

Rent Assessment Panel for Wales**Notice of the Rent Assessment
Committee Decision**File Reference Number:
qA1030350Address of Premises
3 Holmes Street
Barry
CF63 2JBThe Committee members were
David Evans (Chairman)
Roger Baynham (Surveyor)(1) The Committee has decided that the rent for the
above premises is:

73.50 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.10th October 2012

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

(4) The amount for services is:

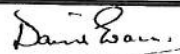
per

(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: 10th October 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: £

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL (WALES)

DECISION OF THE RENT ASSESSMENT COMMITTEE
IN THE MATTER OF 3 HOLMES STREET BARRY CF63 2JB

Ref: 1030350

INTRODUCTION

1 We convened as a Rent Assessment Committee under the provisions of the Rent Act 1977 on the 10th October 2012. We had before us a reference from the Rent Officer in respect of 3 Holmes Street Barry (the Property). The Rent Officer had registered a fair rent of £77 per week on the 3rd August 2012. The Tenant, Mrs E Verling, has objected to the Rent Officer's decision and the Rent Officer has referred the matter to us. The Landlords, Mrs M Hammond and Mrs S J Ratner, had applied for the rent to be increased to £75 per week.

2 Before considering the matter, we visited the Property. The Tenant was present and we were able to inspect both internally and externally. The Landlords did not attend.

INSPECTION

3 The Property is a stone, bay fronted terraced house. It fronts directly onto Holmes Street which is one of a number of residential streets leading off from the secondary shopping area of Vere Street, Cadoxton in the east end of Barry.

4 There are two living rooms downstairs with a kitchen and a bathroom which contains a bath, toilet, wash hand basin and the walk in shower to which the Tenant refers in her representations. Upstairs there are three double bedrooms. There is a small neat garden at the rear of the Property. We noticed that there was some cracking to the render and the roof needed attention where one or two tiles were missing. The garden path was also cracked in places.

5 The windows are double glazed, but there is no central heating. In fact there is no heating upstairs at all. The Tenant has provided two coal effect gas fires with their surrounds in the two living rooms. The upstairs fireplaces have been blocked up. Water is heated by an immersion heater. All the carpets and curtains and blind were provided by the Tenant. The front door and the back "stable" door were also provided by the Tenant. The Tenant replaced the ceiling in one of the living rooms when the ceiling plaster had deteriorated to such an extent that parts of it fell down. The ceiling in one of the bedrooms was also replaced by the Tenant when it cracked following a leak. This was 25 years ago. The kitchen is very basic and all the white goods were provided by the Tenant.

REPRESENTATIONS

6 The parties agreed that the matter should be dealt with on the papers. We had before us the Tenant's letter of objection received the 23rd August 2012 and the Landlord's agent's letter dated the 31st August 2012 and representations dated 30th August 2012.

7 The Tenant has been in occupation for 52 years. She stated that the Landlords have not done anything to the Property. Any work at the Property had been done with the aid of a grant through the Cadoxton regeneration scheme. The Property has no central heating and she and her late husband paid £2,500 for the installation of a shower.

8 The Landlords' agents (Seel & Co) expressed themselves satisfied with Rent officer's decision as in their view it was impartial and based upon current rents achievable for this type of property.

CONSIDERATION

9 We are required to determine a fair rent in accordance with section 70 of the Rent Act 1977 and the principles laid down in the case law. We also required to ignore the personal circumstances of the parties.

MARKET RENT

10 The Rent Officer has suggested £550 per month (£126.92 per week) as a market rent for the Property assuming it to be in good condition and with the modern amenities which a tenant in the market would now generally expect. He has deducted £8 per week to take into account the age character and location of the Property which would make the market rent £118.92 per week. Whilst we can appreciate that £550 per month could be achieved in the open market for properties closer to the town centre with its access to the shops and facilities there, we have to take into account that this part of Cadoxton is perhaps less favoured. We must also take into account that there is no forecourt. We were provided with no comparables although we did have the Schedule prepared by the Rent Officer showing a range of rents between £425 and £650 per month. However, we are entitled to rely upon our own knowledge and experience of the property market. Taking into account the issues to which we have referred, we determine the market rent for the Property, on the basis that it is in good repair with central heating, double glazing and with the white goods and floor furnishings and curtains provided by the Landlord, as would be expected in the open market, to be £500 per month (£115.38 per week).

ADJUSTMENTS

11 The lack of central heating (and indeed any heating in the bedrooms) is bound to impact substantially upon the rent which a prospective tenant would pay in the market. We are also required to disregard the value of tenant's improvements –the two gas coal effect fires replacing the old coal fires and the two new ceilings - as well as any lack of repair. The Tenant has provided the floor coverings, blind and curtains as well as the white goods. In the market, a prospective tenant would expect these to be provided by the Landlord. We therefore make the following adjustments:

For lack of heating	£10.00 pw
For basic kitchen/bathroom	£ 5.00 pw
For lack of carpets and curtains	£ 7.00 pw
For lack of repair and tenant's improvements	<u>£ 7.00 pw</u>
TOTAL DEDUCTIONS	£29.00 pw

We therefore determine that the adjusted market rent is £86.38 pw.

SCARCITY

12 We are required by the Rent Act to take into account in assessing a fair rent for the Property whether there is an excess of demand over supply of accommodation such as this in Barry and the wider area. The Rent Officer has deducted approximately 25%. Applying our own knowledge and experience, we conclude that there is a fairly strong demand for properties of this type. However, we consider 25% to be on the high side. We therefore conclude that it is appropriate to reduce the adjusted market rent by 15% to take this scarcity into account.

13 Accordingly, we have deducted £12.96 from the adjusted market rent to reflect this, making the fair rent for the Property £73.42 per week which we round to £73.50 per week.

MAXIMUM FAIR RENT

14 We are required to consider whether the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply. The existing rent registered on the 20th March 2003 was £60 per week. The Retail Prices Index (RPI) published for March 2003 was 179.9. The RPI published in September 2012 was 243.0. The relevant increase in the RPI was 63.1. The appropriate enhancement factor in accordance with the Order is 0.05. To calculate the maximum fair rent we apply the formula as set out in the Order as follows:

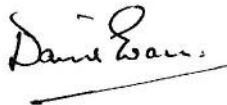
$$\text{Maximum Fair Rent} = £60 \times \left(1 + \frac{63.1}{179.9} + 0.05\right) = £84.05 \text{ per week}$$

Rounding up to the nearest £0.50p, we assess the maximum fair rent to be £84.50 per week. As this is more than the rent we have determined in paragraph 13 above, the Order does not apply in this case.

DECISION

15 We therefore determine the fair rent in respect of 3 Holmes Street, Cadoxton, Barry to be £73.50 per week

DATED this 17th day of October 2012



CHAIRMAN

