Residential Property Tribunal

RAC/0027/03/17

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			
109 Heol Trelai, Ely, Cardiff, South Wales, CF5 5LE			Mr E Paton, Chairman Mr R Baynham, Surveyor				
Landlord		United Welsh Housing					
Address		Y Borth, 13 Beddau Way, Caerphilly, CF83 2ZX					
Tenant		Mr Alan Michael Seward					
1. The rent is:	117.36	Per	week (excluding water rates & council tax but including any amounts in paras 3&4)				
2. The date the decision takes effect is:			3 rd April	2017			
*3. The amount included for services is			£19.58		Per	week	
*4. Services charges are variable and are not included							
5. Date assured tenancy commenced			11/08/2015				
6. Length of the term or rental period			1 year, then weekly				
7. Allocation of liability for repairs		Landlord – Exterior/common Parts Tenant - internal					
8. Furniture provided by landlord or superior landlord							

None

9. Description of premises

2nd Floor, 2 bedroomed flat in modern social housing development

Signed by the Chairman of the Rent Assessment Committee.		
E-1=	Date of Decision	13 th September 2017

Y TRIBIWNLYS EIDDO PRESWYL RESIDENTIAL PROPERTY TRIBUNAL RENT ASSESSMENT COMMITTEE

Reference: RAC/0027/03/17

IN THE MATTER OF: 109 Heol Trelai, Ely, Cardiff CF5 5LE

AND IN THE MATTER OF the Housing Act 1988

BETWEEN:

Applicant: ALAN MICHAEL SEWARD

-and-

Respondent: UNITED WELSH HOUSING

DECISION

Hearing: 12th September 2017, Residential Property Tribunal, Wood Street, Cardiff

Tribunal: Mr E W Paton (Chair), Mr R Baynham (Surveyor)

The Applicant did not appear and was not represented

The Respondents: Ms H Stedman, Solicitor, Blake Morgan

- The Applicant Mr Seward is the periodic assured tenant of a 2-bedroomed flat at the above address. The Respondent is his landlord. By a notice dated 22nd February 2017, in Form 4D, under section 13(2) Housing Act 1988, the Respondent served on the Applicant a notice of a proposed rent increase from the previous figure of £100.11 per week to £117.36 per week. The covering letter explained that the figure of £117.36 comprised £97.78 as the element of rent, with a £19.58 contribution to service charge. The new rent was to take effect from 3rd April 2017.
- 2. By application dated 13th March 2017, the Applicant referred the notice to this Tribunal, sitting as a Rent Assessment Committee. After some initial correspondence, the Tribunal is satisfied that it has jurisdiction, as

the Respondent's express power to increase the rent only applied in the first year of the tenancy. Thereafter, as a periodic assured tenancy, it is subject to sections 13 and 14 Housing Act 1988 in the usual way.

3. The Applicant has filed no evidence, no documents and no examples of comparable rents. This hearing, with a site visit to the property at 10 a.m., was listed well in advance and we are satisfied that he had notice of it. When we attended the property at 10 a.m. on the day of the hearing, he was not present and we were unable to obtain access to the property itself, although a neighbour allowed us in to view the common parts. Ms Karen Thomas of the Respondent, who was present, telephoned the Applicant on the mobile number supplied on his application form. He answered, and we understand that he explained that he was at work and would not therefore be attending the inspection or the hearing.

We therefore considered that the correct course was to proceed in his absence.

The premises

- 4. Flat number 109 ("the premises") is a 2nd floor flat in a block of 6 similar type units which were constructed some 3 years ago. It is conventionally built with brick exterior walls with a tiled roof and benefits from UPVC double glazed windows.
- 5. The premises are located in the Ely district of Cardiff, and is within relatively easy reach of local shops, transport and other amenities and all other facilities are available in the City centre which is approximately 3 miles distant. The site was developed by the Respondents approximately 3 years ago and consists of similar type apartments and houses in a quiet cul-de-sac. The development is well maintained having communal grass areas and flower and shrub borders adjacent to the apartments.
- 6. As stated, we were unable to gain access to the premises but managed to inspect the communal hallway and the staircase leading to the 2nd floor apartment. There is also a lift which provides access to the flats. We were informed by the Respondent at the time of the inspection that the premises consist of an entrance hall, living room, kitchen, a double bedroom, a single bedroom and a bathroom with a w/c. The premises have the benefit of central heating. At the rear of the building is a large car parking area although we understand that the individual properties do not have designated parking spaces. At the hearing we were provided with copies of plans indicating the floor layout of the premises which confirmed the accommodation as detailed above.

The basis for the Respondent's increase

7. The Respondent, through Ms Thomas in her statement and (at the hearing) through its solicitor Ms Stedman, made these points:-

- the Local Housing Allowance (LHA) for this area, set for the purposes of Housing Benefit payment by the Welsh Assembly Government for this "Broad Rental Market Area", is £126.92 per week, so the proposed rent increase still leaves the rent comfortably below this level
- ii) the recent increase was in the line with the Welsh Assembly Government's recommended percentage rise, to which the Respondent has discretion to add a further £2 (which it has done in the recent increase)
- iii) a brief survey of available market rentals on websites such as "RightMove" suggests that the proposed rent is well below nearby market values. We saw some examples of particulars of such properties, including 2 bedroomed flats in Cowbridge Road, Michaelston Road and Caerau Lane, all of which were being offered for £600 per month (=c. £138 per week). One flat in Grand Avenue was available at £525 per month (=c.£121 per week). Those are all, we understand, rents exclusive of any additional service or estate charges.
- 8. In addition, the Tribunal referred at the hearing to its own knowledge and experience of the local rental market, in particular to the letting of 2-bedroomed flats in the nearby Pyle Road area, an area known locally as ' The Villages '. Those blocks of flats have different names including Michaelston Court, St. Brides Court, St. Lythans Court, and Wenvoe Court. They consist of ex-local authority 3 storey blocks of 2 bedroomed flats having a floor layout very similar to the subject property and also designated car parking spaces. However many of these flats do not have ' proper ' central heating and have the Economy 7 type system.
- 9. Those flats were constructed in the early 1970s and, it seems to us, are of slightly inferior quality to the premises in this application, as well as being some 40 years older. Our understanding is that these flats nevertheless command rentals in the region of £450 to £475 per calendar month (equivalent to £103.85 to £109.62 per week) and this is the 'core' rent as the Landlords are responsible for the service charge. The relevant comparable figure for the premises in this application is its proposed 'core' rent of £97.78.

Decision

- 10. On the available evidence, and in the absence of any countervailing evidence from the Applicant, we are wholly satisfied that a rent of £117.36 inclusive of service charge is well within the band of rents at which such a property might reasonably expected to be let on the open market by a willing landlord under an assured tenancy. It is if anything below that level, reflecting the Respondent's role as a provider of affordable social housing.
- 11. Not only is the proposed rent, once increased, still lower than any comparable property in the area of which we have been made aware, our view is that the flats in this block are in fact of a particularly high

quality and standard. They are very recently constructed (we believe in 2014 – the Applicant has been the only tenant of this flat to date) and appear from the outside to be well maintained. They are provided with ample parking and surrounding grounds.

- 12. Although we did not obtain access to the Applicant's own flat, we have inspected floor plans of flats in the block and are satisfied that these accurately represent the layout of the Applicant's flat. There is nothing in those floor plans which might suggest that the proposed rent is too high, having regard to the extent of premises let to the Applicant.
- 13. We therefore uphold and confirm the rent as increased by the Respondent, the sum of £117.36, effective from 3rd April 2017. Since the Applicant did not appear before us, or make any submissions in writing in relation to the issue of "undue hardship" under section 14(7) of the 1988 Act, we need not consider that issue and have no evidence with which to do so in any event. The rent is therefore payable with effect from 3rd April 2017 as proposed in the notice.

E.W. Paton

2-14

Chair, Rent Assessment Committee (Wales)

Dated this 26th day of September 2017