


Rent Assessment Panel for Wales

Notice of the Rent Assessment Committee Decision	File Reference Number: RAC/0039/11/14
Address of Premises 32 Prescelli Close Risca Newport South Wales NP11 6RQ	The Committee members were Paul Williams Nicholas Hill 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.	£137.00 per calendar month (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 th January 2015
(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>6th January 2015</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: £ N/A	

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

Reference **RAC/0039/11/14**

Property 32 Prescelli Close Risca Newport South Wales NP11 6 RQ

Landlord Seren Living Limited

Tenant Mr V Huskings and Mrs A Huskings

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

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

The Reference

We were duly convened as a Rent Assessment Committee on the 6th January 2015. We had before us a reference from the Rent Officer. The Tenants had appealed a rent of £147.86p per calendar month determined by the Rent Officer on the 12th November 2014, effective from the 22nd December 2014, the previous fair rent of £137.13p per calendar month having been registered on the 22ND December 2012.

The Inspection

Prior to the Hearing we inspected the Property and we also had the opportunity of viewing the immediate locality. Mr Huskings, the co-tenant, was present at the inspection.

The Property was built circa 1986 and is a two storied semi-detached dwelling constructed in brick and with cavity block spar dashed walls and a tiled roof. Access to the Property was from the highway and up communal steps leading to a pathway which was also communal and ran along the front of a number of properties. It should be noted that the adjoining property, Number 34, could only be reached by walking in front of the subject dwelling and this meant walking between the small terraced front garden of the Property and the dwelling itself. The communal arrangements clearly affected the privacy of the occupiers of each of the dwellings fronting same. The Property was allocated two parking bays off the highway. There was a terraced rear garden with no rear access and the Property is located well above the level of the highway.

The accommodation on the ground floor consists of an entrance hall leading directly into the living room which then leads into the Kitchen. The first floor comprised two bedrooms

and a Bathroom which had a bath, wash hand basin and water closet. There was a shower above the bath.

The state of repair was satisfactory but the communal steps and pathway were uneven in places and some sections were dangerous. It appears from the papers before us that the communal steps and pathways remain in the ownership of the original developer and we have assumed that the Tenants have a legal right of way over same. Normally a developer would remain responsible for the maintenance of same subject to a contribution towards the costs of maintenance. However, we have not had sight of the lease and cannot be certain on these points.

The Tenants own one half of the equity in the Property and the remaining half is leased from the Landlord. Unfortunately, the Landlord and the Tenants have a different understanding of their repairing responsibilities under the Lease. The Landlord is of the opinion that the Tenants are solely responsible for both the exterior and interior repairs, whilst the Tenants believe that the Landlord is responsible for one half of the exterior repairs. Without sight of the Lease we cannot be certain of the true position. In this case the only issue that arises is whether the replacement fencing, as referred to below, is the sole responsibility of the Tenants or not. Notwithstanding this, the effect on the rent is minimal.

The Tenants, and their predecessors, have considerably improved the Property. The Tenants have opened up the entrance hall into the living room, and opened up the staircase and the understairs, made good the plasterwork to the walls and ceilings, replaced the skirting boards and added coving, all of which work was on the ground floor. They had replaced the old gas fire in the living room and upgraded the Gas Central Heating system by adding radiators and installing a Worcester boiler, which is housed in the airing cupboard on the landing. The boiler runs the central heating and also heats the domestic hot water system. The previous tenant had installed Double Glazing in the front elevation and replaced the front door, with the Tenants installing Double glazing and the door to the rear elevation. The Tenants have completely refurbished the Kitchen, laying a tiled floor, adding wall and floor units, worktops and a new sink. They have also partly tiled the kitchen walls. They had laid a laminated floor covering in the living room and on the landing and in the two bedrooms, and they have also added carpeting. The Tenants have also completely refurbished the Bathroom by installing a new bath, wash hand basin and water closet and they have added a shower over the bath. The Tenants have laid decking in the front and rear gardens, terraced the rear garden, installed a shed and side gate and replaced the fencing with close boarded fencing. In accordance with Section 70 (3) of the Rent Act 1977 we have disregarded these improvements in determining a fair rent.

The property is in an elevated position and forms part of Ty Sign Estate which has similar properties and flats. There are scenic views to the front looking out over rooftops. There are limited local amenities, although there are a few shops and a regular bus service. The Estate is about one mile from the town of Risca which has all usual urban amenities.

The Hearing

The hearing was by way of written representations. At the hearing we considered the representations made by both parties. The Tenants consider that the Property would not have been habitable had it not been for their efforts. There is no doubt that their improvements have considerably improved the Property and that it is now in a satisfactory condition. It is also evident that the Property would have been very basic had there not been these improvements and this has impacted on the fair rent that we have determined. As stated above, we cannot be certain of the repairing responsibilities of each party but, in this instance, this fact has not overly affected our decision. We accept that the responsibility for the communal steps and pathways remains with the original developer and that the Landlord is not responsible for same. However, the enjoyment of the Property is affected by the poor condition of same. Indeed, Mr Huskings suffered a serious accident in tripping on the communal steps. As joint owners of the equity in the property we consider that they have a joint responsibility to press for the defects to be remedied.

Scarcity

We agree with the Rent Officer that there is an element of scarcity which we must disregard in accordance with Section 70(2) of the Rent Act 1977. However, the amenities are limited in the area, and there is a lack of privacy due to the communal features and we accordingly determine that the scarcity should be set at 10% rather than the 15% assessed by the Rent Officer.

Market Rent

We agree with the Rent Officer in her assessment that the open market rental value is £450.00p per calendar month based on the assumption that the Property is in good repair, has central heating, double glazing, a modern bathroom and kitchen and is fitted with carpets and curtains. We accordingly have made deductions where these are not applicable or where the tenants have installed same. In the case of the Central Heating we have made an allowance due to the fact that the original system has been upgraded by the Tenants

Decision

The Property is a semi-detached dwelling with two bedrooms and forms part of an Estate with limited amenities. Our calculation is as follows :-

Market Rent			£450.00
Less Adjustments			
	Part Central heating	£32.50	
	Carpets/curtains	£43.50	
	Basic Kitchen/Bathroom	£43.50	
	Double Glazing	£43.50	£163.50
	Adjusted Market Rent		£287.00
	Deduct for Scarcity at 10%		£28.70

	Normal Fair Rent		£258.30
Deduct			
	Tenants repairing liability at 5%	£12.92	
	Landlords repairing liability at 5%	£12.92	
	Management/Administration at 5%	£12.92	
	Insurance Premium	£2.87	<u>£41.63</u>
			£216.67
Less 50% for Tenants equity stake			<u>£108.33</u>
			<u>£108.33</u>
ADD BACK	Management/Administration	£12.92	
	Insurance Premium	£2.87	
	Landlords repairing liability	£12.97	<u>£28.71</u>
			£137.05
		SAY	<u>£137.00</u>

We then considered the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 and found that it did not apply.

We accordingly determine that the Fair Rent for the Property is £137.00p per calendar month exclusive of rates.

This Committee made its decision on the 6th January 2015

DATED this 13th day of January 2015



Chairman