


**Rent Assessment Panel for Wales**

<b>Notice of the Rent Assessment Committee Decision</b>		File Reference Number: qA1042191
Address of Premises 3 Pentrefelin Terrace Welshpool SY21 7BN	The Committee members were Mr D Jones - Chair Mr J Singleton - Surveyor	
(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.	£58.00 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.	6 <sup>th</sup> December 2012	
(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:		
Date of decision: <u>6<sup>th</sup> December 2012</u>	 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: N/A		

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

**Reference:** 1042191  
**Property:** 3 Pentrefelin Terrace, Welshpool  
**Landlord:** Boys & Boden Ltd.  
**Tenant:** Mr M Lloyd  
**COMMITTEE:** J D M Jones Chairman  
J Singleton MRICS

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

**sitting on the 6<sup>th</sup> December 2012 at The Town Hall, Welshpool in respect of 3 Pentrefelin Terrace, Welshpool.**

We were duly convened as a Rent Assessment Committee under the provisions of the Rent Act 1977 on the 6<sup>th</sup> December 2012 at The Town Hall, Welshpool. We had before us a reference from the Rent Officer for Wales in respect of 3 Pentrefelin Terrace, Welshpool ("the Property"). The Rent Officer had determined a Fair Rent of £54.00 per week which had been registered on the 8<sup>th</sup> October 2012 effective from the 1<sup>st</sup> November 2012. By a letter dated the 18<sup>th</sup> October 2012 the Landlord objected to the Registration and accordingly the matter was referred to this Committee.

The Landlord's Application for Registration of a Fair Rent is dated the 5<sup>th</sup> September 2012 from which it is noted that the existing registered rent is £50.50 per week exclusive of Council Tax. The Landlord requested the Rent Officer to register a Fair Rent of £57.50 per week.

The Committee inspected the Property on the morning of the 6<sup>th</sup> December 2012, the inspection taking place in the presence of the Tenant, Mr M Lloyd and Dean Hammond, the

Managing Director of the Landlord (he was accompanied by two other members of staff of the Landlord).

The Property is located approximately 1 mile from the centre of the town of Welshpool and its many facilities in a mixed residential/commercial area. It is adjacent to a Builders' Merchants Yard and is approached along an unadopted access roadway which serves all the properties in the terrace. This access way is just about wide enough for vehicular access. A pedestrian access runs to the rear of the Property between it and the garden which extends down to a stream. The Property is constructed of brick, under a slate roof and the accommodation comprises a small entrance hall, a living room which has been formed from two rooms by demolishing the inner wall and forming an archway. To the rear is a small kitchen, leading to a yard, having access to the pedestrian walkway, beyond which is an extensive garden on which the Tenant has placed a substantial shed. Upstairs is a front and rear bedroom and at the rear is a bathroom/W.C. It is understood that the Tenant has provided a Shower unit but all the other bathroom fittings have been provided by the Landlord. Similarly, it is understood that the Tenant has improved the work surfaces and units within the kitchen by replacing the original fittings. The Property is connected to mains drainage, mains electricity, gas and water and space heating is provided by a gas fire in the living room. The evidence disclosed that the Tenant provided a gas fire in the living room initially although this has been replaced recently by the Landlord. The Tenant has, however, provided a brick surround to the fireplace. It is further noted from the evidence that in recent times, the Landlord has provided double glazing throughout the Property.

At the hearing, the Landlord was represented by Mr Dean Hammond, Managing Director of the Landlord and the Tenant, Mr M Lloyd, appeared in person. Mr Hammond confirmed that the gas fire in the living room had been fitted by the Landlord as a replacement, following the last registration and that the Landlord had installed double glazing throughout the Property.

Mr Hammond confirmed that the Landlord owned Nos. 1, 3, 4, 5 and 6 Pentrefelin Terrace, Welshpool and asserted that the Property is the only one subject to the Fair Rent legislation. The other properties are let on Assured Shorthold Tenancies. He confirmed that the other



properties had the benefit of gas fired central heating system, but did not have the extensive gardens enjoyed by the Property. He asserted that parking was available in the cul-de-sac, although space was rather limited. Mr Hammond said that the rent achieved for the other properties in Pentrefelin Terrace was £93.50 per week (each of those properties having the benefit of gas fired central heating but in other respects, were similar to the Property.)

Mr Hammond confirmed in evidence that there is substantial demand for these properties. None is empty for very long and although a neighbouring property in the Terrace has recently been vacated, it has already been re-let, although some improvement work is still being carried out.

Mr M Lloyd said in evidence that during the 30 years that he had occupied this property, he had improved it considerably doing alterations such as forming the archway between the two downstairs rooms, doing brickwork for a fire surround and installing gas and putting in the first gas fire. He confirmed that he had installed some insulation some ten or eleven years ago. He was unable to provide evidence of rent for any other comparable properties in the locality.

In determining what rent is or would be a Fair Rent under the relevant legislation, we are required to have regard to all circumstances (other than personal circumstances). In particular we are required to have regard to the age, character, locality and state of repair of the dwellinghouse. For the purposes of the determination, it shall be assumed that the number of persons seeking to become tenants of similar dwellinghouses in the locality on the terms (other than those relating to rent) is not substantially greater than the number of dwellinghouses in the locality which are available for letting on such terms. In addition, there shall be disregarded:

- (a) any disrepair or other defect attributable to a failure by the Tenant under the Tenancy to comply with its terms.
- (b) any improvement carried out (otherwise than in pursuance of the terms of the Tenancy) by the Tenant under the Tenancy.

Taking account of the provisions of S.70 of the Rent Act 1977, the Committee consider that the Market Rent for this property should be £93.50 per week. However, the Property lacks a full modern central heating system, the Tenant provides carpets and curtains and the Landlord has provided a basic (but adequate) kitchen and bathroom. To take account of these matters, we consider that adjustments need to be made to the Market Rent to arrive at a Fair Rent. We set out our calculations below:

It is clear also from the evidence that there is scarcity of property of this type available for letting in the area. The evidence of the Landlord disclosed that when a property becomes vacant it is re-let very quickly and voids are rare and brief. In those circumstances, the Committee consider it appropriate to allow 15% for scarcity.

Our calculations are as follows:

<b>MARKET RENT</b>		£93.50
<u>LESS ADJUSTMENTS</u>		
Lack of Central Heating	£5.00	
Carpets/Curtains	3.00	
Basic Kitchen/Bathroom	4.00	£12.00
		-----
		£81.50
<b>ADJUSTED MARKET RENT</b>		
Deduct for Scarcity at 15%		12.25
		-----
		£69.25
Fair Rent (ex-Services)		£69.25
		=====

The Property is subject to the Rent Act (Maximum Fair Rent) Order 1999 under which a Maximum Fair Rent is calculated. Although the Landlord has undertaken some improvement work since the last Registration, we do not consider that the improvements are such as to take the Property out of the ambit of these regulations. The Maximum Fair Rent under this Order is £58.00 per week which is calculated as follows:

**CALCULATION OF MAXIMUM "FAIR RENTS"**

R.P.I. Figures are:-

(a) Present R.P.I. (published last month)	245.6
(b) R.P.I. for month of last registration	224.5

**CALCULATION:**

Present R.P.I.	(a)	245.6
Less R P I at last registration	(b)	224.5
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	(c)	21.1
		=====

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

(c)	<u>21.1</u> equals	<u>0.0939866</u>
(b)	224.5	

Add 1	1.00
	=====

Multiply by last registered rent  
net of variable services

Last registered rent	£50.50	£50.50
		-----
		£57.77
Round up to nearest 50p		£58.00 wk.
		=====

The Fair Rent exceeds the Maximum Fair Rent which has been fixed by this Committee and accordingly, as the Order applies, we record that the Fair Rent for this Property is £58.00 per week exclusive of Services.

It is recorded for the purpose of the Rent Act 1977 (as amended by the Housing Act 1980) that this Decision was made on the 6<sup>th</sup> December 2012.

DATED this 12<sup>th</sup> day of December 2012



CHAIRMAN