

TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPEY TRIBUNAL
RENT ASSESSMENT COMMITTEE

Reference: RAC/0033/05/24

Property: 17 Acorn Villas, Victoria, Ebbw Vale, NP23 8AW

Landlord: United Welsh Housing Association

Tenant: Mrs Susan West

Committee: C Jones, Legal Chair
A Lewis, FRICS, Surveyor Member

DECISION OF THE RENT ASSESSMENT COMMITTEE

A fair rent of £ 112.46 per week was determined by the Committee on 20 August 2024 with effect from the same date under the provisions of the Rent Act 1977.

THE REFERENCE

1. An application for registration of a fair rent for the Property dated 26 April 2023 was received by Rent Officers Wales on 4 May 2023 according to the relevant date stamp in Rent Officers Wales records (whereas the relevant register entry refers to the date of the application being 20 June 2023). The application from the Landlord was for a fair rent of £112.03 per week.
2. A rent of £98.50 per week was determined by the Rent Officer on 13 March 2024, with effect from that date, together with a noted proposed service charge of £2.46. The previous rent, registered on 7 April 2021, had been £82.00 per week.
3. The Tenant appealed against the rent of £98.50 per week on 14 May 2024 and, as the Tenant appealed against the registration, the matter was referred to this Committee for final determination.

THE DIRECTIONS

4. A Directions Order was issued by the Procedural Chairman of the Residential Property Tribunal on 3 June 2024 directing the parties to produce statements to explain their position regarding the proposed rent. These were to include details of any lettings of similar properties upon which they wished to rely, including what furnishings were provided and

who was responsible for repairs and decoration. They were also to include any other reasons which the parties wished the Tribunal to consider. Both parties were also to inform the Tribunal in writing by 2 July 2024 whether they required an oral hearing of this matter.

5. The Directions made it clear that if no oral hearing was requested by either party, then the Tribunal may or may not make its decision based on the documents provided, following the inspection.

THE MEETING

6. In the absence of a request by either party for an oral hearing, the Tribunal decided that it was appropriate to proceed with its determination based on the documents provided, as well as on the basis of an inspection by the Surveyor Member only. The Committee meeting was duly convened and conducted by means of remote attendance technology on 20 August 2024. At the meeting, careful consideration was given to the submitted paperwork and written representations made by the Tenant and the Landlord.

THE INSPECTION

7. The property was duly inspected on the morning of 5 August 2024 by the Tribunal's Surveyor Member, with the Tenant Mrs Susan West present. There was no attendance by the Landlord.
8. The inspection report noted that subject property is located to the south of Ebbw Vale town centre in the Victoria area, on a small modern estate of both privately owned and social housing. The property is constructed in cavity brick/block walls with an external cement render finish under a pitched slate covered roof. All the window frames are double glazed uPVC units, and the property enjoys the benefit of gas central heating throughout from a boiler located in the kitchen.
9. It was noted that on the ground floor, there is an entrance hall, cloakroom/wc, lounge and kitchen, with three bedrooms (two doubles and one single) and bathroom/wc on the first floor. There is a rear garden having pedestrian access.

THE SUBMISSIONS

10. As well as the inspections and statements of the parties, the Committee considered the case bundle, including the Rent Officers Wales working papers, a copy of the Rent Register, the Landlord's application dated 26 April 2023, the Rent Officers Wales notification of registration dated 13 March 2024, the notification of fair rent appeal dated 15 May 2024, the Tenant's letter of appeal dated 14 May 2024, as well as letters from the Tenant to Rent Officers Wales received on 5 July 2023 and 5 April 2024.

THE TENANT'S SUBMISSIONS

11. The Tenant provided a statement dated 4 July 2024. In her statement, she said that the bathroom was; *'full of damp and there are cracks in the walls which include: the passageway and in many rooms, especially under the window sills'*. She also said that she had to put towels on radiators to ensure that heat didn't escape. She said that there were no signs of work being done regarding the damp and many cracks *'after being reported many times'*.
12. In the Tenant's correspondence including a letter received by Rent Officers Wales in the previous year on 5 July 2023, she stated that she didn't believe she should be paying the rent she was paying at the time, let alone an increased amount. She referred to the same issues as above, as well as *'leaks in multiple rooms'*. In the circumstances, she'd asked Rent Officers Wales to view the property before putting the rent up.
13. The Tenant also made a similar objection on 5 April 2024, and on 9 May 2024, Rent Officers Wales duly gave the Tenant the opportunity to *'formally appeal'* by 24 May 2024, and the Tenant did so by e-mail dated 14 May 2024 referencing the same issues as above.

THE LANDLORD'S SUBMISSIONS

14. The Landlord provided a statement dated 13 June 2024. It said that whilst the Rent Officer had determined the rent to be £112.03 per week, the Landlord only wished to apply the rent requested of £98.58 per week. It said that this amount was less than its other rental properties of a similar size in the area. It said that private rentals in the area were currently being advertised at around £700 to £800 per month.
15. The Landlord said that whilst repair issues had been raised within this appeal, it had no previous records of these being reported to it. It said that an inspection had been carried out by its 'Asset Management Subsidiary', and that repairs were being carried out.
16. In its application for registration of a fair rent dated 26 April 2023, in answer to the question whether there was any disrepair or other defect to the property for which the Tenant was not responsible, it had ticked a box to indicate 'No'.

THE REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

17. The Committee's starting point was to note that the currently registered rent was £82.00 per week and that this had been registered on 7 April 2021. The Landlord's application for registration of fair rent ('RR1') appeared to have been completed by the Landlord on 26 April 2023 and applied for fair rent of £112.03.
18. The Tenant's objection to the new rent figure was due to; *'We have damp in the bathroom, we have cracks in the walls and we also have towels stuffed behind the radiators to stop the heat going out of the windows.'*
19. The Committee is required by Section 70 of the Rent Act 1977 to disregard the personal circumstances of the parties, any disrepair or other defects due to a failure by the Tenant

under the terms of the Tenancy and any improvements carried out by the Tenant, other than as required by the Tenancy.

20. The Committee is also required to have regard to the Rent Acts (Maximum Fair Rent) Order 1999 ('the Maximum Fair Rent Order'), which places a cap on the increase of fair rent allowed between one registration and the next registration. The cap is based upon the amount of increase in the Retail Price Index between the dates of the respective registrations. In this case, Rent Officers Wales had calculated the maximum fair rent which could have been charged in accordance with the relevant formula to be £105.00 plus the service charge of £2.76 per week.
21. As to the question of what a fair rent under Section 70 of the Rent Act 1977 would be, the Committee must establish the market rent for the Property. Several adjustments must then be made to reflect the requirements of Section 70 of the Rent Act 1977.
22. In this case, neither the Landlord nor the Tenant provided specific examples of rental prices of other similar properties in the locality. The Landlord made the general statement however, that private rentals in the area were currently being advertised at around £700 to £800 per month.
23. In the Rent Officers Wales working papers. It provided details of 12 rental properties which it considered comparable comprising three-bedroom terraced properties in the area. Only one of these showed a weekly rent of less than £100 and this was for a rent of £97.81 per week. The highest weekly rent was £195.62.
24. The Committee considered the comparable properties and having made its own enquiries and utilised its own experience and expertise in the context of the requirements of Section 70 of the Rent Act 1977, made the following determination.
25. The Committee considered that the market rent for the property, having regard to Section 70 of the Act, and before the relevant deductions, was £650 per month. From this figure the Committee deducted £32.50 to represent the carpets present in the comparable properties, and £40.00 in recognition that complete redecoration (above and beyond the Tenant's responsibilities under the tenancy) would be required before the property could be let in a similar fashion as the comparable properties. The resultant rent was £577.50 per month.
26. The Tenant had stated within her submissions to the Fair Rent Officer and the Tribunal that there were a number of items of disrepair, including cracks to the internal plasterwork, towels placed behind radiators to prevent draughts to the exterior, and dampness in the bathroom. The Tribunal Surveyor noted that there was a small section of hollow plaster to the right side of the front entrance door in the entrance hall, and the other cracks in the plasterwork were the usual hairline cracks normally associated with most modern homes. The presence of towels behind radiators was noted by the Tribunal Surveyor but he considered that their presence would inhibit the effectiveness of the radiator in heating the room(s) and considered that there was no major draught issue at the time of the inspection.

27. In relation to the dampness in the bathroom, it was noted that there was black mould growth on the walls and ceiling, and the Tribunal Surveyor considered this to be due to condensation, and not penetrating dampness. The Tribunal Surveyor was informed by the Tenant that the Landlord had recently installed a new extractor fan in the bathroom, which should help alleviate the condensation problems. In summary the items of disrepair listed by the Tenant in her submission did not materially affect the rental value of the property.
28. As regards scarcity, the Committee considered that the appropriate deduction in this instance was 15%. This produced a rental of £490.87 per month and applying the Committees findings and conclusions as above, having regard to the age, condition, size and location of the Property, the Committee has determined the weekly rent (adjusted to the nearest 50p) to be £113.50, together with a variable service charge of £2.46 per week, being £115.96 in total.

CALCULATIONS IN RESPECT OF THE DETERMINATION

29. In summary, the above calculations can be seen as follows: -

Monthly Market Rent	£650.00
Less adjustments	
Lack of carpets	£32.50
Complete redecoration	<u>£40.00</u>
	<u>£72.50</u>
	£577.50
Deduction for scarcity at 15%	<u>£86.62</u>
<u>£490.88</u> per month	
Weekly rent (adjusted to nearest 50p)	£113.50 per week
Plus	
Variable service charge	<u>£2.46</u> per week
Fair Rent Per Week	£115.96 per week

30. The Committee was nevertheless mindful that the Landlord had stated that it had *‘only wished to apply the rent requested of £98.58 per week’*. The Landlord’s evidence in this respect was somewhat confused as it was the Landlord that had applied for a rent of £112.03 per week and it was the Rent Officer that had determined a fair rent of £98.58. Nevertheless, the Committee wished to remind the Landlord of its stated intention in the light of its future on-going relationship with the Tenant.
31. The Committee then went on to consider calculations in relation to the Maximum Fair Rent Order. It calculated the current fair rent cap to be £112.46 per week. This figure was calculated on the basis of the present RPI being 387.5 and the RPI at the time of the last registration being 301.1. When the relevant formula was applied in relation to the

previously registered rent of £82.00, this resulted in a maximum fair rent calculation of £112.46, inclusive of the variable service charge of £2.46.

32. The Committee was required to determine the fair rent as being the lowest figure of the Maximum Fair Rent or the Fair Rent calculation. As the maximum fair rent calculation resulted in a figure which was below the calculated market rent figure of £113.50, the Committee determined that £112.46, inclusive of the service charge of £2.46, was the appropriate fair weekly rent to be applied in this case.
33. For the purposes of the Rent Act 1977 (as amended), it is recorded that the decision was made and takes effect from the 20 of August 2024.

Dated this 4th day of September 2024

**C Jones
Tribunal Judge**