


Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0006/05/16
Address of Premises 33 Allerton Street Grangetown Cardiff CF11 6SL	The Committee members were Richard Payne Roger Baynham	
(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.	£88.50 per calendar 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.	2 nd December 2016	
(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 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: <u>2nd December 2016</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: N/A		

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

Reference: RAC/0006/05/16

Property: 33, Allerton Street, Grangetown, Cardiff, CF11 6SL.

Applicant: United Welsh Housing Association

Respondent: Mrs P Matthews

COMMITTEE: Richard Payne
Roger Baynham

DECISION OF THE RENT ASSESSMENT COMMITTEE

The registered rent for 33 Allerton Street (“the property”) is determined at £88.50 per week.

The registration of the rent takes effect from 2nd December 2016.

REASONS FOR DECISION

Background

1. On 19th February 2016, the Applicant applied under s.67 of the Rent Act 1977 (RA) for registration of a fair rent. The Applicant sought a new weekly rent of £105.83. The landlord does not supply any services to the property. This is equivalent to a rent of £458.59 per calendar month. The registered rent at the time of the application was £84.00 per week, effective from 13th January 2014.
2. The Rent Officer determined a new registered rent of £88.50 per week to take effect from 8th April 2016. The Applicant appealed against the registered rent by letter to the Rent Officer dated 4th May 2016 and the matter was duly referred to the Rent Assessment Committee by the Rent Officer service by letter dated 23rd May 2016.
3. The Applicant indicated by a form returned to the tribunal dated 6th June 2016 that it did not require a hearing. The Applicant’s written representations were as follows; *“Our assured rent for properties of this type and similar is £100.79. The Rent Officer has adjusted for the damp so we don’t know why we were not given the maximum fair rent as the property is in reasonable order and the damp is being dealt with.”*

4. The Committee inspected the property on 2nd December 2016. There had been difficulties arranging access to the property for an inspection and so the tribunal had written to the parties on 27th September 2016 indicating that the Committee proposed to deal with the matter without an oral hearing on the evidence before it, which included the information from the Rent Officer and the Applicant's representations reproduced above. In fact upon attending to inspect the property externally on 2nd December 2016 the tenant was present and so it was possible for the property to be inspected internally as well. The Committee also decided that it would be in the interests of justice to take into account the oral evidence given by the tenant during the inspection rather than inviting the tenant to attend at the tribunal offices to formally repeat the same evidence. In taking this approach, the Committee were mindful that the Applicant had indicated that they did not wish to attend at an oral hearing in any event and only wished to rely on their written representations and were satisfied that this did not disadvantage the Applicant from advancing its case in the manner in which it wished to do so.

Situation & Description

5. The property which was constructed circa 1900's comprises a middle of terrace house having the benefit of a small forecourt. It has solid brick exterior walls which have been cement rendered a composite slate roof with 10 solar panels to the rear elevation, plastic rainwater goods and double glazed UPVC windows and doors.
6. The accommodation on the ground floor comprises an entrance hall, through lounge/dining room and a kitchen. There is laminated flooring throughout the ground floor. On the first floor there is a landing, two double bedrooms and a bathroom with bath having an attached shower over, wash hand basin and WC. The furnishings to the first floor were provided by the landlord as a replacement for the tenant's original carpet and curtains when the property was refurbished approximately five years ago. The property has the benefit of full gas central heating.
7. The rear garden is well maintained and consists of a paved path with lawn, flower borders and a garden shed. There is also an attached shed which was previously the outside WC.
8. Although the cement render to the front elevation had been recently renewed, the render to the rear elevation was in particularly poor order with a considerable number of cracks which no doubt were allowing water ingress.
9. The property is located in a quiet side street in the Grangetown area of Cardiff within easy reach of local shops and the city centre which is approximately one mile distant.

The Law

10. Section 70 of the RA 1977 sets out the factors to be considered when determining a fair rent. In particular we are required to have regard to the age, character, locality and state of repair of the property.

11. At the same time, s.70 requires us to disregard:

- The personal circumstances of the parties; (the law constrains us from considering the individual's circumstances and affordability.)
- Any disrepair or other defect attributable to a failure by the tenant under the terms of the tenancy; and
- Any improvements carried out by the tenant, other than as required under the tenancy.

12. We must also assume that the number of people seeking to become tenants of similar properties in the area on terms identical to the Respondent's tenancy (save as to rent) is not substantially greater than the number of such properties which are available to rent on such terms. In other words, we must make certain assumptions regarding scarcity and demand.

13. In addition, further regulation of Rent Act rents is provided by the Rent Acts (Maximum Fair Rent) Order 1999 ('the Maximum Fair Rent Order'), which places a cap on the permissible amount of the increase of a fair rent between one registration and the next. The cap is based upon the amount of increase in the Retail Prices Index between the dates of the two registrations.

14. By virtue of section 72 of the RA 1977, the registration of the rent takes effect from the date when the Committee reached its decision.

Representations before the Committee

15. The Applicant's representations were as set out in paragraph 3 above. The Respondent drew the Committee's attention to a number of defects in the property, primarily relating to damp.

15.1. Damp to the ceiling/wall in the lounge/dining room.

15.2. Damp to the wall in the entrance hall which has been tiled by the landlord.

15.3. Damp to the ceiling in the rear bedroom.

15.4. A severe water leak to the bathroom which commenced approximately one year ago and has caused damage to the ceiling. A bucket had been provided by the landlord following particularly heavy rain some two weeks prior to the Committee's inspection.

Assessment of the rent

16. The starting point in assessing a rent under s.70 of the RA 1977 is to establish the market rent for the property. To that rent, a number of adjustments are made, to reflect the requirements of s.70.

17. The Rent Officer had provided information on a range of rents for two bedroom terraced houses in the locality between £114.23 and £150.00 per week, or £495.00 and £650.00 per month between 8th October 2015 and 8th April 2016. The Rent Officer had considered the market rent to be £126.92 per week. Taking into account all of the

evidence, using our own skill and expertise and having regard to the size and location of the property, we concur with the Rent Officer's figure as a starting point.

18. Carpets and curtains would usually be provided by the landlord in a rented property. We adjusted the weekly rent by £5 to reflect this. We made further adjustments of £3 per week to reflect the small kitchen and £15 per week in the light of the condition of the property overall to include the damp noted on inspection as indicated in paragraph 15 above which is clearly a long standing problem.
19. On the issue of scarcity, the Rent Officer had made a deduction of 15% with which we agree. We therefore make a deduction of 15% for scarcity. This leaves a fair rent figure of £88.33 per week which we round up to £88.50 per week.

Calculations

20. Applying our findings and conclusions, we determined the weekly rent as follows:

Market Rent		£	£
			126.92
Less Adjustments (if appropriate)			
Carpets/Curtains		5.00	
Basic Kitchen		3.00	
Condition		15.00	
			<u>23.00</u>
Adjusted Market Rent			103.92
Deduct for Scarcity	15%	<u>15.59</u>	
Fair Rent (excluding services)			<u>88.33</u>
Add services (if any)			<u>00.00</u>
Fair Rent	say		88.50

21. We calculated the Maximum Fair Rent using the present RPI as at the date of inspection of 264.8 and determined the MFR as being **£93.00 per week**. We are to determine the fair rent as being the lowest figure of the MFR or our fair rent calculation. The MFR therefore does not apply in this case.
22. With regard to the Applicant's representations to the Committee dated 6th June 2016 and the comments upon the MFR it was unclear to the Committee whether the Applicant

understands the implications of Rent Act status or not as no hearing was requested and there was no opportunity to explore this.

Conclusion

23. The fair rent for the property is therefore £88.50 per week.

24. The registration of the rent takes effect from 2nd December 2016, the date we reached our decision.

DATED this 2nd day of December 2016

A handwritten signature in black ink, appearing to be 'R Payne', with a stylized flourish at the end.

Richard Payne
CHAIRMAN

