

Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0012/09/15
Address of Premises Marshlands Cottage Langrove Swansea SA3 2EB	The Committee members were Andrew D Morris LLB Peter Tompkinson	
(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.	£300.00 per calendar 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.	3 rd November 2015	
(3) The rent is not to be registered as variable.		
(4) The amount for services is:	nil	
(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	nil	
(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: 3 rd November 2015	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: £324.00 per calendar month		

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RESIDENTIAL PROPEY TRIBUNAL
RENT ASSESSMENT COMMITTEE

Reference: RAC/0012/09/15

Property: Marshlands, Langrove, Gower, Swansea, SA3 2EB

Landlord: Mr N A Maxwell

Tenant: Mr B Swinton

Committee: A Morris, Chairman
Mr P Tompkinson, Surveyor

Reasons for the Decision of the Rent Assessment Committee

1. We were duly convened as a Rent Assessment Committee under the Rent Act 1977 at the subject property Marshlands Cottage, Gower, Swansea (the property) and subsequently at Pennard Community Centre on the 3rd November 2015.
2. We had before us a reference from the Rent Officer for Wales following an objection from the Landlord Mr N A Maxwell. The existing rent registered on 23rd October 2007 was £232 per calendar month. The Landlord requested an increase to £415 per calendar month. On 20th October 2015 the Rent Officer registered a Rent of £234 per calendar month. The Tenancy had commenced on 26th January 1985. The Tenant was a Mr B Swinton.
3. Prior to the hearing we inspected the property in the presence of the Tenant. The property is a single storey bungalow set in the centre of a large rectangular plot with large garden areas to front and rear in a largely rural location though adjacent to a Mobile Home Park with Leisure Centre and not far from Swansea's Airport. The general vicinity is highly sought after being on the picturesque area of the Gower with the City of Swansea relatively nearby.
4. We inspected both internally and externally. The property has a tiled roof and cement render. It has double glazed windows and access door. The rain water goods and fascias were in need of some attention.
5. Access is to the side via a drive way and the garden path with a step down to the level of the property. The Tenant indicated that as the land to the front sloped towards the house this area often flooded.

6. Entry is direct to the kitchen at the rear. The Tenant stated that all the fixtures and fittings and units had been installed by him. Off the kitchen one enters a square living room. The double bedroom is directly off the living area. There is a lobby to the right with bathroom to the rear a cupboard which housed the hot water tank and a small single bedroom to the front. The Tenant stated that he had supplied the bathroom fittings as only a toilet had existing when he moved in. He had lined the walls and boarded out the floors due to damp and unevenness in the walls and floor.
7. Heating was provided by the original open fire place with some rooms having electric night storage heaters provided by the Tenant and oil fired radiators supplied by him. The Tenant stated that generally the double glazing was ill fitting causing draughts and that generally the house was damp.
8. In the garden to the rear was a cesspit – the Tenant complained that it often needed rodding due to the configuration of the pipe serving it. The Tenant had provided a shed and there was a table and covered seating area. A fair proportion of the land to the rear was scrub which had, at least in the past, suffered from Japanese Knotweed. The Tenant thought he had successfully eradicated this.
9. To the front the garden was largely grassed though there was a hard area laid by the Tenant and a shed provided by the Landlord.
10. The nearest if limited shopping facilities were some distance away in the villages of Pennard and Killay. There was a local primary school and library in Pennard.
11. At the hearing only the Tenant appeared. We had before us the papers supplied by the Rent Officer, the Landlords representations by way of letter of the 18th September 2015 and a letter from the tenant dated 4th October 2015.
12. In short the Landlord's view was that he had always tried to attend to repairs brought to his attention. He had installed the double glazing and the loft had been lagged. There was no gas supply in the area and there was little he could do about condensation. He at least expected the rent to rise in the 8 years since last registration in line with inflation.
13. The Tenant in his evidence both by letter and at the hearing stated that when he acquired the Tenancy the property had been all but derelict. The previous tenant had stripped the property of virtually all the fixtures and fittings. He had had the property rewired and re-plumbed, fitted the kitchen and bathroom and installed the electric heating. He had renewed the ceiling in the kitchen and screeded and boarded floors. He had installed fitted wardrobes in the main bedroom.
14. At the hearing we enquired of the Tenant if he knew of other properties similar to his in the locality which had been let. He did not. He felt properties in the Gower were more often sold than let. He did not know if there was a high demand in the area for Rental properties. It was put to the Tenant that our enquiries showed that

properties of a similar size had been let at a figure of around £500 per calendar month. He said he was not aware of this.

15. We considered all the evidence before us and the statutory framework set out in S.70 of the Rent Act 1977. On our own enquiry we had established 13 properties in the locality available to rent, 4 of which had been let in October including a 2 bedroom flat at Three Crosses and a 2 bedroom house in Killay both let in October 2015 one at £495 per calendar month the other at £500 per calendar month. Whilst we did not have full particulars of these properties we can assume that in our experience they would have benefitted from relatively modern kitchens and bathrooms, gas or other form of central heating, double glazing and probably carpets and other soft furnishings.
16. We therefore considered an open market rent of £500 per calendar month was reasonable and made deductions to take into account the tenants improvements and the condition of the property including damp. In accordance with previous decisions of this Tribunal we made an adjustment for scarcity taking the Swansea area generally as our guide at 10%. We therefore calculated the Fair Rent as follows:-

Open Market Rent		£500.00
Less		
Lack of Central Heating	40.00	
Carpets etc	10.00	
Kitchen/Bathroom	40.00	
Condition	40.00	
Double glazing poor condition	<u>10.00</u>	<u>£140.00</u>
		£360.00
Scarcity @ 10%		<u>£ 36.00</u>
	Fair Rent	<u>£324.00</u>

17. We are however required to take into account the Rent Acts (Maximum Fair Rent) Order 1999 and having made the relevant calculations (copy attached) find that the maximum rent applicable is £300.

18. We therefore determine the Rent of the subject property to be £300. We confirm our decision was made on 3rd November 2015.

Dated this 19th day of November 2015

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line and a small dot at the end.

CHAIRMAN

VALUATION

MAXIMUM FAIR RENT (MFR) CALCULATION FOR MARSHLANDS, LANGROVE, GOWER. SA3 2EB

RPI PUBLISHED SEPTEMBER 2015 – **259.6**

RPI PUBLISHED OCTOBER2007 (DATE OF LAST REGISTRATION) – **208.9**

RENT REGISTERED OCTOBER2007 - **£232.00**

NOT FIRST APPLICATION FOR REGISTRATION THEREFORE **ADD .05**

FORMULA: -

$$\text{MFR} = \text{LR} \left[1 + \frac{(x - y)}{y} + P \right]$$

LR is the amount of the existing registered rent

x is the Retail Price index published in the month preceding the month in which the rent is being registered

y is the published index for the month in which the rent was last registered

P is 0.075 for the first application for registration of rent after 1 February 1999 and 0.05 for every subsequent application

Where rent not a multiple of 50 pence it should be rounded up to nearest multiple of 50 Pence.

CALCULATION

$$£232 \times (1 + ((259.6 - 208.9) / 208.9) + .05) = £299.90$$

Round up to nearest 50p

MFR therefore £300.00