

**Y TRIBIWNLYS EIDDO PRESWYL  
RESIDENTIAL PROPERTY TRIBUNAL (WALES)  
RENT ASSESSMENT COMMITTEE**

**Reference: RAC/0004/05/24**

**In the matter of 53 Dibdin Close, Ringland, Newport, NP19 9LJ**

**In the matter of an application under Section 123 of the Renting Homes (Wales) Act 2016 and the Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022**

Applicant/Tenant :                 Dalia Suasaran

Respondents/Landlord :         Oladayo Henry Ogunyemi

Tribunal:                                 Judge Shepherd  
   Andrew Weeks MRICS

**The application**

1. The Applicant referred a proposed rent increase to the Tribunal on 16<sup>th</sup> May 2024. The matter was decided on the papers on 3<sup>rd</sup> September 2024.

**Background**

2. The Applicant is the tenant of premises at 53 Dibdin Close, Ringland, Newport, NP19 9LJ ("The premises"). The Respondent is her landlord. Her tenancy began on 25<sup>th</sup> May 2018. The rent at inception was £600 pcm.
3. The Respondent gave notice to increase the rent on 23<sup>rd</sup> April 2024. The proposed rent increase date was the 1<sup>st</sup> June 2024. This is the rent increase challenged by the Applicant. The Environmental Health Department wrote to the Respondent after an inspection of the premises on 18<sup>th</sup> March 2024. The letter listed a number of hazards and defects that needed to be remedied.

**The inspection**

4. An inspection of the premises took place on the morning of 3<sup>rd</sup> September 2024.
5. Newport is a secondary location and the Ringland estate is particularly poor. The property itself is of poor quality, being a 1960s ex council house with steep, stepped access. Internally the decoration is dated. The hall and stairs and landing are tight, and the bathroom is cramped. Bedrooms and living room and kitchen are of a reasonable size. The tenant is clearly 'making the best of it' and aside from the repair items required and generally low quality fittings, it is being kept neat and tidy.

6. Issues raised by the Environmental Health Officer's report have been remedied, with the exception of nos. 9 and 10 (the doors), and whilst there were only small amounts of mould visible upstairs, it does not appear that anything more than cleaning and painting has been attempted to rectify this. No trickle vents or extractor fans are present. A large section of the kitchen ceiling has been replaced with fibreboard following a leak from the bathroom above, and this has not been re-covered.
7. Externally the garden is partly overgrown and there was a significant amount of rubbish heaped, some of which the tenant said is hers but other items she said were left by the landlord.

### **The law**

8. The Renting Homes (Wales) Act 2016 now governs landlord and tenant agreements of residential dwellings in Wales. Section 239 of the Act came into force on 1 December 2022 and abolished assured, secure and other tenancies in Wales. Existing tenancies under the Housing Act 1988, such as the tenancy in this case, were converted into occupation contracts by section 240 of the Act. Occupation contracts are either secure or standard occupation contracts. The Applicants have a standard periodic occupation contract. It follows that the Housing Act 1988, which remains in force in England, is no longer of application in Wales in relation to increases of rent of converted tenancies.
9. Section 123 of the Act relates to the variation of rent under a periodic standard contract. Section 123 states:

*“Variation of rent*

*(1) The Respondent may vary the rent payable under a periodic standard contract by giving the contract-holder a Notice setting out a new rent to take effect on the date specified in the Notice.*

*(2) The period between the day on which the Notice is given to the contract-holder and the specified date may not be less than two months.*

*(3) Subject to that—*

*(a) the first Notice may specify any date, and*

*(b) subsequent Notices must specify a date which is not less than one year after the last date on which a new rent took effect.*

*(4) This section is a fundamental provision which is incorporated as a term of all periodic standard contracts under which rent is payable.” [Our emphasis].*
10. It is worth noting that under the new provisions, that apply to residential lettings in Wales, the period of notice that has to be provided by a Respondent, when seeking to increase a rent liability has been extended to, not less than two months’ notice (previously not less than one month’s notice under Section 13 of the Housing Act 1988). Further, there is no requirement under the Renting Homes (Wales) Act 2016 for the proposed new rent to commence at the start date of the new period of a tenancy, which remains a requirement under the Housing Act 1988 applicable in England only.

11. Paragraph 15(2) of Schedule 12 to the Act allows the Welsh Ministers to make provision, by regulations, to enable contract holders following receipt of a notice of variation of rent under the Act; to be able to apply for a determination of the rent for the dwelling. Accordingly, the Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022 (“the Regulations”) govern the determination of the rent on appeal to the Rent Assessment Committee. The relevant parts of the Regulations are set out below:

*“Application to a rent assessment committee*

*3.—(1) Following receipt of a Notice under section 104 or 123 of the Act, a relevant contract-holder may apply to a rent assessment committee for a determination of the rent for the dwelling.*

*a The application to a rent assessment committee must be made—*

*(a) in the prescribed form, and*

*(b) within 2 months following receipt of the Notice under section 104 or 123 of the Act.*

*b The prescribed form is as set out in the Schedule.*

*c An application in a form substantially to the same effect as the prescribed form is valid.*

12. Determination of rent by a rent assessment committee
13. A rent assessment committee must determine all applications made under regulation 3 in accordance with the assumptions set out in regulation 6.
14. A rent determined by a rent assessment committee, in accordance with the assumptions set out in regulation 6, will be the rent for the dwelling under the relevant converted contract with effect from the date specified in the Notice under section 104 or 123 of the Act, unless the Respondent and the relevant contract-holder otherwise agree.
15. Assumptions in accordance with which a rent assessment committee must determine rent.
16. When making a determination of rent for a dwelling under these Regulations, a rent assessment committee must determine the rent at which it considers the dwelling concerned might reasonably be expected to be let in the open market by a willing Respondent under the same type of relevant converted contract as that to which the Notice under section 104 or 123 of the Act relates, assuming that—
  - (a) the relevant converted contract begins on the date specified in the Notice under section 104 or 123 of the Act,
  - (b) the granting of a contract to a sitting contract-holder has no effect on the rent,
  - (c) any increase in the value of the dwelling attributable to a relevant improvement carried out by a person who at the time it was carried out was the relevant applicant or licensee or relevant contract-holder has no effect on the rent, if the improvement was carried out—
    - (i) otherwise than in pursuance of an obligation to the immediate Respondent, or

(ii) pursuant to an obligation to the immediate Respondent being an obligation which did not relate to the specific improvement concerned but arose by reference to consent given to the carrying out of that improvement,

(d) any reduction in the value of the dwelling attributable to a failure by the relevant applicant or licensee or relevant contract-holder to comply with any terms of the relevant preceding tenancy or licence or relevant converted contract has no effect on the rent,

(e) where the Respondent or a superior Respondent is liable to pay council tax in respect of a hereditament of which the dwelling forms part, under Part 1 of the Local Government Finance Act 1992, the amount of council tax which, as at the date on which the Notice under section 104 or 123 was served, was set by the billing authority—

(i) for the financial year in which the Notice was served, and

(ii) for the category of dwellings within which the relevant hereditament fell on that date, has an effect on the rent, but any discount or other reduction affecting the amount of council tax payable has no effect on the rent, and

(f) neither the Respondent nor a superior Respondent is paying rates in respect of the dwelling.”

### **Jurisdiction**

17. The notice served by the Respondent is invalid as it does not give the requisite two month period before it takes effect. This means that the rent has not increased to £900 pcm and remains at £600 pcm. We understand from the Applicant that during the pandemic the rent was reduced by agreement to £500 pcm but since then the Respondent is receiving £100 from the Applicant’s Universal Credit as well as the £500 she pays each month.
18. The invalidity of the notice necessarily means that the Committee has no jurisdiction as its jurisdiction is limited to validly served rent increase notices.
19. In any event having had the opportunity to inspect the premises and consider their location, condition etc (as detailed above) we do not consider that the proposed rent of £900 is realistic. Neither party has provided comparable evidence in support of their arguments and therefore we have relied upon the Surveyor member’s market knowledge. Despite growth in the rental market since the date of the original tenancy we do not consider the property would command the proposed rent of £900 pcm in the current market based on the basic condition of the premises.
20. Hopefully the parties can agree a much more realistic rent between them. In the interim the rent remains at £600 pcm.

Dated this 4<sup>th</sup> day of September 2024

Judge Shepherd

#### CHALLENGING THE DETERMINATION

Under 65(A) of the Rent Act 1977 an appeal on any point of law from a decision of a Rent Assessment Committee may be made to the upper tribunal.

There is no appeal on the facts decided by the committee. However, if you think it has made a mistake in applying the law, you may be able to take the case to the Upper Tribunal (Lands Chamber). If you are thinking of going to the Upper Tribunal (Lands Chamber) you should take legal advice on the proper procedure. You should seek advice as quickly as possible as there is a time limit of 28 days for appealing. This runs from the date you are given the decision itself, or, if later, the date you are given the reasons for the decision. Upper tribunal details:

The Upper Tribunal (Lands Chamber)

5th Floor Rolls Building

7 Rolls Buildings

Fetter Lane

LONDON

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