File Reference Number:

RAC/0015/04/14 Western Street

Rent Assessment Panel for Wales

Notice of the Rent Assessment

(8) The uncapped fair rent was: N/A

Committee Decision Address of Premises: The Committee members were: 28 Western Street S. Povey P. Lucas Sandfields Swansea SA1 3JX £79.00 per week (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 (This amount excludes council tax and water rates but includes any amounts entered in boxes 3-5 rent register. below.) 2nd July 2014 (2) The effective date is: The new rent will apply from this date. (3) The rent is not to be registered as variable. (4) The amount for services is: N/A N/A (5) The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is: (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: 2nd July 2014 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.

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RESIDENTIAL PROPERTY TRIBUNAL

RENT ASSESSMENT COMMITTEE (Rent Act 1977)

Reference: RAC/0015/04/14 Western Street

Property: 28 Western Street, Sandfields, Swansea, SA1 3JX

Landlord: Family Housing Association (Wales) Limited

Tenant: Mrs R Burrows

COMMITTEE: S. Povey

P. Lucas

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

The registered rent for 28 Western Street, Sandfields, Swansea SA1 3JX is determined at £79 per week.

The registration of the rent takes effect from 2nd July 2014.

Background

- 1. The Applicant, Family Housing Association (Wales) Limited ('FHA') is the landlord of 28 Western Street, Sandfields, Swansea SA1 3JX ('the property'). The tenant and Respondent is Ms Burrows. The tenancy of this property began on 29th July 1985 and is therefore a secure tenancy pursuant to the Housing Act 1985 (the landlord being a housing association and the tenancy having started before the advent of the assured regime in February 1989). By virtue of sections 86 and 87 of the Rent Act 1977, the fair rent regime applies to this tenancy.
- 2. On 30th January 2014, FHA applied under s.67 of the Rent Act 1977 for registration of a fair rent. The rent had been £80 per week since the last registration in March 2012. FHA sought a new rent of £110.27 per week.
- 3. Pursuant to that application, the rent officer registered a rent of £88.50 per week effective from 10th March 2014.
- 4. By a letter dated 25th March 2014, FHA objected to the rent officer's determination. By reason of Paragraph 6, Schedule 10 to the Rent Act 1977, the rent officer referred the matter to the Rent Assessment Committee of the Residential Property Tribunal ('the Tribunal').

5. The Applicant was content for the matter to be determined without a hearing. The Respondent also confirmed that she was similarly content for the matter to be determined without a hearing.

The Inspection

- 6. The Tribunal inspected the property on 2nd July 2014 in Mrs Burrows' presence. There was no attendance by FHA.
- 7. This particular property is situated in a central position in Swansea within walking distance of the main city centre and all associated amenities. The Victorian dwelling is of traditional solid brick and stone construction under an interlocking concrete tiled roof. To the rear is a single storey cavity wall extension with similar tiled roof. External elevations have been insulated and incorporate a random spar render finish. There are Upvc double sealed windows to all main rooms.
- 8. The accommodation comprises of:

8.1. **Ground Floor**

Entrance hall; sitting room (5.9m x 4.5m max.) with fitted gas fire with back boiler serving central heating, radiator and two double sealed windows to the front; inner hall; dining room (3.4m x 3.3m) with radiator and double sealed window (one seal perished); kitchen (3.6m x 2.6m) with basic units with work surfaces, radiator and double sealed window; small rear hall; bathroom (1.9m x 1.7m) with pedestal hand basin, panelled bath (advised that the tenant installed the shower unit), low flush WC, double sealed window and thermoplastic tiled floor;

8.2 First Floor

A staircase leads from the hall to the first floor landing with built in store cupboard; bedroom no.1 (rear) (2.8m x 2.7m), radiator and double sealed window (one seal perished); cloakroom/WC with double sealed window; bedroom no.2 (front) (3.6m x 2.2m) with double sealed window and radiator; bedroom no.3 (front) (3.9m x 2.8m) double sealed window (one seal perished), radiator, wardrobe units installed by tenant and airing cupboard with lagged hot water cylinder; bedroom no.4 (3.3m x 3.1m) double sealed window (two seals perished) and radiator;

8.3 Attic

A staircase with very low head room leads to an attic storeroom (5.9m \times 2.4m) with Velux double sealed roof light;

8.4 Outside

The property has direct access onto the adjoining pavement in Western Street. To the rear of the dwelling is a small courtyard. No on-site parking facilities.

8.5 Services

All main services connected and gas fired central heating. The property was in basic condition.

9. Following the inspection, the Tribunal convened to consider its decision. Neither party chose to attend the said hearing.

The Law

- 10. Section 70 of the Rent Act 1977 sets out the factors to be considered when determining a fair rent. In particular, and of relevance to this application, we are required to have regard to the age, character, locality and state of repair of the property.
- 11. At the same time, s.70 requires us to disregard:
 - 11.1. The personal circumstances of the parties;
 - 11.2. Any disrepair or other defect attributable to a failure by Mrs Burrows under the terms of the tenancy;
 - 11.3. Any improvements carried out by Mrs Burrows, other than as required under the tenancy
- 12. We must also assume that the number of people seeking to become tenants of similar properties in the area on terms identical to Mrs Burrows' tenancy (save as to rent) is not substantially greater than the number of such properties which are available to rent on such terms. In other words, we must make certain assumptions regarding scarcity and demand.
- 13. In addition, further regulation of Rent Act rents is provided by the Rent Acts (Maximum Fair Rent) Order 1999 ('the Maximum Fair Rent Order'), which places a cap on the permissible amount of the increase of a fair rent between one registration and the next. The cap is based upon the amount of increase in the Retail Prices Index between the dates of the two registrations.
- 14. By virtue of section 72 of the Rent Act 1977, the registration of the rent takes effect from the date when the Tribunal reached our decision.

Findings of Fact & Conclusions

- 15. The starting point in assessing a rent under s.70 Rent Act 1977 is to establish the market rent for the property. To that rent, a number of adjustments are made, to reflect the requirements of s.70.
- 16. The rent officer had had regard to a range of rents for four bedroom properties in the SA1, SA4 and SA6 postal areas but we were not provided with the addresses of these properties. The rents ranged from £126 to £346 per week. Based upon that evidence, the rent officer set the market rent for the property at £143 per week.

- 17. There were a lot of student properties in the surrounding area, large houses converted into houses in multiple occupation (HMOs). The property was in need of modernisation and the attic room was difficult to access due to the very low ceiling above the stairs leading up to it. It is close to the city centre but has no off road parking. Using its own skill and expertise, the Tribunal concluded that the comparable properties considered by the rent officer were being distorted upwards by the student market in the area. We also considered a previous Tribunal decision for a similarly sized, unconverted property on Ysgol Street, also in the SA1 postcode and also in need of modernisation. The market rent for that property had been assessed by the Tribunal at £105 per week. Allowing for the slightly larger nature of this property, we concluded that a market rent of £110 per week was realistic.
- 18. We would expect carpets and curtains to usually be provided by the landlord in a rented property and therefore deduct £10 from the market rent, to reflect this (and the size of the property).
- 19. The overall condition of the property was poor. The bathroom was downstairs and in need of modernisation. The kitchen was just about serviceable but again was in need of modernisation. We made a deduction of £5 to reflect this.
- 20. Five double glazing units were faulty. Whilst they still worked, the result was that the view from the windows was obscured, as was the ingress of light. We made a further deduction of £2 for this.
- 21. We were satisfied that there is a degree of scarcity for this type of property, given its proximity to Swansea city centre and the university. As such, we made an adjustment of 15% to reflect this.

Calculations

22. Applying our findings and conclusions, we determined the rent as follows:

Market Rent	£	£ 110.00
Less Adjustments (if appropriate)		
Lack of Central Heating Carpets/Curtains Basic Kitchen/Bathroom Condition Double Glazing Other (specify)	0.00 10.00 5.00 2.00 0.00 	
	<u>17.00</u>	

Fair Rent (to nearest 50p)		7	9.00
Add services (if any)		(0.00
Fair Rent (excl services)		7'	9.05
Deduct for Scarcity	15%	<u>13.95</u>	

23. Under the Maximum Fair Rent Order, the capped fair rent is £89.93 per week, say £89.50 per week. As the rent we have determined is below the maximum fair rent, the Order does not apply.

Conclusion

- 24. The fair rent for the property is therefore £79.00 per week.
- 25. The registration of the rent takes effect from 2nd July 2014, the date we reached our decision.

DATED this 5th day of August 2014

S A POVEY CHAIRMAN