


Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0004/05/18
Address of Premises 2 Brynllwyd Llwyn y Gog Staylittle Llanbrynmair SY19 7DF	The Committee members were J Rostron H Lewis	
(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.	£66.50 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.	15 August 2018	
(3) The rent is not to be registered as variable.		
(4) The amount for services is:	£5.77 per week	
(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	per	
(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:		
Date of decision: 15 August 2018	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: £71.21		

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE
(Rent Act 1977)

Reference: RAC/0004/05/18

Property: 2 Brynllwyd, Llwyn y Gog, Staylittle, Llanbryn-mair, SY19 7DF

Landlord: Regis Group Plc, Warrior Square, Southend on Sea, Essex, SS1 2WS.

Tenant: Mrs M E Morgan

COMMITTEE: Chairman J Rostron
Surveyor H Lewis

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

INTRODUCTION

1. We were duly convened as a Rent Assessment Committee on Wednesday 15th August 2018 at; 2 Brynllwyd, Llwyn y Gog, Staylittle, Llanbryn-mair, SY19 7DF [the 'Property']. We had before us a reference from the Rent Officer. Regis Group Ltd., [the 'Landlord'], objected to the rent certificate they had received, and requested the matter be referred to the Rent Assessment Committee for further determination.

2. An application to register a fair rent under the Rent Act 1977 was received on the 16 March 2018 by the Rent Officer. It was submitted by the Landlord.

3. The application was for an asking rent of £320 per month [£73.85 per week]. The rent registered by the Rent Officer being £65.50 per week. The rent was registered on the 26th April 2018, with an effective date being the same. The previous fair rent was £57.50 per week and registered on 16th July 2014, with an effective date being the same. For clarification purposes the committee was not aware of services having been considered or requested in previous references to the Rent Officer apart from sewerage.

INSPECTION

4. The Committee inspected the Property at 11.00 am on the 15th August 2018 in the presence of the Tenant Mrs Morgan and her daughter Miss Morgan. The Landlord did not attend. The Committee noted that the Landlord was recorded as Berkswell Properties Ltd., Pear Tree House, 14 Manor Road, Bladon, Oxfordshire, OX20 1RU on the application & Regis Group Plc, Warrior Square, Southend on Sea, Essex, SS1 2WS was recorded on notification of appeal. The Tenant confirmed that the Landlord was Regis Group Ltd.

5. The Property is a semi-detached house built it is understood around 1950. The Property is located in a remote rural area with a lack of easy access to facilities. There is no off-street parking.

6. The Property is of cavity brick construction rendered. The roof is made of composite tiles. Windows are double glazed and frames made of upvc. The accommodation comprised two living rooms, kitchen, WC and range of utility rooms on the ground floor. There are three bedrooms comprising two double and one single. There was a separate WC upstairs. The bathroom contained a sink and bath. The kitchen, bathroom and WC are in poor condition. The electrical wiring had been recently updated.

7. All curtains, carpets and white goods had been provided by the Tenant. There was no central heating. Heating was by open coal fires and supplemented by space heaters,

THE LAW

8. When determining a fair rent the Committee, in accordance with the Rent Act 1977, section 70:

- i) has regard to all the circumstances (other than personal circumstances) including the age, location and state of repair of the property;
- ii) disregards the effect on the rental value of the property of (a) any relevant tenant improvements and (b) any repair or any defect attributable to the tenant or any predecessor in title under the regulated tenancy;
- iii) assumes (as required by s.70 (2) that, whatever might be the case, the demand for similar rented properties in the locality does not significantly exceed the supply of such properties for rent. In other words that the effect of any such 'scarcity' on rental values is not reflected in the fair rent of the subject property.
- iv) 9. In Spath Holme Ltd v. Chairman of the Greater Manchester etc. Committee (1995) 28 HLR 107 and Curtis v. London Rent Assessment Committee [1999] QB 92 the Court of Appeal emphasised that section 70 means;
 - (a) that ordinarily a fair rent is the market rent for the subject property discounted for 'scarcity' and
 - (b) that for the purposes of determining the market rent, assured (market) rents are usually appropriate comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

9. Thus once the market rent for the property has been determined by the exercise in paragraph 8 (i) and (ii) above that rent must be adjusted, where necessary, for any scarcity.

DECISION

10. The Landlord's agent did not provide any comparables but did supply a written statement received by the Rent Officer on 18 May 2018. They state that considerable work has been undertaken since the last registration in 2014. This includes rendering the entirety of the outside of the property costing £11,736 and replacing the kitchen at a cost of £750.62. They accept that the sewage charges of £300 per year have been factored into the Rent Officers review at £5.77 per week.

11. It is noted from the Rent Officer's documentation that he registered the rent of £65.50 per week, this being registered on the 26th April 2018. In determining the registered rent, he allowed as a starting point, a market rent of £101.54 per week, and deducted adjustments from this of £29.77 per week concerning; age, character, etc. He further reduced the adjusted rent of £83.31 per week by £12.50 because of scarcity resulting in a fair rent of £71. per week. The reduction for scarcity according to the Rent Officer's report stems from their analysis of those social and economic factors that affect the

valuation process and from information collected from agents and the local authority. The calculation by the Rent Officer meant the Rent Acts (Maximum Fair Rent) Order 1999 SI 1999/6 applied.

12. The Committee considered and did take into account the Landlord's submission relating to the Property. Using its skill and judgement and utilising its experience, the committee determined that the starting point rent for a property of this type in a similar locality would be £104 per week.

13. From the above market rent the Committee have made the following adjustments;

Market Rent per week		£104.00
Less adjustments		
Central Heating	£10.00	
Lack of Carpets and Curtains	£8.00	
Lack of Double Glazing	-	
Dated electrics	-	
Dated Kitchen & bathroom	£8.00	

	£26.00	
Services	£5.77	
		£83.77
Less 15 % Scarcity		£12.56

		£71.21

14. The Maximum Fair Rent Calculation is as follows;

RPI at last registration	256.0
RPI applicable in June 2018	281.5
Enhancement factor	0.05
Last registered rent	£57.50
Maximum Fair Rent	£66.50

15. The Tribunal considered the repairs made and described above in paragraph 10 but decided that they did not increase the rent beyond 15% of the previous registered rent. The Maximum Fair Rent regulations apply and accordingly the Maximum Fair Rent is £66.50 per week.

It is declared the Committee has decided the fair rent for the Property shall be £66.50 per week from the 15 August 2018.



CHAIRMAN J Rostron