

Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0006/11/18
Address of Premises Fair Bank Cynfal Menai Avenue Bangor LL57 2HH	The Committee members were Jack Rostron David Jones	
(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.	£78.00 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.	1 February 2019	
(3) The rent is not to be registered as variable.		
(4) The amount for services is:	0	
(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	0	
(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: None		
Date of decision: 1 February 2019	Chairman Jack Rostron	
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		

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RESIDENTIAL PROPERTY TRIBUNAL (WALES)
RENT ASSESSMENT COMMITTEE
(Rent Act 1977)

Reference: RAC/0006/11/18

Property: Fair Bank, Cynfal, Menai Avenue, Bangor, LL57 2HH

Landlord: St John's Methodist Church, Theo Turney Bequest, c/o Jones Peckover,
Britannia House, Four Crosses, Menai Bridge, LL59 5RW

Tenant: Mrs Jean Brown

COMMITTEE: Chairman J Rostron
Surveyor D Jones

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

INTRODUCTION

1. We were duly convened as a Rent Assessment Committee on Friday 1 February 2019 at; Fair Bank, Cynfal, Menai Avenue, Bangor, LL57 2HH [the 'Property']. We had before us a reference from the Rent Officer. Mrs. Jean Brown, [the 'Tenant'], 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 5 September 2018 by the Rent Officer.

3. The application was for an asking rent of £85.00 per week. The rent registered by the Rent Officer being £80.50 per week. The rent was registered on the 9 October 2018, with an effective date being the same. The previous fair rent was £70.00 per week and registered on 18 November 2015, 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.

INSPECTION

4. The Committee inspected the Property at 10.00 am on the 1 February 2019 in the presence of the Tenant and the Landlord's Agent of Jones Peckover.

5. The Property is two storey maisonette converted from former stables of the main house which is a large semi-detached house we believe built during the Victorian period. The maisonette was built we understand post 1964. The Property is located in a residential area near to the Menai Straits. It has good access to all facilities such as shops, doctors etc. There is off-street parking and a garage. There is a small garden and green house at the front of the Property.

6. The Property is of masonry construction rendered. Windows are double glazed and frames made of upvc. The accommodation comprised of; one living room and kitchen on the ground floor; bathroom with WC, sink and bath/shower and double bedroom on the second floor. The bathroom and kitchen were not fitted with modern fixtures and fittings although well maintained for their age. Damp patches were observed in the kitchen and living room.

7. All curtains, carpets and white goods had been provided by the Tenant. There was no central heating. Heating was principally by space storage heaters. Mains electricity, water and drainage is provided but mains gas is not.

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 (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 dated 4 December 2018 which states *inter alia*..." We would advise that comparable market rents within the Bangor area for a one bed roomed self-contained property command rentals of around £575.00 per calendar month as per those listed on Rightmove. Demand is high due to the requirements of students attending Bangor University. Unfortunately, no tenancy agreement has ever been produced in regard to the Property and Mrs Brown has been allowed to continue to live at Fairbank, following the passing of her late husband in September 2017, by agreement with the representatives of the Theo Turney Bequest." The Tenant did not present any comparables but indicated in her statement the serious damp in the kitchen was spreading. She proposed no change in the rent pending resolution to the damp problem and replacement of damaged fixtures and fittings.

11. It is noted from the Rent Officer's documentation that he registered the rent of £80.50 per week, this being registered on the 9 October 2018. In determining the registered rent, he allowed as a starting point, a rent of £115.38 per week, and deducted adjustments from this of £21.00 per week concerning; age, character, etc. and £3 for furniture He further reduced the adjusted rent of £91.38 per week by £9.14 because of scarcity resulting in a fair rent of £82.50. 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 producing a fair Rent of £80.50.

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 £115.38 per week.

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

Market Rent per week		£115.38
Less adjustments		
Age, character etc	£21.00	
Furniture	£3.00	
Adjusted market rent		£91.38
Less 15 % Scarcity		£13.71

Fair Rent (rounded as appropriate)

£78.00

14. The Maximum Fair Rent Calculation is as follows;

RPI at last registration	259.8
RPI applicable in Dec 2018	285.6
Enhancement factor	0.05
Last registered rent	£70.00
Maximum Fair Rent	£80.50

15. The Maximum Fair Rent regulations do not apply and accordingly the Maximum Fair Rent is £78.00 per week.

It is declared the Committee has decided the fair rent for the Property shall be £78.00 per week from the 1 February 2019.



CHAIRMAN J Rostron