.91 per week. It is noted that the Rent Officer has disallowed the overspend of £3.15 which we would respectfully disagree with. We have reviewed the other figures and are satisfied that they are reasonable variable service charges.

Scarcity.

19. The Rent Officer has selected a scarcity discount of 25%. Applying the committee's own knowledge and expertise we determine the discount should be 10%. There are particular considerations which apply to sheltered accommodation justifying this figure.

Our final Fair Rent Inclusive of services.

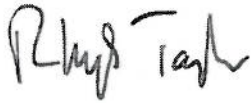
20. This leaves a fair rent of £74.70 with services of £31.91, being a global figure of £106.61 per week.

Maximum Fair Rents Order 1999

21. The Rent Acts (Maximum Fair Rent) Order does not apply in this case. The MFR in this case is £107.91 inclusive of services. We have appended our calculation which arrived at that figure to this decision.

22. The fair rent shall therefore be registered at £106.61 per week as from the 18 September 2012, inclusive of £31.91 variable service charge.

Rhys Taylor – legal chairman.

A handwritten signature in black ink, appearing to read 'Rhys Taylor', is positioned below the typed name.

18 September 2012