

**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 Premises9d Alexandra Road, Pontycymer,
Bridgend, CF32 8HD**The Committee members were**David Evans LLb LLm
Roger Baynham FRICS
Juliet Playfair**Landlord**

Wales and West Housing

Address

3 Alexandra Gate, Ffordd Pengam, Tremorfa, Cardiff, CF24 2UD

Tenant

Mr Phillip David White

**1. The rent
is:**

75.08

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**

N/A

Per

N/A

4. Services charges are variable and are not included*5. Date assured tenancy
commenced**9th April 2012**6. Length of the term or rental
period**

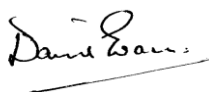
Weekly Periodic Tenancy

**7. Allocation of liability for
repairs**Landlord – Structure, Exterior,
Services and sanitation**8. Furniture provided by landlord or superior landlord**

N/A

9. Description of premises

Purpose built first floor one bedroom flat

Signed by the Chairman of the
Rent Assessment Committee.**Date of Decision**18th May 2016

Y TRIBIWNLYS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL
RENT ASSESSMENT COMMITTEE
Housing Act 1988 S(13.4)

Reference: RAC/0021/03/16

PROPERTY: 9D Alexandra Road, Pontycymer, Bridgend, CF32 8HB

LANDLORD: Wales & West Housing

TENANT: Mr Phillip David White

COMMITTEE: D J Evans LLB LLM
R W Baynham FRICS
J Playfair

**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 18th May 2016 at the Tribunal Offices, Southgate House, Wood Street, Cardiff to consider and determine an application by Mr Phillip David White (the Tenant) in respect of 9D Alexandra Road, Pontycymer, Bridgend CF32 8HB (the Property). On the 5th April 2012, Wales & West Housing (the Landlord) had granted the Tenant an Assured Weekly Tenancy with effect from the 9th April 2012 at an initial rent of £70.78 per week. In addition to the rent, the Tenant is obliged to pay a service charge, but there is no application in respect of that.
2. On the 26th February 2016, the Landlord served on the Tenant a notice increasing the rent from the then current rent of £72.26 pw to £75.08 pw. The new rent was to be effective from the 4th April 2016. On the 21st March 2016, the Tenant (by an application dated the 18th March 2016) referred the notice to us. No issue has been raised by either party relating to the notice or to the Committee's jurisdiction. The only issue for us to determine is the amount of rent payable from the 4th April 2016. Before considering the matter, we visited the Property. The Tenant's nephew was present and we were able to inspect the Property internally and the terrace in which the Property is situated externally together with the common area at the rear of the terrace. The Landlord did not attend the inspection.

INSPECTION

3. The Property is a one bedroom flat situated on the first floor of a two storey terrace comprising eight purpose built one and two bedroom

flats. The terrace is of brick construction with a sloping roof and asbestos slates. There are a number of small single storey sections at the front of the terrace again with sloping roofs and asbestos slates which provide the entrances to the upstairs flats and house storage units for each of the individual flats. Five of the flats (including the Property) have a concrete car parking space at the front. The other three flats have car parking spaces to the side and rear of the terrace. The windows in the flats are double glazed with uPVC frames. There are also uPVC front doors and uPVC gutters and downpipes.

4. Each flat has an entrance at the front of the terrace. That for number 9D opens onto a small level porch area with a tiled floor leading immediately to the staircase up to the first floor landing where there is a storage cupboard. There is an intercom provided by the Landlord. The bathroom is part tiled, with a toilet, wash hand basin and a bath with a shower over. The kitchen, also part tiled, has a reasonable range of fitted cupboards but, as is more common nowadays, no white goods were provided by the Landlord. The gas boiler, which is located in the kitchen, provides hot water for the central heating, as well as for the kitchen and bathroom. There is a good sized living room and a double bedroom. Floor coverings had been provided by the Landlord although the Tenant has replaced some of the carpets. The Tenant provided his own curtains and blinds.
5. Access to the small rear garden area is via locked side gates at each end of the terrace. It is really more of a utility area than a garden. There are two drying areas with rotary lines at each end and two washing lines are extended across the uneven "grassed" area extending along the back of the terrace.
6. Pontycymer is a small former mining village north of Bridgend in the Garw valley at the confluence (*cymer*) of the river Garw and the Nant Forch Wen. There is limited local shopping and there is access to Bridgend via a regular bus service. For the motorist, the M4 is only a few miles away. House prices and rental values in Pontycymer generally reflect its location and therefore tend to be lower than for equivalent properties closer to Bridgend and in Bridgend itself.

REPRESENTATIONS

7. The Tenant's principal arguments are set out in a well presented and well-argued statement enclosed with his letter of the 31st March 2016. They are:
 - (a) The increase is 3.9%, well above the current rate of inflation of 0.3%. Wages and materials for repairs have hardly increased over several years.
 - (b) The Landlord guaranteed that rents and service charges would be kept "as low as possible whilst making sure that we have enough money coming in to provide you with a good standard of service" (Guarantee for Assured Tenants 2002).

- (c) The increase is disproportionate to the cost of the work actually done.
 - (d) The increase is higher than that proposed by Valleys to Coast (another provider of social housing in the area). For equivalent properties, Valleys to Coast have increased rents by 2.2% and rents are generally lower for Valleys to Coast properties than for properties owned by the Landlord.
8. The Landlord's case is that the increase is in line with Welsh Government policy as evidenced by a letter dated the 16th December 2015 from the Head of Housing Funding. The Landlord adds "no grounds for the Applicant are apparent from the form" – which we take to be the application form.

EVIDENCE

9. The Tenant referred us to three comparables. The Landlord referred us to none. The three comparables were:
- (a) Waunscil Avenue, Brackla, Bridgend – a one bedroom ground floor flat with a private garden half a mile from the centre of Bridgend with easy access to shopping and public amenities. The rent was £68.56 p.w. rising to £70.10 pw.
 - (b) Oxford Court, Ogmere Vale – a one bedroom ground floor flat, part of a development of 24 flats. The rent was £70.73 pw rising to £72.31 pw.
 - (c) Jubilee Crescent, Sarn – a two bedroom first floor flat with (according to the Tenant) "a very spacious lounge" located 2 miles from Bridgend. The rent was £73.99 rising to £75.60.
10. We inspected the three comparables externally and on the basis of that inspection we consider that Waunscil Avenue is in a better location than the Property and more conveniently situated. In the open market, we would expect it to command a higher rental than the Property. We also agree with the Tenant that a two bedroom flat in Jubilee Crescent, Sarn would also command a higher rental than the Property – certainly more than the 52p pw differential currently charged. The exterior of Oxford Court, Ogmere Vale was in poor condition and the fact that the flat was in a larger and less cared for development would in our view make it a less attractive proposition than the Property.

HEARING

11. The Tenant attended the hearing. We were surprised that there was no appearance from the Landlord, nor was there any explanation for its absence. We were satisfied that the Landlord had been notified of the hearing.
12. The Tenant gave his evidence and presented his case well and we commend him for the manner of his presentation. He confirmed that he

had no issues with regard to the Landlord's notice of increase. He also confirmed that the hearing would only deal with the rent and not the service charge – a matter which he indicated may be the subject of a further application. In general terms, the Tenant confirmed the points he had made in his written submission: that Housing Associations should charge affordable rents and that Valleys to Coast rents were generally cheaper than those charged by the Landlord and the increases are less. He confirmed our view that Waunscil Avenue would command a higher rent than an equivalent property in Pontycymer. He felt that rents in Sarn, although nearer to Bridgend, and Ogmere Vale would be on the same level as those in Pontycymer. He also referred to a Valleys to Coast one bedroom flat in Blaengarw let at £70 pw.

13. He accepted that he had only researched Housing Association properties. He was aware of one bedroom flats for rent in Pontycymer, but they tended to be above shops. He agreed that rents for private lettings could be higher. The Tribunal mentioned to the Tenant that it was aware that there were one bedroom flats available in Bridgend for £420/430 per month (£96.92/99.23 pw). He pointed out, and we accept, that Bridgend rents would be higher than those in Pontycymer. The Tribunal also referred to 2 bedroom flats to let in Pontycymer for £400 pcm (£92.31 pw).
14. Although we were not dealing with the service charge payable, we asked the Tenant about what services the Landlord provided. He told us that there were external lights and that grass cutting was provided for a few weeks during the summer months. As far as he was aware, the majority of tenants in the terrace were in receipt of Housing Benefit. He did not know the amount payable. During his occupation of the Property there had only been 3 or 4 vacancies in the terrace. The flats had not been vacant long.
15. The Landlord has provided only the letter referred to in clause 8. This letter is, with respect, not evidence of rental values of properties in Pontycymer – or anywhere else. It is statement of Welsh government policy. It has no evidential value. What Housing Associations are permitted to charge, or even targeted with charging, has no bearing on what will be negotiated in the open market.

CONSIDERATION

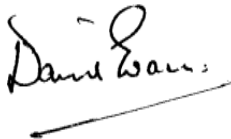
16. We are required by the Act to determine the rent at which we consider the Property “might reasonably be expected to be let in the open market by a willing landlord under an assured tenancy” (section 14(1) of the Act). We make our determination on the basis of the evidence provided by the parties. We are also entitled to rely upon our own knowledge and experience provided that any specific items of knowledge are disclosed to the parties. As the Landlord did not attend the hearing, its representative was not able to join in the discussion. That was, however, the Landlord's choice and it would have been grossly unfair on the Tenant who had travelled to Cardiff for the hearing to have adjourned the application to make an express invitation to the

Landlord to comment on the points raised in that discussion. It would also have been disproportionate from a cost point of view bearing in mind the increase in rent the Landlord was hoping to achieve.

17. We have listened carefully to the Tenant's case. It has without doubt merit. There is, after all a certain illogicality in the fact that a tenant of a property is paying more for that property than a tenant of a similar property in a similar area simply because he/she has a different social landlord. The flaw in the Tenant's argument is that the comparables he has raised are Housing Association properties, not flats in the private sector. As the Tenant acknowledged, rents in the private sector could well be higher than rents for social housing. We were not aware of rents charged in Pontycymer for one bed room flats in the open market, but one of the Tribunal members specifically referred to two bedroom flats on the market at £400 pcm (£92.31 pw). Where such flats are above shops or are in converted houses, landlords tend not to make a separate service charge so that the agreed rent is in effect all inclusive. Whilst we are not considering the reasonableness of the service charge of £6.05 pw, we cannot ignore it as a factor when it comes to determining the rent. It is a payment which is required to be made by the tenant and will enter into his/her calculation when agreeing to take on a tenancy. As such, a landlord's requirement for the tenant to pay a service charge can impact on the rental value.
18. On the basis that a two bedroom flat in the private sector in Pontycymer is marketed at £400 pcm (£92.31 pw), we would consider that a one bedroom flat would likely to be let at £325/£350 pcm (£75/£80.77pw) but without a service charge. The fact that the Property is within a modern, purpose built two storey terrace with a car parking space albeit with only a limited amenity area at the back, is undoubtedly an advantage. It is also let on an assured tenancy as opposed to a shorthold tenancy. However, the £6.05 pw service charge would certainly deter some potential tenants. On the basis that the Property is let on an assured tenancy subject to a service charge, we consider that in the open market the rent achievable would be at the lower end of the £325/£350 pcm (£75/£80.77 pw) bracket. The rent of £75.08 proposed by the Landlord is therefore one at which the Property might reasonably be expected to be let in the open market by a willing landlord and we determine accordingly.
19. We explained to the Tenant that the new rent was payable from the 4th April 2016 which is the date stated in the notice unless we considered that it would cause him hardship. In such a case, we could substitute a later date, not later than the date of determination. The Tenant told us he was a taxi driver earning a weekly wage of £180-£200 per week. Although he has not paid the rent since the increase, he has put it aside. He would find it difficult, however, to find the increase of £2.82 pw for the last 6 weeks - £16.92.

20. On the basis of what the Tenant told us, we are not satisfied that the requirement to pay the increase from the 4th April 2016 will cause the Tenant hardship. The weekly amount of increase is £2.82 and the total amount for the interim 6 weeks is £16.92. We can understand that the additional payment is annoying and may possibly cause some inconvenience, but we have heard nothing from the Tenant to suggest that it would cause hardship. We therefore determine that the new rent of £75.08 will be effective from the 4th April 2016.

DATED this 24th day of May 2016

A handwritten signature in black ink that reads "David Evans". The signature is written in a cursive style and is positioned above a horizontal line that extends to the right.

CADEIRYDD/CHAIRMAN