

Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision	File Reference Number: 1036651/139 Somerset Street
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Address of Premises 139 Somerset Street Abertillery Gwent NP13 1RD	The Committee members were Mr R Taylor (Lawyer Chair) Mr R Baynham FRICS
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(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.	£74per week (This amount excludes council tax and water rates but includes any amounts entered in boxes 3-5 below.)
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(2) The effective date is: The new rent will apply from this date.	27 November 2012
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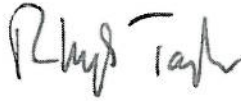
(3) The rent is not to be registered as variable.

(4) The amount for services is:	na
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(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	Na
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(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: na
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Date of decision: <u>27 November 2012</u>	 Chairman
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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: na

EXAMPLES OF HOW THE MAXIMUM FAIR RENT IS CALCULATED

Example 1 – The rent officer's decision

The rent officer receives an application for the rent of 1A Acacia Avenue to be re-registered. The rent was last registered at £200 per month in March 2009. The published RPI (all items) for the month of March 2009 was 211.3. The rent officer is to register the rent on 31 March 2011. The latest published RPI (all items) on the first day of March 2011 is 229.0.

Firstly, the rent officer works out the change in the RPI since the last registration was made:

$$229.0 - 211.3 = 17.7.$$

He divides the result by the RPI figure for the month when the last rent registration was made to get the proportionate change:

$$17.7 \div 211.3 = 0.0837671.$$

He then adds the equivalent of an additional 5% (7.5% if this is the first application for registration after the limit was introduced, subsequent registrations will be 5%).

$$0.0837671 + 0.5 = 0.1337671.$$

$$\text{He then adds } 1 = 1.1337671.$$

He then multiplies the result by the existing registered rent:

$$£200 \times 1.1337671 = £226.75.$$

He then rounds the result up to the nearest 50 pence. The maximum fair rent the rent officer could register is therefore £227 per month.

Y Tribiwnlys Eiddo Preswyl
Residential Property Tribunal
Rent Assessment Committee (Wales)

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REASONS FOR DECISION OF RENT ASSESMENT COMMITTEE (WALES)
Rent Act 1977 s.70

Premises: 139 Somerset Street, Abertillery, NP13 1DR ("the property")
Ref: 1036651/139 Somerset Street
Order: 27 November 2012
Tenant: Mr & Mrs R Thomas
Landlord: Linc – Cymru Housing Association Ltd
Members of Tribunal: Mr R S Taylor – Lawyer Chairman
Mr R Baynham FRICS

DECISION

1. The fair rent for the property shall be registered in the sum of £74 per week, which shall apply from the 27 November 2012

27 November 2012

A handwritten signature in black ink, appearing to read 'Rhys Taylor'.

Rhys Taylor - Chairman

REASONS

Background.

1. This is an appeal concerning the decision of a Rent Officer dated 14 August 2012, concerning the registration of a fair rent for the property.
2. By application dated 22 June 2012 the landlord applied for the rent to be registered at £68.25 per week.
3. The previous rent, registered on 22 July 2010, was for £65 per week, effective from 22 July 2010.
4. The Rent Officer registered a new fair rent on the 14 August 2012 in the sum of £74 per week, to be effective from 14 August 2012.
5. The tenant objected to this figure in an email dated 16 August 2012 and the Rent Officer accordingly referred the matter to us.

Inspection.

6. The committee inspected the property on the 26 November 2012.
7. The property is situated at the far end of a busy commercial road in Abertillery and is consequently within walking reach of all amenities. We are aware that the property suffers from some disruptive behaviour at the weekend with late night revelers making a nuisance of themselves and sometimes causing minor damage as they walk past the property.
8. The property itself comprises a flat fronted (i.e. without a forecourt) stone and brick built two storey house with a slate roof. To the rear there is a very steep garden which is tiered and in very poor condition. It is accessed via a small yard to the rear of the property. Before accessing the garden it is necessary to walk across a small rear pedestrian walkway which serves this and other neighbouring properties. The right of way to pass and re-pass along this walkway reduces the privacy and security to the rear of the property.

9. The accommodation on the ground floor comprises an entrance hall, through lounge and dining room, and a kitchen. On the first floor there is a landing, two double bedrooms and a single bedroom. A rear lobby leads to the bathroom and separate WC.
10. The property benefits from double glazed windows and UPVC doors and also gas central heating. It should be noted that some of the windows are in a poor condition, which have been stained by adhesive which has run from the frame. The front door is damaged.
11. There is laminate flooring in the through lounge and dining room and also the entrance hall. The kitchen units have been replaced over the years by the tenant, the original ones now being some 25 years old. The kitchen has a long standing damp problem in the far rear corner.

Written submissions

12. The Landlord has indicated that it does not require a hearing and no written submissions have been made.
13. The tenant has completed the committee's pro forma tick box form indicating that he requires a hearing at the property. We also have an email addressed to the Rent Officer dated 16 August 2012 in which the tenant complains of the large increase in rent and problems with the state of repair of the property.
14. When the committee visited the property, the tenant explained that he wished somebody to see the property, but did not actually require a full hearing at the tribunal office and he was content for us to make our determination on the papers and inspection alone.

Market rent.

15. Applying our knowledge and expertise as an expert committee, we agree with the Rent Officer that the market rent for this property should be £98.08 per week. This is based on a monthly rent of £425.

s.70 Rent Act adjustments

16. From the headline figure we must make the adjustments pursuant to s.70 of the Rent Act 1977. We make the following deductions:-

- a. £5 per week for lack of carpets and curtains;
- b. £3 per week for the disrepair issues
- c. £6 per week for basic fittings in kitchen and bathroom.

17. This means we have a total of £14 per week to come off the market rent of £98.08 per week. This results in an adjusted market rent of £84.08 per week

Scarcity

18. The Rent Officer has selected a scarcity discount of 10%. Applying the committee's own knowledge and expertise we would adjust this figure to 12.5%. We adopt this figure given the wide geographical area in which the property is situated. In the "M4 corridor" of South Wales and its environs the committee usually provides for a 15% discount, given the general demand in a higher populated area. We take the view that the property is situated in an area which is different in its population and rental patterns, such as to justify this discount figure.

19. This leaves a fair rent of £73.57 per week, which we round to £74 per week.

Maximum Fair Rents Order 1999

20. The Rent Acts (Maximum Fair Rent) Order does not apply in this case. The MFR in this case is £74.50 per week. We have appended our calculation which arrived at that figure to this decision.

21. The fair rent shall therefore be registered as £74 per week.

Rhys Taylor – legal chairman.



27 November 2012

address of property

139 Somerset Street

date

27.11.12

(populate the pink cells with figures)

market rent

£ 98.08 per week

adjustments

lack of central heating

0

carpets curtains

5

condition

3

basic bathroom

3

basic kitchen

3

double glazing

0

other (tenants improvements)

0

total

14

adjusted market rent

£ 84.08

scarcity %

12.5 %

amount of reduction

£ 10.51

fair rent

£ 73.57

add services if any

0

maximum fair rent calculation

a) present RPI for last month published

244.2

b) RPI for month of last registration

223.6

c) = a) less b)

20.6

d) divide c) by b)

0.092129

e) add enhancement factor

0.05

add 1

1

f) total

1.142129

g) last registered rent

£ 65.00

H) multiply f) and g)

£ 74.24

i) round up to nearest 50 pence

£ 74.50

