

**Y TRIBIWNYLS EIDDO PRESWYL
RESIDENTIAL PROPERTY TRIBUNAL**

Reference: RAC/0029/03/24

In the matter of 84 Paget Street Cardiff CF11 7JZ

**In the matter of an application under the Renting Homes (Wales) Act 2016 &
The Renting Homes (Rent Determination) (Converted Contacts) (Wales) Regulations 2022**

Tribunal Judge: Ms TE Richards-Clarke

Surveyor member: Mr A Lewis

Applicants: Mr Mostyn West and Mrs Carol West

Respondent: Mr Remy Rock

Date and Venue of Hearing: 25 June 2024 Determination on the papers

Decision

**The Tribunal determines that the market rent payable for the property is £293.27 per week.
The new rent is payable from 8 April 2024.**

Reasons

Background

1. The Applicants, Mr Mostyn West and Mrs Carol West, occupy the property known as 84 Paget Street Cardiff CF11 7JZ. The Landlord is Mr. Remy Rock.
2. The Applicants claim to have entered into occupation of the property in or around 1988. However, following enquiry with the parties the Tribunal was provided with the original tenancy agreement by the Applicant's representative. This is an assured shorthold tenancy dated 1 January 1990. Furthermore, there was no record of an entry for the property on the register of fair rents as a regulated tenancy where occupation began before 15 January 1989. In the absence of any other documentation the Tribunal decided to proceed on the basis that the Applicants entered occupation of the property pursuant to the terms of an Assured Shorthold Tenancy agreement dated 1 January 1990 and that on expiry of the fixed term the applicants continued to occupy the property under the terms of a statutory periodic tenancy.
3. *The Renting Homes (Wales) Act 2016* was implemented on 1 December 2022. As a result of this the Applicants statutory periodic tenancy was automatically converted to a periodic standard contract.

The Application

4. On 7 February 2024, the Respondent served a Notice of Variation of Rent in Form RHW 12 [page 12 of the bundle] pursuant to section 123 Renting Homes (Wales) Act 2016. This proposed a rent of £325 per week [£16,900 per annum] from 8 April 2024 to replace the existing rent of £187.50 per week [£9,750 per annum].
5. On 22 March 2024, the Applicants made an application for determination of the rent to the Tribunal in accordance with *section 3 The Renting Homes (Rent Determination (Converted Contracts) (Wales) Regulations 2022*.
6. On 26 March 2024, the Tribunal issued directions. Both parties have submitted written evidence in accordance with these directions.
7. The Applicants rely upon their Mr West's statement dated 24 April 2024. The Respondent relies on Mr Rock's witness statement at page 54 of the bundle.
8. The Tribunal inspected the Property on the morning of 25 June 2024 with the determination then taking place the papers.

The Inspection

9. The property is located in in the Grangetown Area of Cardiff to the west of the City Centre, immediately adjoining a commercial occupier. The property is a mid-terraced two storey house constructed circa 1890 in solid brick and stone walls under a pitched tile covered roof, with a bay window on the ground floor to front. On the ground floor there was an entrance hall, lounge, sitting room, and kitchen/breakfast room, whilst on the first floor there were three bedrooms and a shower room. Externally there was a small forecourt to the front, with a rear garden.
10. The property enjoyed the benefit of gas central heating from a combi boiler located in bedroom 3, and all window frames have been replaced with double glazed uPVC units. The Tribunal considered that the property was well maintained and presented.

Deliberations

11. Following the implementation of the Renting Homes (Wales) Act 2016 the Applicants occupation of the property was automatically converted to a periodic standard contract on 1 December 2022. Accordingly, jurisdiction to determine this matter arises by virtue of *regulation 3 The Renting Homes (Rent Determination (Converted Contracts) (Wales) Regulations 2022*.
12. The Tribunal has considered the notice dated 7 February 2024. The validity of this notice is not in dispute and the Tribunal are satisfied that as this is the first notice of variation of rent the notice complies with the requirements of *section 123(1) (2) (3) Renting Homes (Wales) Act 2016*

13. Therefore, the Tribunal is to determine the rent which the property might reasonably be expected to let in the open market by a willing landlord under the same type of relevant converted contract having regard to *regulation 6 The Renting Homes (Rent Determination (Converted Contracts) (Wales) Regulations 2022*.
14. During the period of occupation of the property by the Tenants they had undertaken various improvements including replacement of seven internal doors; levelling of the floor in the lounge and the installation of timber laminate flooring; reconfiguring the original arrangement of the small kitchen and breakfast room to form one large combined space including the refitting of the kitchen units; replacement of the bathroom suite with a shower room arrangement; replacement of the window sill in bedroom 3; replacement of the boundary fence to the rear of the property; removal of boarding to the walls of bedrooms 2 and 3, and thereafter replastering; together with minor repairs. The Tribunal was also informed that the Landlord had the electrical wiring of the house replaced in recent years.
15. Within the written statement of the Landlord was included three comparables to support his proposed rental; £1,250 per month [£15,000 per annum] for a three bedroom house in Elm Street, Roath, Cardiff, £1,500 per month [£18,000] for a three bedroom house in Aber Street, Grangetown Cardiff, and £2,100 per month [£25,200 per annum] for a four bedroom house in Ferndale Street, Grangetown, Cardiff. The Tenants had also included within their submission a comparable in Gloucester Street, Riverside, Cardiff which was a 3 bedroom house at a rental of £277 per week [£14,404 per annum]. As is evident from the comparables advanced by both parties and is well publicised there has been a substantial increase in the rental values of residential properties throughout the UK in recent times. The Tenants further submitted that the local housing allowance and accordingly the housing benefit that they will receive from April 2024 is £149.50 per week. The Tribunal noted that this is the local housing allowance in the Cardiff rental market area for a one bedroom property whereas for a three bedroom property in the Cardiff rental market area the local housing allowance applicable from April 2024 is £212.88 per week and £299.18 for a four bedroom property.
16. It appeared to the Tribunal that the best evidence was the rentals of the property at Aber Street Grangetown at £18,000 per annum, which is a better location than the subject and Gloucester Street Riverside at £14,404 per annum, which is a slightly poorer location than the subject. Having regard to this evidence the Tribunal, determine that the market rent of the property in its improved state is £15,750 per annum, taking into account the location adjoining a commercial occupier. However, an adjustment is needed to this figure as a result of the improvements undertaken by the Tenants during their period of occupancy. Accordingly, having regard to the works undertaken by the Tenants, the Tribunal attributes a reduction of £500 per annum for this factor, with the resultant rent being £15,250 per annum.
17. Accordingly, the Tribunal determines the appropriate rental level to be £293.27 per week [£15,250 per annum] commencing on 8 April 2024.

Signed Tribunal Judge

TE Richards - Clarke

Dated this 18th day of July 2024