

**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**8 Heol Rhedyn
Vaynor, Newtown Powys, LL16 1RR**The Committee members were**Trefor Lloyd – Legal Chair
Neil Martindale – Surveyor Member**Landlord**Cymdeithas Tai Canolbarth Cymru Cyf /
Mid-Wales Housing Association Ltd**Address**Ty Canol House, Ffordd Croesawdy, Newtown,
Powys, SY16 1AL**Tenant**

Mr Rhydian Williams and Miss Emma Jones

**1. The rent
is:**

£145.00

Per

Week

**(excluding water rates & council tax
but including any amounts in paras
3&4)****2. The date the decision takes
effect is:**4th April 2016***3. The amount included for
services is**

NIL

Per

4. Services charges are variable and are not included*5. Date assured tenancy
commenced**14th November 2012**6. Length of the term or rental
period**

Weekly Periodic

**7. Allocation of liability for
repairs**

As Per Tenancy Agreement

8. Furniture provided by landlord or superior landlord

NONE

9. Description of premises4 Bedroom semi detached House with two car bays across the estate
road(status of allocation uncertain).Signed by the Chairman of the Rent
Assessment Committee.**Date of
Decision**8th June 2016

**Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE
(Housing Act 1988)**

Reference: RAC/0025/03/16

PROPERTY: 8 Heol Rhedyn, Vaynor, Newtown, Powys, SY16 1RR

LANDLORD: Tai Canolbarth Cymru / Mid-Wales Housing

TENANTS: Miss Emma Jones and Mr Rhydian Williams

COMMITTEE: T Lloyd, Legal Chair
Neil Martindale Surveyor Member

VENUE: The Elephant & Castle Hotel, Newtown

DATE: 6th June 2016

**REASONS FOR THE DECISION OF THE RENT ASSESSMENT
COMMITTEE**

INTRODUCTION

1. We convened as a Rent Assessment Committee under the provisions of the Housing Act 1988 (the Act) on the 6th June 2016. We had before us an Application in respect of 8 Heol Rhedyn, Vaynor, Newtown, SY16 1RR (hereinafter referred to as “the Property”). On the 24th February 2016 the Landlord served a Notice on the Tenants increasing the rent from £129.43 per week to £136.70 per week. The new rent was to be effective from the 4th April 2016. The Tenants referred the Notice and proposed increase to this Committee on the 16th March 2016. No issue has been raised by either party relating to either the Notice or the Committee’s jurisdiction. Accordingly, the only issue first to determine is the amount of rent payable from the 4th April 2016.
2. It is common ground between the parties that the rent contended for by the Landlord is 85% of the open market rent due to the property being classified by the Landlord as an Intermediate Rent Property. Despite this being the case as outlined to the parties at the outset of the hearing we will simply determine the full open market rent and leave it to the parties to agree the adjusted sum based upon our determination of the full open market rent.
3. Before considering the matter we visited the Property. One of the Tenants being Miss Emma Jones was present. Mr Aidan Ackerman was present on behalf of the Landlord. He is the Director of Customer Services for the Landlord. Miss Jones was not prepared to allow Mr Ackerman into the Property for the purpose of the inspection and in the circumstances he confirmed he had no objection to staying outside as he was familiar with the layout of the Property and its condition etc.

INSPECTION

4. The Property is a semi-detached house, located on a small modern (2012) purpose built housing estate towards the western end of the town of Newtown. The house is two-storey with a small single storey side addition. It has two car spaces allocated to the front. There is a large rear/side garden. The exterior of the house is brick walling, with artificial slate double pitched main roof, and single storey roof.
5. The internal accommodation comprises: ground floor, three rooms, kitchen, laundry room, WC, walk-in cupboard. First floor: three rooms, bathroom/WC.
6. The Property has double glazed PVCu windows and external doors throughout. It has full gas fired central heating and electrically heated hot water, supplemented by one solar panel on the roof.
7. The Property appeared to be in a very good repair and decorative condition throughout. No Tenant's improvements were reported to us that were to be disregarded.

REPRESENTATIONS

8. The Tenants requested an Oral Hearing and we subsequently convened at the Elephant & Castle Hotel in Newtown after the inspection to conduct the Hearing. Miss Jones gave evidence on behalf of the Tenants and Mr Ackerman attended on behalf of the Landlord.
9. As referred to above the nub of the issue between the parties is that of the open market rent. As referred to in paragraph 2 above the Property is classified by the Landlord as an "intermediate rent" property rather than mainstream benchmark rent property. The consequence of all this is that the level of rent charged by the Landlord is 85% of the open market level.
10. We made it clear to the parties at the outset of the Hearing, that we were tasked with the function of determining the full market level and any adjustment required upon the basis of the category/status of the letting is thereafter a matter of adjustment between the parties. Both the Tenants (via Miss Jones) and the Landlord's Agent accepted this as the correct way forward.
11. Dealing firstly with the written representations.
12. In summary the Tenants maintain that the:
 - (1) The proposed rent increase from £126.64 per week to £133.57 per week which is based upon applying the intermediate rent percentage of 85% to the open market rent of £680 as stated by the Landlord is excessive.

- (2) Private rental properties of a similar size in the area are some £5 to £10 per calendar month greater than the sum contended for by the Landlord after applying the intermediate rent formula.
 - (3) Included with the written representations was one comparable of a 4 bedroom property known as 6 Williams Court, Kerry, Newtown being offered to let at £600 per calendar month. The Tenants maintain that this property is indicative of market rents in the area for such properties.
13. The Landlord in its written representations in reply confirmed that:
- (1) The Property is an intermediate rent property in respect of which in accordance with its policy the rent is set at 85% of the market rent level.
 - (2) The market rent for a four-bed property for northern mid-Powys was assessed at £680 per month (£156.90 per week) and thereafter applying the relevant adjustments in relation to intermediate rent properties came to £133.85 per week as adjusted. However, as the Landlord has four intermediate rent properties it sought to harmonise the rent level and is seeking a slightly lesser figure than the arithmetical adjustment figure, that figure being £133.57.
 - (3) The Landlord within its written representations also made comment in relation to the service charge being variable rather than fixed. We consider that is not a matter that is relevant to our deliberations in this case.

THE HEARING

14. As Miss Jones was in person we firstly heard evidence from Mr Ackerman giving Miss Jones the opportunity to thereafter respond to Mr Ackerman's submissions and also supplement the points already made within the Tenants' written representations.
15. At the Hearing Mr Ackerman relied upon the written representations and confirmed that the Landlord's case was that the current market rent for the Property was £680 per calendar month. Although the Landlord had not provided any comparables previously, Mr Ackerman presented us with nine comparables by way of details of properties offered to let. Of the nine, none were properties in Newtown itself. During his submissions, Mr Ackerman made the point that it was very difficult to obtain comparables for four-bedroom properties in the area and that was why he had presented the list.
16. When asked by Mr Martindale as to whether or not the Landlord wished to rely upon all the comparables, Mr Ackerman said we could effectively disregard four of the comparables as they were too far away. He did, however, wish to rely upon the following:

- (1) A mature detached four-bedroom farmhouse in Llanfyllin asking rent of £183 per week;
 - (2) A four-bedroom detached family home in Llandrindod Wells asking rent of £162 per week;
 - (3) A four-bedroom mid-terraced house in Llandrindod Wells asking rent of £138 per week;
 - (4) A four-bedroom detached house in Welshpool asking rent of £156 per week; and
 - (5) A four-bedroom detached house, again in Welshpool asking rent of £160 per week.
17. Mr Ackerman also gave evidence that Messrs Morris Marshall and Poole, Estate Agents had advised the Landlord at the time the estate was built (beginning of 2012) as to market rents and thereafter had been consulted prior to the £680 per calendar month (£156.92 per week) being considered as the revised market rent before adjustment. He further stated that the aforesaid Estate Agents had not revisited the properties as they were familiar with the same prior to advising as to the proposed current market rent. Mr Ackerman conceded however that he was unable to provide us with any written confirmation and/or report from the Estate Agents concerned.
18. When asked to comment in relation to the comparable (as referred to above) the Tenants submitted with their written representation, Mr Ackerman confirmed that the property in question being the house in Kerry was closer (being some three miles from Newtown) and also stated that it looked reasonably new and was a “good comparable” but the rent was lower.
19. Mr Ackerman also made the point that in his view rents in Llandrindod Wells were lower than Newtown and again stressed the difficulty of obtaining comparables.

TENANTS’ EVIDENCE

20. In her Evidence in Chief Miss Jones confirmed she relied upon the comments of her written representations as referred to above. She also confirmed she relied upon the comparable as already presented, being the four-bedroom house in Kerry and also provided us with three other comparables being namely:
- (1) A four-bedroom detached house in Welshpool asking rent of £157 per week;
 - (2) A four-bedroom barn conversion, again in Welshpool asking rent of £160 per week; and

- (3) A large four-bedroom detached house in Knighton asking rent of £173 per week.
21. She reiterated the point that she felt the rent (as adjusted) being sought by the Landlord was only slightly less than the full market rent.
22. She also when asked confirmed that although it was hard to say, her view was that the rent that she and her partner should be paying should be something between £535 to £550 per month exclusive of the service charge. This range being the actual rent payable after the intermediate rent adjustment is made.

CONSIDERATION

23. We are required under the Act to determine the rent at which we consider that the Property might reasonably be expected to let in the open market by a willing Landlord under an Assured Tenancy (Section 14(1) of the Act). In doing so we are required to ignore a Tenant's improvements and are unable to consider the personal circumstances of the parties and must consider the Property in its current condition.
24. In coming to our conclusion we have considered the evidence submitted by both Tenants and Landlord with particular reference to evidence relating to similar properties within the area. In an ideal world comparables should be cases where the rents have been agreed and/or determined. We appreciate, however, that in this case as is common ground between the parties' comparable evidence in any format is difficult to obtain and doing the best they can they have provided us with comparables of asking rents. We also bear in mind that in considering these, the condition of the various properties presented as comparables are unknown.
25. Having considered all the evidence and submissions we are of the view that Mr Ackerman was correct in disregarding some of the comparables he initially put forward (as referred to in paragraph 16 above) due to not least of all their distance from Newtown. We are also mindful of the comments by Mr Ackerman during his evidence of the comparable presented by the Tenants relating to the four-bedroom house in Kerry as being "a good comparable". Unfortunately, however, that comparable is not detailed enough to indicate the condition of the property. Further, each case relies upon its own facts.
26. Relying upon our knowledge and experience and having regard to all of the evidence presented, in particular the evidence relating to the four-bedroom property in Kerry, which is the closest property in terms of distance to the Property the subject matter of this Determination, we have concluded that the proposed open market rent of £156.92 per week (£680 per calendar week) being the foundation from which the rent contended for by way of an intermediate rent at 85% of open market rent is not a rent at which the Property could reasonably be let in the open market by a willing Landlord under an Assured Tenancy.
27. We have concluded the rent at which the Property could be let is £145 per week before any adjustment as regards intermediate rent.

DETERMINATION

28. WE DETERMINE that the rent at which the Property might reasonably be expected to let in the open market by a willing Landlord is £145 per week. This Decision is effective from the 4th April 2016, the date specified in the Landlord's Notice of Increase.

DATED this 8th day of June 2016

A handwritten signature in black ink, appearing to read 'Trefor Lloyd', with a horizontal line underneath the name.

TREFOR LLOYD

CHAIRMAN/CADEIRYDD