

**Rent Assessment Panel for Wales**

<b>Notice of the Rent Assessment Committee Decision</b>		File Reference Number: RAC/00014/05/16
Address of Premises  35 Allerton Street Grangetown Cardiff CF11 6SL	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.	Ninety Two points and fifty pence per WEEK (£92.50)  (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:	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: 13 September 2016	Chairman <i>P H Williams</i>	
<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: £93.00 per week		

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

**Reference** RAC/00014/05/16

**Property:** Number 35 Allerton Street Grangetown Cardiff CF11 6SL

**Landlord:** United Welsh Housing Association

**Tenant:** Mr S McQuade

**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, Cardiff on the 13<sup>th</sup> September 2016. The Landlord had applied for the Property to be re-registered at £105-83p a week, it then standing at £84-00p. The Rent Officer registered a new fair rent of £88-50p a 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 also viewed the immediate locality. The Property was built circa 1900 and is a two bedroomed mid terraced house, rendered and colour washed, with a slate roof and a narrow forecourt with a railed over wall.

The Property had been refurbished about 4 years ago and now had replacement UPVC double glazed windows and a gas central heating system and all main services.

The Ground Floor comprised an entrance hall leading to a narrow passageway and the Kitchen. There is also a living room and dining room off the entrance hall. The Kitchen was small but the Landlord had installed a sink and floor and wall units. The Tenant had constructed a rear lobby (which was in the process of being rebuilt at the date of inspection) and this led to a small rear garden in which the Tenant had constructed a lean-to shed. There is no rear access to the garden. The First Floor is reached by a staircase from the

entrance hall to the landing. There are two bedrooms and a Bathroom, which comprises a walk-in shower, Wash Hand Basin, Water Closet and an airing cupboard which houses the Combi Worcester boiler. The Gas Central Heating is to conventional water filled radiators and the domestic hot water.

The Property was in reasonable condition; but there was evidence of damp in the living rooms. The Tenant advised that the Landlord was intending to attempt to remedy the damp and also the fire damage arising from the adjoining property about a year ago. We are obliged to determine the rent with the Property in its present condition. We were unable to detect any fire damage, although we do not doubt the Tenant's belief that there is such damage. As we were unable to detect the damage we are not influenced by the possibility that it has arisen. We noted that the majority of the roofs in the street had been re-slatted. However, the roof to the Property appeared to be in reasonable condition.

The Tenant has carried out a number of improvements to the Property which we have disregarded in accordance with Section 70 (3) of the Rent Act 1977. In particular he had paved the narrow forecourt, erected the said rear lobby and lean-to shed, partially tiled the hallway to about half height, installed an electric fire in the living room and erected a form of fencing in the rear garden. The Tenant's walk-in shower had replaced the original bath.

The Property is in a residential area and close to local shopping and is about one mile from the City Centre.

### **3. The Hearing**

Neither party attended the Hearing and so we proceeded by way of written representations. The Tenant had not submitted any representations. The Landlord's representations were two fold. First it was concerned that the registered 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 as will be shown in our calculations. The second concern was that the Rent Officer had not adopted the Maximum Fair Rent as the registered fair rent. This appears to be a misunderstanding of the effect of the Rent Acts (Maximum Fair Rents) Order 1999 (the Order). The Order sets out a formula to establish the maximum rent by taking the Retail Price Index figure for the date of the previous registered rent and comparing it with the Retail Price Index figure for the month before the date of the Hearing. It is not a method for calculating the new rent; but essentially it is a capping figure. If the new fair rent calculation is less than the Maximum Fair Rent then the former is the new 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 excessive 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 £114-23p to £150-00p for a two bedrooed terraced house and had decided on a market rent of £126-92p from which had been deducted a sum of £3-00p for the age and character of the Property. Whilst we agree with the Rent Officer on a market rent of £126.92p a week we consider that such a figure already takes account of the age and character of the Property and we decided not to deduct any sum for this factor. We also noted that the Rent Officer had made an allowance of £12-00p for the fact that the carpets and curtains belonged to the Tenant; but we decided that this allowance was slightly too high for a small house and we consider that £10-00p a week is more appropriate. The Rent Officer had also made an allowance of £5-00p for the existence of damp and an allowance of £3-00p for the size of the Kitchen and we agree with the Rent Officer on these allowances. The Rent Officer has decided that there is scarcity and has made a deduction of 15% with which we agree.

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

The Property is a two bedrooed mid terraced house in reasonable condition. We agree with the Rent Officer that the market rent is £126-92p a week, based on a dwelling in good condition, with a modern Kitchen and Bathroom and with carpets and curtains. Accordingly we have made allowances for the absence of carpets and curtains, the smallness of the Kitchen, and the presence of damp.

#### **5. Scarcity**

As referred to above we agree with the Rent Officer that scarcity is at 15% in accordance with Section 70 (2) of the Rent Act 1977

## 6. Decision

We determine that the open market rental value is £126-92p a week and we have adjusted the figure as follows:-

	Market Rent		126.92
Adjustments			
	Carpets and curtains	10.00	
	Smallness of Kitchen	3.00	
	Condition	<u>5.00</u>	
			<u>18.00</u>
			108.92
	Scarcity at 15%		<u>16.34</u>
			<u>92.58</u>
	Fair Rent	SAY	<u>£93.00p</u>

## 7. Maximum Fair Rent

We then considered the Order and ascertained that it does apply and that the fair rent should be capped

We accordingly determine that the fair rent for the Property shall be £92.50p 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 27<sup>th</sup> day of September 2016



Chairman