

**Rent Assessment Panel for Wales**

<b>Notice of the Rent Assessment Committee Decision</b>		File Reference Number: RAC/ 0004/06/17
Address of Premises 25 Shortbridge Street, Llanidloes, SY18 6AD	The Committee members were Andrew Grant David Evans FRICS	
(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.	£ 272.00	per 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.	25 <sup>th</sup> September 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 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>25<sup>th</sup> September 2017</u>	Chairman      Andrew Grant	
<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: £272.00		

**Y TRIBIWNLYS EIDDO PRESWYL**  
**RESIDENTIAL PROPERTY TRIBUNAL**  
**RENT ASSESSMENT COMMITTEE**

Reference: RAC/0004/06/17

Property: 25 Shortbridge Street, Llanidloes, SY18 6AD

Landlords: Sue Johnson, Ron Clayton and David Clayton

Tenant: Mrs Wendy George

Committee: Andrew Grant, Chairman  
David Evans FRICS, Surveyor

**Reasons for the Decision of the Rent Assessment Committee**

1. We were duly convened as a Rent Assessment Committee on the 18<sup>th</sup> September 2017 under the provisions of the Rent Act 1977.

**The Reference**

2. We had before us a reference from the Rent Officer (Wales) in respect of 25 Shortbridge Street, Llanidloes, SY18 6AD (“the property”). Mrs Wendy George (“The Tenant”) had appealed against the rent of £272.00 per calendar month as determined by the Rent Officer and being effective from the 25<sup>th</sup> May 2017.
3. On the 17<sup>th</sup> April 2017 Mr D Clayton (“the landlord”) had made an application for registration of a fair rent of £350 per month. The landlord, in its application, stated the current rent to be £170 per month having last been registered on the 14<sup>th</sup> April 2004.
4. The Rent Officer proceeded to deal with the application and determined the fair rent to be £272.00 per calendar month.
5. By way of a letter dated the 6<sup>th</sup> June 2017 the Tenant objected to the rent as determined by the Rent Officer and in consequence the matter comes before this Committee.

**The Inspection**

6. The Committee inspected the property on the 18<sup>th</sup> September 2017. Also present at the inspection was the tenant, Mrs George. There was no attendance from any other party.
7. The property is located in the town of Llanidloes. The towns of Aberystwyth and Newtown are situated about 30 and 14 miles away respectively.

8. Number 25 Shortbridge Street forms part of a small complex of mixed commercial/residential units close to the centre of town. At the front of the property and on the ground floor is a self-contained shop which is let to another party and does not form part of the subject premises.
9. The property is constructed mainly of brick walls under a slated roof. Access to the property is along a shared access path with the adjoining property No26 from Picton Street which is located at the rear of the property. The property provides the following accommodation –

Ground Floor – Covered porch area which is shared, lounge.

Basement – Dining room, Airing Cupboard, Kitchen with rear access door and external steps to rear.

First Floor – Landing, front double bedroom, bathroom and rear single room/dressing room.

Second Floor – Landing, Two bedrooms and access to attic storage room.

10. As to be expected in a property of this age and type signs of dampness were present in several rooms particularly the dining room.
11. The property did not have any central heating. The windows were single glazed with the exception of a small window in the bathroom on the first floor of the property.
12. Since the last rent review in 2004 the Landlord had undertaken various repairs and improvements such as installation of a new hot water cylinder in the airing cupboard and the provision of new kitchen units. In addition, some external maintenance has been undertaken such as providing a new bathroom window, repairs to the roof and some external painting. Because of the height of the building scaffolding would have been used and this would add to the cost of undertaking the external works.
13. The property had been well maintained internally by the tenant. We were informed that the property was last rewired for electricity some considerable time ago.
14. Amongst the papers before the Committee was a letter from the Landlord indicating their intention to carry out further repairs and improvements to the property.

### **The Deliberations**

15. Neither party requested a hearing. Both parties submitted written representations dated the 3<sup>rd</sup> July 2017.
16. Given that neither party had requested a hearing the Committee determined the matter upon the basis of the papers that had been received.

17. The Committee are required to determine the Fair Rent by reference to market rents less adjustments for condition and scarcity. The Committee also had to determine if the Rent Acts (Maximum Fair Rent) Order 1999 applies and if so, calculate the maximum Fair Rent in accordance with that order.

## **Decision**

18. The tenant submitted that an increase in the rent of 30% in one go was too much. She also questioned why she was exempt from the Maximum Fair Rent Provisions.

19. The Landlord acknowledged that there were aspects of the property that were in disrepair but indicated that it wanted to work with the tenant in having any repairs carried out. In that regard, they stated that they had carried out repairs and improvements to the property and amongst the paperwork the Landlord had submitted were a number of invoices evidencing work carried out to the property over the years. The Tenant acknowledged that work had been carried out to the property by the Landlord.

20. The works which were evidenced totalled £4164.04 over a period of 13 years since the date that the last rent was registered. The Committee carefully went through the items identified on the invoices and the amounts charged and were satisfied that they were reasonable.

21. The Committee considered that the works would result in an increased monthly rental value for the property and that the works had the effect of increasing the rental by a figure in excess of 15% of the rent at the date of the last registration. The significance of this is that it takes the rental out of the capping provisions introduced by the Rent Acts (Maximum Fair Rent Order) 1999.

22. The Rent Officers calculation showed that he started with a market value of £440.00 per month. Attached to his calculations were a list of comparable properties upon which he had relied to reach his own figure for the market value of the subject property. Neither the Landlord nor the Tenant had submitted any evidence of comparable rental values.

23. The committee considered the market value attributed by the Rent Officer and the evidence relied upon in support. Using its own specialist knowledge, it was considered that there was a range of appropriate values and that the figure adopted by the rent officer fell within the acceptable range. The Committee therefore agreed that the market value for the property in good tenable condition would be £440 per calendar month.

24. The Committee then made deductions to take into account the basic nature of the property without tenant's improvements, condition of the property and the scarcity which was considered still existed for this type of property.

Market Rent		£440.00
Lack of central heating and double glazing	£40.00	
Lack of soft furnishings /curtains and carpets	£36.00	
Dampness/Disrepair	£44.00	
		£320.00
	Scarcity at 15%	£48.00
		<u>£272.00</u>

25. The Committee then had to determine if the rent was subject to Capping. As set out in paragraph 21 above the Committee decided that the work carried out by the Landlord over the years resulted in the new rent exceeding the previous registered rent by 15%. Accordingly, pursuant to section 2 (7) of the Rent Acts (Maximum Fair Rent) Order 1999, section 2(1) of the Order does not apply.

26. For the reasons set out above the rent to be registered is £272.00 per calendar month.

Dated this 29<sup>th</sup> day of September 2017.



Andrew Grant  
Chairman