

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE

Reference: RAC/0030/01/23

Property: 11 Windsor Drive, Wrexham, LL11 2BD

Landlord: Mr. Graham Gittins

Tenant: Mr. Michael Thomas

Committee: Mr. A. Grant (chairman)
Mr. N. Martindale FRICS (surveyor)

Decision

The Committee determine that the fair rent for the property is £108.50 per week with the effective date for registration being the 18th April 2023.

Reasons

Background

1. The Rent Assessment Committee was duly convened on the 18th April 2023, to determine an application in respect of the Property known as and situate at 11 Windsor Drive, Wrexham, LL11 2BD (“the Property”)
2. On the 4th January 2023, the Committee received a reference from the rent officer indicating that the landlord had raised an objection to the rent certificate which had been issued and requested that the matter be referred to the Committee for determination.
3. The new rent proposed by the Landlord was £110.00 per week. The rent determined by the rent officer was £98.00 per week and this was the rent registered on the 14th December 2022 with the effective date being the same.

The Property

4. The Property is a 3-bedroom semi-detached property constructed around the late 1920's or early 1930's. It has a driveway with gardens to the front and rear.
5. The Property is well situated and is located in a desirable area of the town. It is close to the town centre and also has convenient access to the major roads.
6. The Property consists of front and rear reception rooms, ground floor kitchen and WC. At first floor level there are 3 bedrooms. 2 of the rooms are good sized double rooms and the third is a good - sized single room.
7. There is also a bathroom and separate WC.
8. The property is not centrally heated. There are open fires at ground floor level, and these are supplemented by storage heaters.
9. There are gardens to the front and rear. The rear garden contains a garage, but this is in poor condition.
10. In recent times the Property has benefitted from a new roof and front windows which were part funded by the Landlord. The tenant paid for new windows at the rear of the Property.
11. The Property was in reasonable decorative order. However, both the kitchen and bathroom were basic.
12. The property was let unfurnished.

The Law

13. The Committee is required to determine what is a fair rent for the Property.
14. In determining the fair rent, the Committee must have regard to section 70 of the Rent Act 1977 ("the Act"). This directs that consideration must be given to all of the circumstances (other than personal circumstances) and this will include a consideration of the age, location and state of repair of the property.
15. The Committee must disregard the effect upon the rental value of the property of: (a) any relevant tenant improvements, and (b) any repair or defect attributable to the tenant or any predecessor in title under the regulated tenancy.

16. Pursuant to section 70 (2) of the Act, it must be assumed 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 for the subject Property.
17. This is a regulated tenancy for the purposes of the Act.

The Determination

18. The parties had consented to the matter being determined on the papers.
19. The Surveyor inspected the Property on the 17th April 2023.
20. The Committee had received from the rent officer a number of documents which confirmed the rent which had been determined together with his notes, calculations and a list of comparable lettings showing how his conclusion had been reached.
21. The Committee had also received correspondence from the Landlord dated the 31st December 2022 and the 3rd January 2023 setting out his objections to the rent officer's findings.
22. The rent was last registered in 2001, in the sum of £50 per week. In the current application, the landlord proposed an increase to £110 per week. The rent officer determined the fair rent to be £98.00 per week.
23. Whilst the Committee had regard to the comparable figures provided by the Rent officer, it was clear that the subject Property would attract a higher rent in consequence of its desirable location.
24. It was considered that the market rent for a property of this type would be in the region of £200 per week.
25. However, deductions would have to be made to reflect the fact that the property did not have any central heating and had functional, but basic kitchens and bathrooms. The property was also let in an unfurnished state.
26. In his objections to the rent officer's findings, the Landlord had expressed his sense of unfairness that a deduction should be made for lack of furnishings and white goods. The Committee determines that such deductions are appropriate in the present case.
27. On the issue of scarcity, the rent officer had applied a 15% deduction to the adjusted market rent. In his letter of objection, the Landlord suggests that such a deduction is unfair as property such as the subject Property is in short supply in the Wrexham area. In support

of that contention, he relies upon an article on the issue of rental supply taken from the 6th November 2022, edition of the Wrexham Leader newspaper.

28. Having considered the issue, the committee is not satisfied that, on the basis of the Landlord's evidence, there should not be any deduction for scarcity. The evidence is not of sufficient quality to reach such a conclusion.

29. The deduction proposed by the rent officer is more in line with the Tribunal's own consideration of the issue when having regard to the locality and the wider area in general. For those reasons the Tribunal agree that a 15% deduction is appropriate in this case.

30. To summarise –

Starting weekly market rent - £200

Deduct

Lack of central heating - £20.00

Basic kitchen - £10.00

Basic bathroom - £10.00

No curtains carpet or white goods - £ 10.00

Adjusted market rent = £150 per week

Less scarcity at 15%

Fair rent = £127.50

Rent Acts (Maximum Fair Rents) Order 1999

31. In reaching its decision the Committee must have regard to the effect of the Rent Acts (Maximum Fair Rents) Order 1999 ("the Order"). The effect of the Order is to introduce a rent cap in certain specified circumstances.

32. If the capped rent is below the fair rent assessed by the Committee before applying the Order, the capped rent is the rent that must be registered. If the capped rent is the same as or above the rent determined by the committee, the latter rent is the rent to be registered.

33. The rent officer took the view that the Order did not apply to this application.

34. However, having considered the matter and applying its own expertise and experience, the committee take the view that the works carried out to the property by the Landlord (the new roof and front windows) have not resulted in the rent increasing in excess of 15% beyond the rent previously registered. In those circumstances the Order does apply to this application. Accordingly, the rent is capped.

35. The application of the Order results in a fair rent in the sum of £108.50 per week. The Maximum Fair Rent calculation is attached to this decision.

Dated this 4th day of May 2023

Mr. A. Grant
Tribunal Judge