File Ref No.

RAC/0001/04/16

Notice of the Rent Assessment Committee Decision and Register of Rents under Assured Periodic Tenancies (Section 14 Determination) Housing Act 1988 Section 14

Address of Premises				The Committee members were				
7 West Road, Usk, NP15 1QL				Paul Williams (chair) Nick Hill (surveyor) Angela Ash (lay)				
Landlord Address		Mountview Estates, 151 High Street						
		Southgate, London, NI4 6EW						
Tenant		Mr & Mrs Blount						
1. The rent is:	£404.53	Per	Calendar Month					& council tax unts in paras
2. The date the decision ta effect is:		akes	09/05/20	016				
*3. The amount included for services is		or	na			Per	na	
*4. Services charges are variable and are not included								
5. Date assured tenancy commenced			1 st June 1	1989				
6. Length of the term or rental period			Calenda	Calendar Monthly				
7. Allocation of liability for repairs			External Repairs & Decoration & Internal Repairs – Landlord. Internal Decoration – Tenant.					
8. Furniture provided by landlord or superior landlord None								
9. Description of premises								

End of terrace brick & render property with slated roof & 3 bedrooms. Garden to front & rear, shared pedestrian access to front.

Signed by the Chairman of the Rent Assessment Committee.		
Tatturi	Date of Decision	09/05/2016

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RESIDENTIAL PROPERTY TRIBUNAL

RENT ASSESSMENT COMMITTEE (Rent Act 1977)

Reference	RAC/0001/04/16							
Property :	Number 7 West Road Monkswood Usk Monmouthshire NP15 10							
Landlord:	Mountview Estates PLC							
Tenant:	Mr and Mrs R Blount							
COMMITT	TEE: Chairman P H Williams							
	Surveyor NFG Hill FRICS							
	Lay member Dr A Ash							

REASONS FOR THE DECISION OF THE RENT ASSESSMENT COMMITTEE

The Reference

1. We were duly convened as a Rent Assessment Committee at the Cwrt Bleddyn Hotel Llangybi Usk on the 9th May 2016 under the provisions of the Housing Act 1988 (as amended) (the Act).We had before us an Application referring to the Landlord's Notice proposing a New Rent under Section 13 (4) of the Act. On the 4th March 2016 the Landlord served on the Tenants a Notice proposing a new rent of £450.00p per calendar month effective from the 1st May 2016, the previous rent having been £415.00p p.c.m. The Tenants have appealed against the proposed level of the new rent.

The Inspection

- 2. Prior to the Hearing we inspected the Property internally and externally and we also viewed the surrounding locality. The Tenants were present at both the Inspection and the Hearing, whilst the Landlord was not represented at either; but had submitted written representations. The properties in West Road form part of a development of housing built by the Royal Ordnance Factory (ROF) in 1939 for key workers at their adjoining munitions factory. There is a roadway of more modern houses, known as Beaufort Crescent, to the rear of West Road, which were also built by the ROF. The development is relatively small and set in countryside and close to the mouth of the access road to the Factory, and where it adjoins the main road from Usk to Pontypool. Even though the properties are no longer owned by the ROF, the Factory itself is still in operation under the ownership of BAE Systems.
- 3. The Property is an end of terrace house and appeared to be constructed with traditional cavity brickwork and had been rendered externally and had a slate

covered roof to the main building and an asbestos slate roof to the kitchen extension. It is known that the Property is within the designated blast zone for the Factory and the Tenants stated that the upstairs ceilings were concreted. It is very likely that there are other protective features given the proximity to the munitions factory; but none were visible at the Inspection.

- 4. The accommodation on the ground floor comprises a hall, lounge, dining room, bathroom, separate Water Closet, and a rear porch. There is a staircase and landing area leading to three bedrooms on the first floor. Access to the estate road is via a shared gate and path and there is a small front garden and a good sized rear garden. There is a gas fired central heating system and a small utility room which was formerly the coalhouse. There is no parking facility within the curtilage; but there is a non-allocated parking area nearby.
- 5. The Tenants have carried out a considerable number of improvements. They have added kitchen units and worktops, laid a tiled floor and wall tiled throughout, and created the said utility room. Other general improvements have been made to the interior. In the garden area the Tenants have laid a patio, constructed pathways, installed two sheds and created a water hose outlet. The Tenants installed a gas central heating system in 2007 by installing a combi-boiler, sited in one of the rear bedrooms, the boiler also providing domestic hot water. The then Landlord paid for the heating to the first floor, achieved through three radiators.
- 6. There was evidence of dampness throughout the Property, with mould growth evident in a number of places. The damp problem had caused the Tenants to purchase two de-humidifiers which are in regular use.
- 7. The Landlord replaced the original metal framed windows in 2010 with double glazed units and installed two external doors. Further, in 2014 it had fully rewired the Property and in February 2016 the Landlord had painted the exterior of the Property. In general the Property was well presented; but had it not been for the work undertaken by the Tenants, it would have required general upgrading and improvement. The responsibilities for repair and decoration are set out in Section 11 of the Landlord and Tenant Act 1985 with the Landlord being responsible for external and internal repairs and external decoration and with the Tenants being responsible for internal decoration only.
- 8. The strong odour from the Chicken Farm was very noticeable; it is thought likely that this occurs when the sheds are periodically cleaned out. The odour had been referred to in previous hearings.
- 9. There is a private drainage system serving the Property. This was originally laid by the ROF and currently in the ownership of BAE Systems which charges the individual freeholders, who then pass the cost onto the occupiers.

The Hearing

- 10. Mr Blount stated that he found the proposed rent rise of £35.00 pcm unacceptable and excessive. He added that the damp problem had persisted since he took up occupation some 27 years ago, and that successive landlords had failed to address the problem. He explained that he and his wife had treated the affected areas with expensive damp proof paint and were continually washing off the mould. He produced photographs showing the mould prior to its removal and the damp shown was extensive and prevalent. In addition the Tenants were using Silica gel damp packs and he produced evidence that this was costing about £4 a week (but would rise to £6 a week once a special offer had expired) and that these packs filled up in 2 to 3 weeks and were not re-usable. He advised that the Landlord had installed an extra air vent about 4 years ago; but that there had not been any noticeable improvement. He confirmed that windows were opened for ventilation and that the vents were also left open. Mr Blount said that the obnoxious odour from the Chicken Farm might be the reason for the fly infestation that occurred in the summer months. Mr Blount considered that the Estate was more run down than previously in that some residents were dismantling vehicles in the open spaces and that BAE Systems were not maintaining the roads, which now had potholes in places. The Tenants stated that it was now a less desirable place to live. Further the Property remained in the outer blast area zone as a result of its proximity to the munitions factory. There was traffic day and night to the factory, which was not conducive to a peaceful occupation. Mr Blount confirmed that the Property was 3 miles from the nearest shops, garage and school and that both the local Pub and Social Club had closed, and that there were only 2 bus services a day, so that a vehicle was essential to living on the Estate.
- 11. Mr Blount added that he was not aware of any properties letting for anything like £650 pcm in the vicinity and pointed out that the landlord had not specified comparable properties so that he could not comment on its research. He stated that, in general properties in Usk were more substantial and did not have damp problems and that Usk had more amenities. Usk is a small town some 3 miles distant and has limited amenities.
- 12. Mr Blount then produced a letter from the Landlord dated the 21st June 2011 advising that it was now the Landlord and confirming the rent at £380 pcm and a drainage charge of £23.47 pcm. The Tenants said that an increase of between £5 and £10 would be reasonable.

Our Findings

13. After the Hearing we carefully considered the representations of the parties and in determining the rent we took into account all the relevant legislation. The installation of the new windows and doors by the Landlord have undoubtedly improved the insulation of the Property; but it had not cured the damp problem, which is severe. The use of damp packs will have reduced the water content but the underlying problem persists. The extractor fans in the Kitchen and Bathroom did not appear to be effective and the same seemed to be the case for the fitted vents in the front room and rear bedroom. The Tenants clearly understood the importance of ventilation in avoiding or reducing damp levels. The damp was noticeable when adjacent to the outer walls. However, in the rear bedroom where the boiler is located, the damp level seemed reduced. This might indicate that the damp is being caused through condensation but this is seemingly inconsistent with the ventilation of the other rooms. Clearly, it is not acceptable for the Tenants to have to expend the sums that they are for the damp packs, and damp/condensation which is not caused by the action of the Tenants will impact on rent figures. This damp/condensation problem needs investigation and remedy.

- 14. Whilst recognising the difficulties of finding directly comparable properties for this location we agree with the Tenants that it is not sufficient to give a general rental indication in order to establish a comparable rental value and accordingly we have relied on our own judgement and experience in assessing the market rent.
- 15. It has been unclear for a number of years as to whether landlords have been charging exclusive or inclusive rents as regards the drainage system. In part this has been because landlords have adopted different practices coupled with the absence of documentation and differing recollections by tenants. However, the letter that the Tenants produced has enabled us to definitely establish that in 2011 the Landlord was collecting rent inclusively as regards the drainage charge. At the date of the last Hearing Mr Blount gave evidence that the rent was £403.47 pcm (380 + 23.47) up to the 1st July 2014. The drainage charge is clearly a variable service charge and we have reached our decision on this basis. Whilst we are surprised at the high cost of £23.47p pcm, there is no Application before us to make a determination on the level of this charge.
- 16. The Property is in a rural location, which will appeal to some would be tenants who have transport or are able to cope with the very limited bus service. However, there are virtually no amenities in the immediate vicinity of the Property, it is in close proximity to a munitions factory and within the blast zone. We also noted that the main roof is showing signs of its age with chipped or slipped slates. Whilst the odour from the Chicken farm was noticeable it is thought likely that this primarily occurs when the sheds are cleaned out and odours do occur in the countryside periodically.
- 17. The absence of a landlord's central heating system and the presence of considerable dampness/condensation have also impacted on the rental value as it is not considered to be the fault of the Tenants. The area does appear to be more run down than previously; but not to the extent, as yet, that it has an impact on the rental value.
- 18. We have disregarded the considerable improvements made by the Tenants in assessing the rental value.

19. We are not persuaded that the market justifies a rent increase of £35.00 pcm. Whilst the market remains relatively strong it is our considered view that the market is similar to when the rent was last increased.

Decision

- 20. Having taken account of all the matters put to us by the parties this Committee determined that the rent for the property shall be £404.53p per calendar month, exclusive of the service charges arising in regard to the private drainage system (currently being £23.47p per calendar month) and exclusive of council tax and rates.
- 21. We record that this Committee made its decision on the 9th May 2016

Dated this 25th day of May 2016

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CHAIRMAN