

**Rent Assessment Panel for Wales**

<b>Notice of the Rent Assessment Committee Decision</b>		File Reference Number: RAC/0008/05/16
Address of Premises  26 Railway Terrace Tirphil New Tredegar NP24 6EZ	The Committee members were  PH WILLIAMS NFG HILL	
(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.	EIGHTY SEVEN POUNDS per WEEK (£87,00)  (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.	13 September 2016	
(3) The rent is not to be registered as variable.		
(4) The amount for services is:	per	
(5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is:	per	
(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:		
Date of decision: 13 September 2016	Chairman	
<b>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.</b>		
(8) The uncapped fair rent was: £87.00 per week		

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

**Reference** RAC/0008/05/16

**Property:** Number 26 Railway Terrace Tirphil New Tredegar NP24 6EZ

**Landlord:** United Welsh Housing Association

**Tenant:** Ms M Gibbs

**COMMITTEE:** Chairman P H Williams  
Surveyor NFG Hill FRICS

**REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE**

**1. The Reference**

We were duly convened as a Rent Assessment Committee at the Tribunal's Offices in Cardiff on the 13<sup>th</sup> September 2016. The Landlord had applied for the Property to be re-registered at £94-90p a week, it then standing at £83-00p. The Rent Officer registered a new fair rent of £86-00p per week on the 8<sup>th</sup> April 2016 effective from that date and the Landlord has appealed

**2. The Inspection**

The Committee inspected the Property in the presence of the Tenant and we also viewed the immediate vicinity. The Property was built circa 1900 and is a three tiered stone faced mid terraced house with a tiled roof. The rear of the Property was rendered and colour washed. The Property has replacement UPVC double glazed windows and benefited from Gas Central Heating and solar panels on the front elevation of the roof. It also had all main services.

There was no forecourt and there was an open culvert on the opposite side of the road, which was a cul de sac.

The accommodation on the Ground Floor comprised an entrance hallway, a living room, a dining room and Kitchen. There was also an understairs storage cupboard. A staircase led off the entrance hall to the First Floor which comprised a landing with an airing cupboard, which housed the boiler. There were three bedrooms and a

Bathroom, which contained a Wash Hand Basin, Water Closet and a Bath with shower over, and an extractor fan.

The Property had been modernised 16 years ago at which time the Property had been extended to incorporate a modern kitchen and a bedroom on the First Floor. The Kitchen was a modern fitted kitchen with a sink and floor and wall units and it had been partially tiled. At the rear a metal staircase led down to a patio area and a further metal staircase led down to a reasonable sized garden, which backed onto a railway line, making the Property three tiered. There are very pleasant views to the rear of the Property looking up to a high hill.

The Property was in a reasonable condition. In her written representations the Tenant has complained that in the Bathroom tiles were chipped off walls during the modernisation and the old grouting and surfaces then simply painted over, that the Wash Hand basin had not been replaced and that the kitchen door was level with the floor, so that a doormat could not safely be used, and that a cupboard had been damaged on installation. She also stated that the "insulation " had gone green – by which we assume she meant the render- and was crumbling and that the windows were badly fitting, which has resulted in draughts. She added that the modernisation was carried out with European Grant money and that the installation work had not been checked, and that the Landlord had not painted the exterior for 16 years, whereas the Tenancy Agreement provided for a period of every 5 years. We shall address these points under the section marked "Hearing". The solar panels appear to be in poor condition.

The Tenant has maintained the Property in good order; but there are no improvements to be disregarded under Section 70 (3) of the Rent Act 1977.

The Property is in a residential area. There is a local Inn, and a train station which is currently being upgraded. There is also a Community Hall in the vicinity; but the shopping area is in the centre of New Tredegar which is about half a mile distant. New Tredegar has limited urban amenities.

### **3. The Hearing**

Neither party attended the hearing and so we first considered the written representations of the parties. As regards the representations of the Tenant the Bathroom walls were in reasonable condition, as was the Wash Hand Basin and there was nothing to suggest that they materially affected the rental value. In the Kitchen the door was level with the floor and we accept that a floor mat would be impractical; but again we do not consider that this has a material effect on the rent. We did not identify a damaged cupboard.

The rendering to the rear of the Property was in reasonable condition and we did not see any obvious deterioration. Similarly the exterior decoration was in reasonable condition and whilst the Landlord might be in technical breach of the Tenancy Agreement- which we have not seen- we do not consider that this has affected the

rental value. We had noted that the UPVC windows on the Ground Floor could not be fully opened without endangering passers by, but it is possible to open them and they were open at the date of our inspection. We were not able to draw a conclusion about draughts; but the windows appeared to be in good condition . We do not consider it relevant as to whether or not the Landlord obtained any Grants as the work was carried out without any expense to the Tenant.

The Landlord's representations were two fold. First it was concerned that the fair rent did not equate to assured rents for similar properties. The main reason in this case is that the Tribunal is obliged to take into account the existence of scarcity in accordance with Section 70 (2) of the Rent Act 1977. This has an impact on the market rent as will be shown in our calculations. Its second concern is that the Rent Officer had not adopted the Maximum Fair Rent as the registered fair rent. This appears to be a misunderstanding of the purpose of the Rent Acts (Maximum Fair Rents) Order 1999. This Order sets out a formula to establish the maximum fair rent by taking the Retail Price Index figure for the date of the previous registered rent and comparing it with the figure for the month before the Hearing. It is not a method for calculating the new rent; but essentially it is a capping figure. If the new fair rent is less than the Maximum Fair Rent then the former is the fair rent. If the new fair rent calculation is greater than the Maximum Fair Rent then the fair rent is capped at the Maximum Fair Rent figure. The purpose of the Order is to ensure that tenants are not faced with large rent increases.

The responsibilities for exterior repairs and decoration, and internal repairs is that of the Landlord, with the Tenant only being responsible for internal decoration in accordance with Section 11 of the Landlord and Tenant Act 1985.

We then considered the Rent Officer's Fair Rent Valuation sheet. The Rent Officer had considered a range of £80-77p to £121-15p a week for three bedroomed terraced houses, and had decided on £106-15p from which had been deducted a sum of £3.00p for the age and character of the Property. A three tiered house is relatively unusual; but as the Property benefits from a patio area and a rear garden and had been modernised we concluded that whilst we agreed with the Rent Officer on a market rent of £106-15p it did not seem appropriate to deduct the sum of £3-00p in this case. We also noted that the Rent Officer had made an allowance of £8-00p for the fact that the carpets and curtains belonged to the Tenant; but we decided that a fairer allowance would be £10-00p a week. The Rent Officer had decided that there is scarcity and had made a deduction of 10% and we agree with the Rent Officer in this regard.

#### **4. Our Findings**

The Property is a three tiered, three bedroomed mid terraced house in reasonable condition. A market rent assumes a dwelling in good condition, with a modern bathroom and kitchen and with carpets and curtains. Accordingly, the only adjustments needed are for the absence of carpets and curtains and the existence of scarcity

**5. Scarcity**

As referred to above we agree with the Rent Officer that scarcity is at 10% in accordance with Section 70 (2) of the Rent Act 1977

**6. Decision**

We confirm that we determine the open market rental value at £106-15p and we have made the said adjustments as referred to above

	Market Rent	106-15
Adjustments		
Carpets and curtains		<u>10-00</u>
		96-15
Deduct for Scarcity at 10%		<u>9.61</u>
		<u>86-54</u>
Fair Rent	SAY	<u>£87-00</u>

**7. Maximum Fair Rent**

We then considered the Rent Acts (Maximum Fair Rent) Order 1999 and calculated that it did not apply as it equated with the above calculation

We accordingly determine that the fair rent for the Property shall be £87-00p a week exclusive of rates and water rates.

It is recorded that this Committee made its decision on the 13<sup>th</sup> September 2016

DATED this 21<sup>st</sup> day of September 2016



Chairman