

Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision		File Reference Number: RAC/0019/09/13/Wigdale Row
Address of Premises 3 Wigdale Row Station Road Hawarden Deeside CH5 3QR	The Committee members were Jack Rostron Colin Williams 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.	£57.50p 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.	30 October 2013	
(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: 30 Oct 2013	Chairman <i>Jack Rostron</i>	
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: £75 per week		

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RESIDENTIAL PROPERTY TRIBUNAL

RENT ASSESSMENT COMMITTEE
(Rent Act 1977)

Reference: RAC/0019/09/13/Wigdale Row

Property: 3 Wigdale Row, Station Road, Hawarden, Deeside, CH5 3QR

Landlord: Trustees of the Gladstone 1968 Trust, c/o The Estate Office, Glynne Way, Hawarden, Flintshire, CH5 3NX

Tenant: Mrs F Swindley

COMMITTEE: J Rostron
C Williams

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

INTRODUCTION

1. We were duly convened as a Rent Assessment Committee on Wednesday 30th October 2013 at 3 Wigdale Row, Station Road, Hawarden, CH5 3QR. We had before us a reference from the Rent Officer. Mr Paul Swindley, on behalf of the Tenant, objected to the rent certificate they had received, and requested the matter be referred to the Rent Assessment Committee for further determination.
2. An application to register a fair rent under the Rent Act 1977 was received on the 13th August 2013 by the Rent Officer. It was submitted by the Landlord; via their agent William Hall & Co., The Estate Office, Glynne Way, Hawarden, Flintshire, CH5 2NX.
3. The application by the Landlord was for an asking rent of £54.00 per week. The rent registered by the Rent Officer being £57.00 per week. The rent was registered on the 27th August 2013, with an effective date of 27 August 2013. The previous fair rent was £49.00 per week and registered on 27th July 2010. For clarification purposes the committee was not aware of services having been considered or requested in previous references to the Rent Officer.

INSPECTION

4. The Committee inspected the Property at 10.05 am on the 30th October 2013 in the presence of the Tenant, Mrs F Swindley. Neither the Landlord nor their agent attended.

5. The Property is a mid terraced house built we believe pre 1919. It has a front and rear garden and is accessed via a footpath from the main road. The rear garden consists of an extensive lawn. There is no direct vehicular access to the house or car parking space. The Property is located within the village of Hawarden which contains a wide range of services. The Property is surrounded by agricultural land and residential property. A shed exists in the front garden.

6. The Property is of rough stone construction to first floor level and brick up to the roof which is made of slate. It possesses metal guttering and downspouts. The external wooden trim was in a reasonable state of repair. The accommodation comprised on the ground floor; porch, sitting room, kitchen and bathroom/WC. On the first floor were two bedrooms.

7. All curtains, carpets and white goods had been provided by the Tenant. There is no central heating or double glazing. All rooms were considered to contain dated fixtures and fittings. Heating was by portable electric space heaters with a single coal fire in the sitting room. Electrical system was quite modern.

THE LAW

8. When determining a fair rent the Committee, in accordance with the *Rent Act 1977, section 70*:

- i) has regard to all the circumstances (other than personal circumstances) including the age, location and state of repair of the property;
- ii) disregards the effect on the rental value of the property of (a) any relevant tenant improvements and (b) any repair or any defect attributable to the tenant or any predecessor in title under the regulated tenancy;
- iii) assumes (as required by s.70 (2) that, whatever might be the case, the demand for similar rented properties in the locality does not significantly exceed the supply of such properties for rent. In other words that the effect of any such 'scarcity' on rental values is not reflected in the fair rent of the subject property.

9. In Spath Holme Ltd v. Chairman of the Greater Manchester etc. Committee (1995) 28 HLR 107 and Curtis v. London Rent Assessment Committee [1999] QB 92 the Court of Appeal emphasised that section 70 means.

- (a) that ordinarily a fair rent is the market rent for the subject property discounted for 'scarcity' and
- (b) that for the purposes of determining the market rent, assured (market) rents are usually appropriate comparables. (These rents may have to be adjusted where necessary to reflect any relevant differences between those comparables and the subject property).

10. Thus once the market rent for the property has been determined by the exercise in (ii) above that rent must be adjusted, where necessary, for any scarcity.

DECISION

11. Neither the Landlord nor Tenant provided comparables in their written submissions. However, the Tenant has made written representations stating that they object to the rent registered by the Rent Officer because;..."The original application for registration of fair rent by the landlord on 13th August, asked for a rent of £54.00 per week, which is already an increase of over 12%...So we were surprised by the figure of £57.00 registered without inspection of the property by the rent officer. This would be an increase of over 16% which we feel is not acceptable and are therefore objecting on the grounds...There have been no major improvements to the property since the last rent review, only essential maintenance work has been carried out...the fact that the property is very old and does not have any central heating system, double glazing or insulation".

12. It is noted from the Rent Officer's documentation that he registered the rent of £57.00 per week, this being registered on the 27th August 2013. In determining the registered rent he allowed as a starting point, a rent of £85.00 per week, and deducted adjustments from this of £18.00 per week concerning; age, character, etc. He further reduced the adjusted rent of £67 per week by £10.50 because of scarcity resulting in a fair rent of £57 per week. The reduction for scarcity according to the Rent Officer's report stems from their analysis of those social and economic factors that affect the valuation process and from information collected from agents and the local authority. The calculation by the Rent Officer meant the Rent Acts (Maximum Fair Rent) Order 1999 SI 1999/6 did not apply.

13. The Tenant pointed out the great age of the property and lack of modern facilities for heating and the dated bathroom and kitchen.

14. The Committee considered and did take into account the Tenant's submission relating to the age and condition of the Property. Using its skill and judgement and utilising its experience, the committee determined that the starting point rent for a property of this type in a similar locality would be £125 per week.

15. From the above market rent the Committee have made the following adjustments;

Market Rent per week		£125.00
Less adjustments		
Lack of Central Heating	£8.00	
Lack of Carpets and Curtains	£10.00	
Lack of Double Glazing	£6.00	
Dated Bathroom	£6.00	
Dated Kitchen	£6.00	

	£36.00	
		£89.00
Less 15% Scarcity		£13.35

	(Appropriately rounded)	£75.00

16. The Maximum Fair Rent Calculation is as follows;

RPI at last registration	223.6
RPI applicable in October 2013	251.0
Enhancement factor	0.05
Last registered rent	£49.00
Maximum Fair Rent	£57.45
	but rounded up to £57.50

The Maximum Fair Rent regulations apply and accordingly the Maximum Fair Rent is £57.50 per week.

It is declared the Committee has decided the fair rent for 3 Wigdale Row, Station Road, Hawarden, Deeside, CH5 3QR shall be £57.50 per week from the 30th October 2013.

An Appeal on a point of law only may be made to the Upper Tribunal (Lands Chamber) within 28 days of the issue of the Reasons for the Rent Assessment Committee's decision (or such period as the High Court may allow).

DATED this 6th day of November 2013

A handwritten signature in black ink, appearing to be 'J Rostron', written over a circular stamp or seal that is mostly obscured by the ink.

CHAIRMAN J Rostron