


Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0024/06/14 - Cleveland Street
Address of Premises 14 Cleveland Street Ruabon Wrexham LL14 6NR	The Committee members were J. D. M. Jones R. B. Griffiths FRICS	
(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.	£55 per week (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.	4 th September 2014	
(3) The rent is not to be registered as variable.		
(4) The amount for services is:	N/A	
(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	N/A	
(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: N/A		
Date of decision: <u>4th September 2014</u>	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: £59.50		

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE
(Rent Act 1977)

Reference: RAC/0024/06/14 Cleveland Street

Property: 14 Cleveland Street, Ruabon, Wrexham, LL14 6NR

Landlord: Naka Estates Ltd

Tenant: Mr & Mrs Price

COMMITTEE: J D M Jones - Chairman
R B Griffiths - Surveyor

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

1. We were duly convened as a Rent Assessment Committee under the provisions of the Rent Act 1977 on 4th September 2014.

The Reference

2. We had before us a reference from the Rent Officer for Wales in respect of 14 Cleveland Street, Ruabon, Wrexham (the Property). The Rent Officer had determined a fair rent of £55 per week for the Property registered on and effective from 2nd June 2014.
3. By letter dated 6th June 2014 Mr and Mrs Price (the Tenant) objected to the registration and accordingly the matter was referred to this Committee.
4. Naka Estates Ltd of 10 Cranbrook Drive, Prestwich (the Landlord) had made an application dated 6th May 2014 for registration of a fair rent of £60 per week. It further stated in the application that the existing rent is £60 per week although the rent register indicated that the fair rent was £39.50 per week at the time of the application (and this was confirmed by the Tenant at the hearing).

The Inspection

5. The Committee inspected the Property on the morning of 4th September 2014. The inspection took place in the presence of Mrs Price. Mrs Margaret Jones, a friend of Mrs Price, was present at the Property.
6. The Property is located close to the centre of Ruabon and is within walking distance of its shops and other facilities. It is a mid terrace brick built property with a slate roof. It

has a small walled area to front and a yard to the rear with access to a passageway which is used for refuse disposal and the like. There is limited street parking available in Cleveland Street.

7. The accommodation comprises small hallway leading to a living room and dining room (which is one room having been formed by the removal of the original internal dividing wall), to the rear is a small inner hallway (with under stairs storage) leading to the kitchen. This has recently been refitted to a reasonable standard by the Landlord. There are covered storage areas in the rear yard (although the roofs are dilapidated).
8. Upstairs the accommodation comprises a rear bedroom which is at present used for storage, a bathroom/WC; 2 double bedrooms and some storage space on the landing.
9. The Property provides reasonable basic family accommodation. However it is noted that the Tenant has carried out improvements which will be dealt with later in these reasons. The Property is connected to all main services.

Representations

10. The Tenant observed in a letter dated 6th June 2014 that there is concern for the state of the windows. One downstairs window did not open and the others which do open need to be supported to remain open. The Tenant also referred in this letter to the poor state of the electrics.
11. The Landlord stated in a letter dated 25th June 2014 that
 - a) The property is a 3 bed 2 reception room house with a kitchen and not a 2 bedroom house as is suggested in the papers
 - b) The application makes no note of improvements and the rent should now be the uncapped rent
 - c) By way of comparison a property in postal code area LL14 5DA of similar size had a registered rent of £50 per week in 2002.

The Hearing

12. Mrs Price attended the hearing and was accompanied by a friend Mrs Margaret Jones. The Landlord did not attend and was not represented.
13. Mrs Price confirmed that she and her husband had installed full gas fired central heating throughout the house although the Landlord had at some stage also installed a new boiler. She also confirmed that the Landlord had also installed a new kitchen as part of work done following evidence of subsidence (probably caused by old mine workings in the locality).
14. In addition she confirmed that the original sash single glazed windows were defective as described in her letter dated 6th June 2014 referred to above. However the Landlord had replaced one upstairs window in the rear bedroom/storeroom.

15. Mrs Price confirmed that the fires in the living room and dining room had been installed by the Tenant and that all the carpets and curtains, fixtures and fittings belonged to the Tenant with the exception of the bathroom fittings and the drainer and fitted cupboards in the kitchen.
16. The Tenant also said that she and her husband had replaced the original doors throughout the house and installed a wooden ceiling in the bathroom.
17. Mrs Price confirmed that there was evidence of damp in the Property especially in the front bedroom (this had in fact been noted on inspection).
18. She contended that the increase in rent proposed by the Landlord was excessive and that the Committee should discount the value of the improvements which have been carried out by the Tenant.

The Decision

19. The Committee find that the Property provides fair basic accommodation in a residential area close to the centre of Ruabon and a short distance from the much larger town of Wrexham.
20. The Property is a 3 bedroom terrace property which has undergone some modernisation and has the benefit of a gas fired central heating system installed by the Tenant (although the evidence disclosed that the Landlord has fitted a new boiler). It does not have double glazing and most of the sash windows are defective in some material way. The kitchen has been updated by the Landlord, but the bathroom fittings, although usable are very dated.
21. No evidence was given at the hearing which assisted with regard to the state of the electrical system. Some damp was noted in the front bedroom on inspection.
22. Also, there was no detailed evidence of comparable rents in the locality in addition to the observations made by the Landlord in correspondence and the matters which appear from the Rent Officer's included in the papers before us.
23. The Landlord suggested in its letter of 25th June 2014 that the tenancy should not be subject to the maximum fair rent regulations and the rent should not be capped. No further evidence was placed before us on that aspect of the matter. We have no evidence that improvements carried out by the Landlord have enhanced the rental value by more than 15%. In those circumstances we are satisfied that the Maximum Fair Rent Order applies and we have done the required calculation (see Schedule 2 below).
24. In determining a fair rent the Committee is required by S70 of the Rent Act 1977 to have regard to all the circumstances of the case (other than personal circumstances) and in particular to the age, character, locality and state of repair of the dwelling house. We are required to assume that the number of persons seeking to become tenants of similar dwellings in the locality on the terms (other than those relating to rent) is not

substantially greater than the number of such dwelling houses in the locality which are available for letting on such terms.

25. The Committee note that the Rent Officer considers that there is scarcity of this type of property available for letting in the locality. The Committee agree and consider that the scarcity factor should be 15%.
26. Taking account of all the above factors the Committee considers that the market rent for the Property in a ready to let condition should be £95 per week. In view of the various matters referred to above it is necessary to make a number of adjustments to the market rent to arrive at a fair rent. The Landlord does not supply carpets and curtains; the Tenant has provided gas central heating (although the Landlord has renewed the boiler); the Property does not have double glazing; the bathroom fittings are dated and the general condition (including damp) is only fair.
27. We have taken note of all the relevant factors and set our calculations in Schedule 1 attached. We assess the fair rent at £59.50 per week.
28. However the tenancy is subject to the Rent Act (Maximum Fair Rents) Order 1999 under which the maximum fair rent is calculated. The maximum fair rent under this order is £55 per week. This calculation is set out in Schedule 2.
29. Accordingly the Order applies and we record that the fair rent for the Property is £55 per week (including services).
30. It is recorded for the purposes of the Rent Act 1977 (as amended by the Rent Act 1980) that this decision was made on 4th September 2014.

DATED this 26th day of September 2014



CHAIRMAN

Schedule 1

CALCULATION OF MARKET RENT

ADDRESS :-	14 Cleveland Street, Ruabon, Wrexham, LL14 6NR	Ref No :-	RAC/0024/06/14
		Date :-	4 th September 2014

MARKET RENT		<u>£95</u>
LESS ADJUSTMENTS (if appropriate)		
Lack of Central Heating	£8	
Carpets / Curtains	£4	
Basic Kitchen / Bathroom	£2	
Condition - windows, damp	£6	
Double Glazing	£5	
Other (specify)	<u>£</u>	<u>£25</u>
ADJUSTED MARKET RENT		£70
Deduct for Scarcity at 15%		<u>£10.50</u>
Fair Rent (Ex - Services)		<u>£59.50</u>
Add Services (if any)		<u>£</u>
		<u>£59.50</u>

Schedule 2

CALCULATION OF "MAXIMUM FAIR RENTS"

ADDRESS :-	14 Cleveland Street, Ruabon, Wrexham, LL14 6NR	Ref No :-	RAC/0024/06/14
		Date :-	4 th September 2014

R. P. I. Figures are :-

(a) Present R. P. I.(published last month)	<u>256</u>
(b) R. P. I. for last month of registration	<u>192.2</u>

CALCULATION

Present R.P.I.	(a) <u>256</u>
Less R. P. I. at last registration	(b) <u>192.2</u>
	(c) <u>63.8</u>

Divide result by R. P. I. at last registration i.e. (c) by (b)

(c) _____ equals	<u>0.3319458</u>
(b)	

(see note) Add 0.075 or 0.05 0.05

0.3819458

Add 1	<u><u>1.00</u></u>
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Multiply by last registered rent
net variable services

Last registered rent	<u>£39.50</u>	
Less variable services	<u>£</u>	<u>£54.59</u>

£

Round UP to nearest 50p	£55.00
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Add variable services fixed by Committee	£	wk
	<u>£55.00</u>	

MAXIMUM FAIR RENT £55 per week
(The Committee assessed a fair rent of £59.50 per week inclusive of services)

NOTE :- if this is NOT the first application for registration after 1st February 1999 add 0.05.
Add 0.075 if first registration after the limit was introduced.