

**Y TRIBIWNLYS EIDDO PRESSWYL
RESIDENTIAL PROPERTY TRIBUNAL**

**RENT ASSESSMENT COMMITTEE
(RENT ACT 1977)**

Reference: RAC/0012/07/22

In the matter of 4 Brook Terrace, Tairgwaith, Ammanford, SA18 1YA

Landlord: Mr B Jones

Tenant: Mrs J Clark

Committee: Mr AR Phillips, Chairman
Mr R Baynham, Surveyor

DECISION

INTRODUCTION

1. We convened as a Rent Assessment Committee under the provisions of the Rent Act 1977 on the 6th October 2022. We had before us a reference from the Rent Officer in respect of 4 Brook Terrace, Tairgwaith, Ammanford SA18 1YA (the Property). The Rent Officer had registered a fair rent of £76.00 per week on 24th March 2022. The Landlord has objected to the Rent Officer's decision and the Rent Officer has referred the matter to us. The Landlord had applied for the rent to be increased to £90.00 per week.
2. The Rent Officer has assessed the fair rent as £76.00 per week effective from 24th March 2022. The Committee has details of the Rent Officer's calculation of the fair rent from which it is noted that he considers the Relevant Market Rent to be £114.23 per week. From that figure the following deductions are made:

£8.00 in respect of age, character and location

£12.00 for furniture

£10.00 for any other adjustments

The Adjusted Market Rent is therefore calculated to be £84.23.

From this a further deduction of 10% (£8.42) for scarcity is made to give a Fair Rent (rounded up) of £76.

INSPECTION

3. The Committee's surveyor inspected the property on the morning of the 6th October 2022. There was no attendance on behalf of the Landlord who was aware of the inspection but the Tenant and her daughter Ms. A. Clarke were present.
4. The Property comprises a two-storey middle of terrace house which is approximately 100 years old and is conventionally constructed having brick exterior walls that have been spar rendered, a tiled roof and plastic rainwater goods. The windows and doors are double glazed Upvc units. There is a single ground floor extension to the rear that has a flat roof.
5. The Property has the benefit of full oil-fired central heating and the Tenant confirmed that the carpets and curtains throughout were supplied by her. There is no mains gas in this locality.
6. The accommodation on the ground floor comprises an entrance hall with stairs leading to the first floor, a living room, a dining room, kitchen with adequate base and wall units and a bathroom with a walk-in bath with shower, wash hand basin and a w/c. On the first floor there is a landing, two double bedrooms and a larger than average single bedroom.
7. The Tenant informed the surveyor that a new kitchen was installed by the landlord three years ago and as well as the base and wall units included a new fitted oven and hob. The oil-fired central heating system was provided under a Government scheme in 2020 and the bathroom and fixtures were upgraded by Social Services in 2019. Both these items were provided at no cost to the Landlord or the Tenant.
8. The enclosed front garden, which is of reasonable size, consists of a hard-standing area with a stone chipping and shrub border and a concrete path leading to the front door. There are steps from the house to the rear garden which is of good size and comprises a hard-standing area, a grassed area and space for a car with access by a rear unadopted lane.
9. The Property is generally in a reasonable state of repair both internally and externally although it was noted that a seal in one of the windows in the living room was defective.
10. The village of Tairgwaith is located in the Amman Valley and there are limited facilities in the immediate area although there is a small supermarket and other shops approximately 1 mile distant. Other amenities are available in Ammanford and Pontardawe and the city of Swansea is some 15 miles away.

CONSIDERATION

11. We are required to determine a fair rent in accordance with section 70 of the Rent Act 1977 (the Act). We are also required to ignore the personal circumstances of the parties. The Committee must have regard to all of the circumstances and in particular to the age, character, locality and state of repair of the property. In addition, the Committee is required to calculate the maximum fair rent in accordance with the Rent

Acts (Maximum Fair Rent) Order 1999. When the maximum fair rent applies, the rent to be registered is the lower of the maximum fair rent and the fair rent.

12. Neither party has provided the Committee with any specific comparables. In his email dated 22nd April 2022 the Landlord considers that the average rental in this area is £460 - £470 pcm. This equates to a weekly rent of between £106.15 and £108.46.
13. The Rent Officer considers the Relevant Market Rent to be £114.23 per week in his calculation.
14. The Committee also made their own enquiries with several agents and were informed that there was a very strong demand for rental properties in this area and rents have risen further since the Application was submitted.
15. Although the Rent Officer has deducted an amount of £8.00 per week in respect of age, character and location, the Committee concluded from the evidence that it obtained that the age of the Property and the location and character of the village were reflected in the rental values being obtained.
16. In the knowledge and experience of the property market, the Committee is satisfied that the Relevant Market Rent may well exceed the figures provided by the Landlord and Rent Officer.
17. Accordingly, the Committee accepts the Relevant Market Rent as £114.23 per week.
18. Our assessment of the Relevant Market Rent is on the assumption that carpets and curtains are provided by the Landlord, which in the knowledge and experience of the Committee is normal practice. Accordingly, we have made an adjustment to the rent to acknowledge this and we reduce the rent by £5.00 per week to reflect this.
19. The bathroom has been adapted by Social Services to reflect the specific needs of the Tenant. These adaptations may be considered as less desirable were the Property being let on the open market and we have made an adjustment to the rent to acknowledge this and we reduce the Relevant Market Rent by £5.00 per week to reflect this.
20. Taking the above into account the Committee determines that the Adjusted Market Rent is £104.23.

SCARCITY

21. In assessing a fair rent for the Property, the Committee is required to take into account, whether there is an excess of demand over supply of accommodation in the area.
22. No evidence in relation to this was provided by the parties, however, as set out in paragraph 14 above the Committee have made their own enquiries and is aware from its own knowledge and experience of the property market, that there is a shortage of rented accommodation at this present time in the area.

23. The Rent Officer has adjusted the market rent by a 10% to take scarcity into account. The Committee is of the opinion that the more usual figure of 15 per cent, in matters such as this, is appropriate.
24. Accordingly, we have deducted £15.63 from the Adjusted Market Rent to reflect this which results in a fair rent figure of £88.60 rounded up to a figure of £89.00 per week.

MAXIMUM FAIR RENT

25. We are required to consider whether the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 (“the Order”). The existing registered rent is £61.50 registered on 18/08/2014. The Retail Price Index (RPI) published for August 2014 was 257.00. The RPI published in September 2022 was 345.20. The relevant increase in the RPI was 88.20. 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.

$$\text{Maximum Fair Rent} = £61.5 \times (1 + \frac{88.20}{257} + 0.05) = £85.68$$

257

We round this figure up to £86. As this is less than the fair rent that we have confirmed, the Maximum Fair Rent Provisions apply.

DECISION

26. We confirm that the fair rent for the Property is £86.00 per week

DATED THIS 18th day of October 2022

AR Phillips

CADEIRYDD/CHAIRMAN