

Y TRIBIWNLYS EIDDO PRESWL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE

Reference: RAC/0001/04/20

In the matter of 33 Croft Road, Welshpool, Powys, SY21 7QD

And in the matter of an Application under section 13(4) of the Housing Act 1988

Applicant: Sharon Roberts

Respondent: Mid Wales Housing Association Ltd

Tribunal: Andrew Grant (Chairman)
Neil Martindale (Surveyor)

Decision

The Committee determine that the market rent for the property is £435.00pcm inclusive of the service charge. The said sum being payable from the 1st April 2020.

Reasons

1. This is an application by Ms. Sharon Roberts (“the Applicant”) who is the tenant of the property known as and situate at 33 Croft road, Welshpool, Powys, SY2 7QD (“the Property”).
2. The Applicant occupies the Property pursuant to the terms of an Assured tenancy agreement which commenced on the 14th September 2006.
3. By her application, the Applicant seeks to challenge the notice of increase of her rent which was served upon her by the Respondent on the 7th February 2020, which proposed an increase to her rent with such increase to take effect from the 1st April 2020.
4. The application was received in the Tribunal office on the 27th March 2020. Directions were issued on the 15th April 2020. In compliance with those directions, the Respondent filed and served its evidence on the 7th May 2020. The evidence took the form of a letter from Sion Hopwood which attached a copy of the Respondent’s annual rent setting policy together with

a copy of the tenancy agreement for the Property and a list of 3 comparable properties upon which the Respondent sought to rely.

5. Prior to the hearing, the Respondent also submitted a written valuation from a firm of chartered surveyors called Morris Marshall and Poole (“MMP”)
6. There were no submissions from the Applicant.
7. The matter was listed for a determination on the papers. The determination took place on the 11th March 2021.

The Property

8. The Surveyor member of the Committee inspected the Property on the 10th March 2021.
9. The property is situated in a cul-de- sac on the edge of a larger and older housing estate consisting of both private and public sector housing.
10. The property is a semi - detached house set out over two floors. It was built between 30- 40 years ago. It is constructed of brick faced external walls and has a double pitched main roof with a single lap concrete tile covering. The property is in fair condition with no obvious signs of disrepair.
11. At ground floor level the property consists of a hall, living room (front), kitchen/diner (rear) and a large under stairs cupboard. At first floor level there are two medium sized double bedrooms and standard functional bathroom consisting of wc, basin bath and shower over.
12. The property benefits from full gas central heating and double glazing throughout.
13. There is a small rear yard and to the front of the Property there is a space to park a vehicle and a small garden.

The deliberations

14. Pursuant to section 13 (2) of the Housing Act 1988, a landlord may serve notice in the prescribed form for the purposes of securing an increase in the rent under a tenancy. In the current case, the relevant notice was served on the Applicant and was dated the 7th February 2020. The Committee is satisfied that the said notice is valid.
15. Section 14 (1) of the Housing Act 1988 (“the Act”) states that in determining the Applicable rent the Tribunal shall determine the rent at which the Tribunal considers that the dwelling house concerned might reasonably be expected to be let in the open market by a willing landlord under an Assured tenancy having regard to those matters set out in paragraph 14 (1) (a – d) whilst disregarding those matters which appear at paragraph 14 (2) (a -c).

16. In the current Application, the Respondent proposes to increase the monthly rent (including service charge) from a figure of £388.91 to a new figure of £409.89 being an increase of £20.98 per month.
17. The Applicant did not supply the committee with any submissions regarding the proposed increase.
18. As stated at paragraphs 3 and 4 above, the Respondent relied upon a letter from Sion Hopwood dated the 7th May 2020, together with a separate written valuation.
19. The Respondent submitted that the proposed increase was in line with both the affordability assessment and guidance provided by the Welsh government.
20. The Respondent also sought to rely upon three comparable properties. Two of the properties were situated in Welshpool (namely the properties at 1 Heather Close and Abbey Terrace) and another property was situated in Newtown (8 Llys Afallen). The committee did not consider the latter property to be a useful comparable being situated in Newtown rather than Welshpool. The other properties were more useful comparators.
21. The Respondent also sought to rely upon the written valuation of a firm of chartered surveyors called Morris Marshall and Poole ("MMP") which had offices based in Welshpool. They had provided a drive by appraisal dated the 5th March 2021. This stated that in their opinion the market rent for the property would be £460 pcm.
22. The committee took the view that in an open market situation, prospective tenants would expect to see a degree of furnishing in the property such as carpeting, curtains and white goods. That was not the case in the subject property and that would therefore reflect in the rent to be achieved.
23. Having considered the valuation from MMP, the committee was satisfied that a rent of £460 pcm was an appropriate starting point in determining an appropriate market rent. However, one then had to make a deduction in respect of the absence of those matters identified in paragraph 22 above as it was considered that they would have an impact on the rental figure.
24. The committee felt that a deduction of 5% would be appropriate in the present case. This would give a figure £437.00pcm but rounded down to £435.00pcm. It was noted that this was higher than the rent charged for the property at 1 Heather Close but this no doubt due to the fact that the Applicant is also the Landlord of 1 Heather Close and thus is likely not charging a full market rent. Otherwise, this figure was broadly in line with the comparable figures which had been provided by the Respondent.
25. There was no further evidence placed before the committee.

26. Given the findings set out above the committee determines that the rent which one could reasonably expect to receive in respect of the subject property is £435.00 pcm inclusive of service charge.
27. The task of the committee is to determine the market rent. This does not mean that is the price that must be charged or paid by the parties to this application. That is a matter for them.
28. The current application proposes a rent of £406.73 which is below what the committee considers the appropriate market rent to be.
29. In the absence of any evidence of hardship, the committee determine that the proposed increase shall take effect from the **1st April 2020** being the date specified in the Respondents notice.

Dated this 11th day of March 2021.

A Grant
Chairman