

Rent Assessment Panel for Wales**Notice of the Rent Assessment
Committee Decision**File Reference Number:
1012636/2Address of Premises
2 Sunningdale
Temple Drive
Llandrindod Wells
LD1 5LU

The Committee members were

Mr R S Taylor (Legal chair)
Mr R W Baynham FRICS(1) The Committee has decided that the rent for the
above premises is:

60.30 per week

The new rent will be entered by the rent officer in the
rent register.(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.

22 August 2012

(3) The rent is not to be registered as variable.

(4) The amount for services is:

Na

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

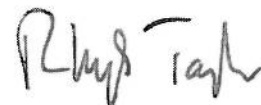
Na

(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: 22 August 2012

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.

Rent Assessment Committee (Wales)

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

Premises: 2 Sunningdale, Temple Drive, Llandrindod Wells, LD1 5LU ("the property")

Ref: 1012636/2 Sunningdale

Hearing: 22 August 2012

Tenant: Mr W Pickard

Landlord: Mr B Bufton

Members of Tribunal: Mr R S Taylor – Lawyer Chairman
Mr R W Baynhan FRICS

DECISION

1. The fair rent for the property shall be registered in the sum of £60.30 per week, which shall apply from the 22 August 2012.

22 August 2012

A handwritten signature in black ink, appearing to read 'Rhys Taylor'.

Rhys Taylor - Chairman

REASONS

Background.

1. This is an appeal concerning the decision of a Rent Officer dated 17 April 2012, concerning the registration of a fair rent for the property.
2. By application dated 25 March 2012 the landlord applied for the rent to be registered at £64 per week.
3. The previous rent, registered on 24 June 2010, was for £58.50 per week effective from 24 June 2010.
4. The Rent Officer registered a new fair rent on the 17 April 2012 in the sum of £62.50 per week to be effective from 24 June 2012.
5. The tenant verbally objected to this figure (which is recorded in an undated email by the Rent Officer who accepted his verbal objection on grounds of the tenant's medical complaint) and the Rent Officer accordingly referred the matter to us by letter dated 24 April 2012.

Inspection.

6. The committee inspected the property on the 23 July 2012.
7. The property comprises a ground floor one bedroomed flat located in a converted three storey middle terrace Victorian terrace. There are a total of six flats located within this building which has a small front garden and a rear yard. It is situated adjacent to the main road running through Llandrindod Wells and is within easy walking distance of shops and other facilities.
8. The building was converted many years ago and although the main access to the flats is through a communal front door the only access to the property is via a lane access to the rear of the terrace.
9. The access to the property has been improved by means of a slight ramp, as the tenant has a mobility scooter, although the cost of this was not borne by either the landlord or tenant but was by way of a Local Authority grant.

10. The accommodation consists of a small entrance hall or storage area with a door on one side leading to the kitchen. On the other side there is a living room, an inner hall, a double bedroom and a bathroom.
11. The landlord has installed some double glazing units to the flat although the remaining windows are wooden casement. The kitchen is adequate and comprises a sink unit with work surface and drawers and cupboards underneath. The tenant has added further cupboards. The bathroom which would benefit from updating has been altered at no cost to the landlord or tenant, again by a 'Care and Repair' grant from the Local Authority, to take into account the requirements of the tenant. It comprises a W.C., a wash hand basin and a walk in shower. There is a gas boiler in the kitchen which provides hot water and also serves the central heating system.
12. The general condition of the property is only fair and although part has been rewired it was noticed that the wiring in other areas was old. There is some condensation to the wall in the kitchen and although the majority of the floor coverings were provided by the landlord these are now reaching life expiry.

Written submissions.

13. The tenant originally indicated that he wished to have a hearing to determine this matter. However, at the inspection the tenant indicated that he wished to have a little time to decide if a hearing was necessary, giving him an opportunity to consult an organization which supports him. The clerk to the committee made contact with the tenant about a week after the inspection and he indicated that he did not wish to have a hearing and was content for us to deal with the matter on the information which we already have. He has not filed any further written submissions.
14. The landlord has indicated that he does not require a hearing and states on his reply to the tribunal that the "Rent Officers comments were fair and accurate. I was happy to accept rent decision of £62.50."

Market rent.

15. We have considered the Rent Officer's schedule of comparable rents as used in his determination of the market rent. These range from £45 to £73 per week. However, the

schedule does not particularize addresses save for the partial post code area, so it is of limited value to us. It would be of great assistance, in future, if the Rent Officer was able to indicate which properties were specifically being relied upon as comparables as the schedule affords limited help in its current format.

16. Essentially, we must determine the market rent applying our own knowledge and expertise as an expert committee.

17. We determine that the market rent for this property should be £72 per week.

s.70 Rent Act adjustments

18. From the headline figure we must make the adjustments pursuant to s.70 of the Rent Act 1977. We make the following deductions:-

- a. £2 per week for the condition of the property
- b. £2 per week for the basic kitchen and bathroom
- c. £1 per week for carpets and curtains;

19. This means we have a total of £5 per week to come off the market rent of £72 per week. This results in an adjusted market rent of £67 per week.

Scarcity.

20. The Rent Officer has selected a scarcity discount of 10%. Applying the committee's own knowledge and expertise we would agree with this figure given the wide geographical area in which the property is situated. In the "M4 corridor" of South Wales and its environs the committee usually provides for a 15% discount, given the general demand in a higher populated area. We take the view that the property is situated in an area which is different in its population and rental patterns, such to justify the lower discount figure.

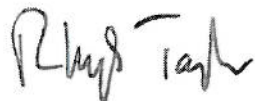
21. This leaves a fair rent of £60.30.

Maximum Fair Rents Order 1999

22. The Rent Acts (Maximum Fair Rent) Order does not apply in this case. The MFR in this case is £66.50. We have appended our calculation which arrived at that figure to this decision.

23. The fair rent shall therefore be registered at £60.30 per week.

Rhys Taylor – legal chairman.

A handwritten signature in black ink, appearing to read 'Rhys Taylor', with a stylized flourish at the end.

22 August 2012

address of property

2 Sunningdale, Temple Drive

date

22.8.12

(populate the pink cells with figures)

market rent

£ 72.00 per week

adjustments

lack of central heating

0

carpets curtains

1

condition

2

basic bathroom

2

basic kitchen

0

double glazing

0

other (tenants improvements)

0

total

5

adjusted market rent

£ 67.00

scarcity %

10 %

amount of reduction

£ 6.70

fair rent

£ 60.30

add services if any

0

maximum fair rent calculation

a) present RPI for last month published

242.1

b) RPI for month of last registration

224.1

c) = a) less b)

18

d) divide c) by b)

0.080321

e) add enhancement factor

0.05

add 1

1

f) total

1.130321

g) last registered rent

£ 58.50

H) multiply f) and g)

£ 66.12

i) round up to nearest 50 pence

£ 66.50

