

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE
(HOUSING ACT 1988)

Reference: RAC/0031/03/17

Property: 98 Glandwr, Vaynor, Newtown, Powys, SY18 6RA

Landlord: Mid Wales Housing Association Limited

Tenant: Mr. Neil Flatley and Mr. Anthony Flatley

Committee: Chairman – Mr. Andrew Grant
Surveyor – Mr. Hefin Lewis

Decision

1. We were duly convened as a Rent Assessment Committee under the provisions of the Housing Act 1988. We met at number 98 Glandwr, Vaynor, Newtown, Powys, SY18 6RA (“the property”) on the 16th October 2017.
2. The landlord of the property is Mid Wales Housing Association (“The Landlord”). The tenants were Mr. Neil Flatley and Mr. Anthony Flatley (“The Tenants”). The property is occupied under the terms of an Assured Tenancy Agreement dated the 31st October 2005.
3. By way of a letter dated the 14th February 2017 the landlord wrote to the tenants enclosing a notice informing the tenants of the landlord’s intention to increase the rent from £395.20 to £412.14 per calendar month with effect from 1st April 2017.
4. On the 30th March 2017 the Tribunal received an application from the Tenants requesting that the Tribunal, sitting as a Rent Assessment Committee, determine a market rent for the property.
5. Prior to the hearing we attended at the property. The Landlord was represented by Mr Charles Brotherton. Upon arrival at the property the front door was open and a tradesman was working in the kitchen. We enquired after the Tenants only to be informed by the tradesman that the Tenants had moved out of the property at some point in September 2017. A pile of unopened mail was on the window sill in the front room of the property.
6. The Tribunal attempted to contact the Tenants by phone but left a message as the phone was not answered.

7. Mr Brotherton contacted the Landlord organisation to be informed that the Tenants had vacated the property on the 29th September 2017.
8. Mr Brotherton requested that the application be dealt with notwithstanding the Tenants had vacated the property.
9. After considering the matter and given that the Application had not been withdrawn, the Committee agreed to proceed to determine the Application.

The Inspection

10. The property is a semi - detached house forming part of a large density residential development on the outskirts of Newtown. The property is of cavity block construction with brick faced elevations. The roof is pitched and tiled.
11. The accommodation is arranged on two floors comprising: Ground Floor – Hall, Sitting room, Kitchen, Toilet with w/c, First Floor – Landing, three bedrooms, bathroom with w/c.
12. The property benefits from mains electricity, water, gas and drainage. It has a gas fired central heating system.
13. The general condition of the property was consistent with its age and type of construction but some works of repair and maintenance are required. Elements of the property are ageing and will likely require attention.
14. The property had been let unfurnished.

The Hearing

15. The matter had been listed for hearing at the Elephant and Castle Hotel, Broad Street, Newtown, Powys, SY16 2BQ.
16. The Tenants were not represented and did not attend. The Landlord was represented by Mr Charles Brotherton.
17. Having satisfied itself that the Committee had jurisdiction to deal with the matter the only issue to be addressed was that of the market rent that the property would fetch if let in the open market by a willing landlord under an Assured Tenancy, disregarding those matters set out at section 14 paragraph 2 (a) – (c) of the Housing Act 1988.
18. The Tenants had not submitted any evidence in support of their application.
19. The Landlord had submitted an undated letter from Mr Aidan Ackerman, the Landlord's Director of Customer Services, (received at the Tribunal office on the 1st September 2017), which set out the Landlord's reasons in support of the proposed rent increase.

20. The letter stated that the proposed rental increase fell within the Local Housing Allowance for a property situated in North Powys. It stated that these guidelines were set by the Welsh Government and therefore, as far as the Landlord was concerned, "there was no apparent case to consider".
21. However, at the hearing Mr Brotherton sought to introduce additional evidence in support of the Landlord's Position. The evidence took the form of comparable rents for which he submitted were similar properties in the area and a copy of a report which he had prepared for the Board of Mid Wales Housing Association entitled "Annual rent Setting Policy 2017".
22. The Committee allowed these documents to be introduced as evidence.
23. Mr Brotherton submitted that based upon the evidence, the appropriate market rent for the property was between £524 – £550 per calendar month. He referred specifically to two properties namely, 50 Goylands Close, Llandrindod Wells and Parc Hafod, Newtown as being suitable comparable properties. The first was listed as seeking a rent of £560 per calendar month and the second sought a rent of £650 per calendar month. He also referred to a property at 12 Gerddi Glandwr, Newtown which sought a rent of £525 per calendar month.
24. During the hearing The Committee asked Mr Brotherton to consider two other properties in Newtown which had been located by the Committee in its preparation for the hearing, namely properties situated at 3 Gerddi Glandwr, Newtown and 44 Lon Glanyrafon, Newtown both of which were 3-bedroom properties and had achieved rents of £495.00 per calendar month.
25. Following consideration of those comparable properties Mr Brotherton agreed that they tended to suggest that the correct market rent for The Property was £495.00 per calendar month.

The Law

26. In reaching our decision regard has been paid to the provisions of s13 and 14 of the Housing Act 1988.
27. S13 of the Housing Act 1988 requires that before increasing the rent the landlord must serve a written notice of increase in the form prescribed by the regulations. The notice must be signed by the landlord and served upon the tenant.
28. In order to prevent the proposed increase taking effect the tenant must make an application to the Tribunal in the prescribed form. The application must be received by the Tribunal to determine the rent before the date specified in the notice as the effective date.
29. The rules governing how the Tribunal determine the proposed rent increase are contained in s.14 of The Housing Act 1988. We are required to consider the rent at which the property could reasonably be expected to be let in the open market by a willing landlord where the periods and terms of the tenancy are the same as the subject property (save for those relating to rent level).

30. The Tribunal is required to disregard any increase or decrease in the value of the property caused by improvements made by the tenant or any failures by the tenant to adhere to the terms of the tenancy.

Consideration of the evidence

31. The tenants had failed to supply any evidence in support of their position. Therefore, the Committee considered the evidence submitted by the Landlord.

32. Firstly, the Committee rejected the Landlord's evidence of comparable rental properties. The property in Llandridnod Wells was too far from the location of the subject property to be comparable. It was also a detached property whereas the subject property was semi - detached. The property in Newtown was also not comparable as it was again a detached property and far larger than the subject property.

33. As regards the property at 12 Gerddi Glandwr, Newtown, The Committee noted that whilst this was a more suitable comparator the asking rent of £525 per calendar month had not been obtained despite being marketed since August 2017.

34. The Committee noted that in Mr Brotherton's report entitled "Annual Rent Setting Policy 2017" (at page 7) he had indicated that the average market rent for a 3-bedroom property in Powys would be £498.00 per calendar month. This was far closer to the valuation evidence preferred by the Committee than that presented by the Landlord.

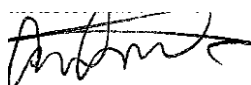
35. Regard was also had to Mr. Brotherton's concession when questioned that £495.00 per calendar month would seem to be a likely indicator of the appropriate market rent.

36. Accordingly, the Committee consider that the market rent is £495.00 per month.

Decision

37. Taking all of the above into consideration we confirm the rent to be £495.00 per calendar month effective from the 1st April 2017 being date specified in the Landlord's notice.

Dated this 21st day of December 2017.



Andrew Grant
Chairman.