

**TRIBIWNLYS EIDDO PRESWYL**  
**RESIDENTIAL PROPERTY TRIBUNAL**  
**RENT ASSESSMENT COMMITTEE**

**Reference:** RAC/0011/08/24

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.

**Dwelling:** 77 Cwmynyscoy Road, Pontypool, NP4 5SQ

**Landlord:** John Lale

**Applicant:** Ms Katie Beese

**Committee:** C Jones, Legal Chair  
A Weeks, MRICS, Surveyor Member

**SUMMARY OF DECISION OF THE RENT ASSESSMENT COMMITTEE**

**The Committee determines that the market rent for the Dwelling is NIL (£0) per calendar month payable from the 22 September 2024, and then £750 per calendar month from the date on which the Dwelling is brought into fit and habitable condition.**

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

**THE APPLICATION**

1. The Applicant is the tenant of premises at 77 Cwmynyscoy Road, Pontypool, NP4 5SQ, ('the Dwelling') and she initially occupied the Dwelling from 22 October 2019 under an assured shorthold tenancy under the Housing Act 1988, granted in October 2019. With effect from 1st December 2022, when the Renting Homes (Wales) Act 2016 came into force, the tenancy became a converted periodic standard occupation contract.
2. By form RHW12, 'Notice of Variation of Rent' under the Act, dated 8 July 2024, the Landlord gave notice that the existing rent of £575 per month was to be varied, and that the rent payable from 22 September 2024 was to be increased to £800 per month.

3. The Applicant applied to the Rent Assessment Committee ('the Committee') by form RAC4 dated 20 August 2024, to challenge the proposed new rent.

## THE LAW

4. The Renting Homes (Wales) Act 2016 ('the Act') governs the relations between landlords and tenants of domestic dwellings in Wales. Section 123 of the Act relates to the variation of rent under a periodic standard contract, and states;

*'(1) The landlord 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.'*

5. The Renting Homes (Rent Determination) (Converted Contracts) (Wales) Regulations 2022 ('the Rent Regulations') govern the determination of the rent on appeal to the Rent Assessment Committee. The relevant parts of the Rent Regulations are set out as follows;

*'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.*

*(2) 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.*

*(3) The prescribed form is as set out in the Schedule.*

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

*4. A rent assessment committee must determine all applications made under regulation 3 in accordance with the assumptions set out in regulation 6.*

*5. 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 landlord and the relevant contract-holder otherwise agree.*

*6. 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*

*landlord 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 tenant 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 landlord, or (ii) pursuant to an obligation to the immediate landlord 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 tenant 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 landlord or a superior landlord 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 landlord nor a superior landlord is paying rates in respect of the dwelling.’*

6. Section 91 of the Act deals with a landlord’s obligations as to the condition of a dwelling and states that, under a periodic standard contract, s/he must ensure that the relevant dwelling is fit for human habitation. A further set of Regulations were also brought into force on 1 December 2022, being The Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (‘the Fitness Regulations’). Regulation 3 of the Fitness Regulations states that, in determining whether a dwelling is fit for human habitation, regard must be had to the presence or occurrence of the matters listed in the Schedule to the Fitness Regulations, which include exposure to damp, mould or fungal growths.
7. In summary, in accordance with Regulation 6 of the Rent Regulations, the 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 landlord under the same type of contract as that to which the Notice and Section 123 of the Act relates.

## **THE DIRECTIONS**

8. A Directions Order was issued by the Procedural Chairman of the Residential Property Tribunal on 21 August 2024 directing the parties to produce statements to explain their respective positions regarding the proposed rent. These were to include details of any

lettings of similar properties upon which they wished to rely, including what furnishings were provided and who was responsible for repairs and decoration, and any other reasons which the parties wished the Tribunal to consider. The Applicant was also invited to include details of any improvements carried out to the Dwelling at her own expense. Both parties were to inform the Tribunal in writing by 17 October 2024 whether they required an oral hearing of this matter.

9. The Directions made it clear that if no oral hearing was requested by either party, then the Tribunal could make its decision based on the documents provided by the parties and following the inspection, or it could still require an oral hearing.

## **THE INSPECTION**

10. The Dwelling was duly inspected on the morning of 26 November 2024 by the Tribunal's Surveyor Member, with the Tenant being present. There was no attendance by the Landlord.
11. The Dwelling comprises a 2-storey semi-detached cottage and is likely to have been constructed in the early Victorian period. The Dwelling is set back from the road and situated adjacent to a public house. It is accessed via Cwmyrnyscoy Road, which features a mix of traditional Victorian houses and larger blocks of local authority flats.
12. The Dwelling is of traditional construction and finished in render. It features a pitched roof of slate tiles with a flat-roof single-storey extension and fibreglass covering. Windows are double-glazed casements. Fascias and rainwater goods are uPVC.
13. Internally, the ground floor provides a porch entrance leading to a lounge/diner with a large, stone fireplace with original steps to the side of the chimney breast (blocked off at ceiling level). At the rear, the extension provides a small kitchen and bathroom with bath, shower over, WC and basin. An extractor fan is present in the bathroom but was not operational at the time of the inspection. The kitchen provides wall and base cabinets, electric oven, gas hob and stainless-steel sink with draining board. The kitchen and bathroom both feature tiled floors. Floors elsewhere in the Dwelling are timber or carpet. Heating and hot water are provided by way of a gas-fired combination boiler situated in a first-floor cupboard.
14. Externally there is a garden to the rear which wraps around the side of the Dwelling with a timber gate and shed. The garden is somewhat overgrown, and an old mattress has been left there. The side and rear timber boundary fences are damaged. There is a metal drain covering in the grounds which is rusted through and may be hazardous.
15. The condition of the Dwelling is poor, with severe damp and mould present. This is particularly severe at the rear, where the kitchen ceiling and walls and bathroom wall are very badly affected by moisture and black mould growth. There is also damp present to the wall in the corner of the dining area, the bedroom wall, and a window surround to the rear

bedroom with crumbling plaster. The damp on the kitchen ceiling appears to be the result of water ingress from the flat roof above and has resulted in damage to the kitchen cabinets below. The kitchen ceiling features recessed spotlights and there may be consequences for electrical safety.

16. The Applicant is not keeping the property particularly clean and tidy and is keeping pets. Food remained present in the mouldy kitchen cabinets affected by the water ingress. These are cosmetic factors, and it is considered that the significant damp issues at the Dwelling are not caused by the tenant's style of living.

## HEARING

17. In the absence of a request by either party for an oral hearing, the Committee decided that it was appropriate to proceed with its determination based on the documents provided, as well as on the basis of the inspection by the Surveyor Member. The Committee meeting was duly convened and conducted by means of remote hearing technology at 2pm on 26 November 2024. At the meeting, careful consideration was given to the submitted paperwork and written representations made by the Applicant and the Landlord.

## THE APPLICANT'S SUBMISSIONS

18. In accordance with the Directions, the Applicant produced a statement by way of an email detailing her position, dated 15 October 2024. In her statement, she said that similar properties in her area were rented out at around the £800 per month mark. However, she said that her property had severe disrepair which therefore reduced its value. The Applicant said that the disrepair included the following; *'damp, windows all need repairing due to no seals meaning the property is extremely cold and drafty, there is mold and leaking on the kitchen ceiling, the bathroom is full of black mold, the bath is rusty, the back door is not sealed due to the damp in the walls, and the skirting boards are damp'*.
19. As to improvements, repairs and furnishings, the Applicant stated that she had attempted to seal the windows herself, at her own expense, with draught-proofing tape. She said that this had not helped much. She said that as per her contract, repairs were the responsibility of the Landlord. She said that she had reported all disrepair to the Landlord; *'and no / little attempts have been made to fix the reported issues. The only repair done in the last 5 years has been the back door and attempt to seal the windows'*.
20. The Applicant stated that the property was unfurnished. She added that a damp bookshelf and rug ruined by mold had been left at the property, together with a cooker but this did not work. All other furniture was her own.
21. In response to the Landlord's submission, the Applicant wished to clarify that the rent per month was not £545 and was in fact £575. Furthermore, she wished to reply to the point that funding was required to cover any cost of repairs. The Applicant reiterated that, over

the past 5 years, the only repair done was the back door, which had no seal on it due to the damp, and an attempt to seal the windows which did not help. She also wished to reiterate that all disrepair had been reported, and none had been fixed, except for the back door. Lastly, the Applicant stated that she had refused electrical repairs. This was because, at the time, she was expecting to be evicted and felt such extensive repairs were not worthwhile as a result.

22. As to any further points to consider, the Applicant stated that the property was next door to a pub which *'means it can get incredibly loud, especially in the evenings and weekends'*. In summary, she stated that considering the above points, the suggested rent increase of nearly 40% was unreasonable. The Applicant attached photographs which she said demonstrated the disrepair.

### **THE LANDLORD'S SUBMISSIONS**

23. The Landlord provided a statement dated 16 September 2024. He appended to his statement screenshots of three rental properties advertised for rent in the area. He said that the average property rental cost was £850pm and this was the reason why he was requesting £800.
24. As to any other reason he wished the Tribunal to consider, he said that the existing mortgage rate on the property was to finish in October 2024, resulting in estimated mortgage repayments increasing to 8.99%, and by £605.20 per month. The Landlord provided screenshot evidence to support this evidence from his mortgage company. He explained that the current £545[sic] rent would not cover the mortgage repayments.
25. The Landlord added that previous self-assessments had resulted in an income tax liability of between £1000 and £1500. As such, the Landlord stated that rental income in excess of the expected £605.20 mortgage repayment was required to cover this tax liability. Finally, he stated that funding was required to cover any repairs required on the property. For example, a new back door was fitted this year, which cost £900. In addition, the property required electrical repairs, which were expected to cost approximately £1,500.

### **THE DELIBERATIONS OF THE RENT ASSESSMENT COMMITTEE**

26. The Applicant did not raise any issue with the validity of the Notice of Variation of Rent. The Committee was satisfied that the Notice of Variation of Rent was a valid notice, and having been satisfied that the Notice was valid went on to consider the evidence provided by the parties.
27. The Committee's starting point was to consider what would ordinarily have been the appropriate market rent for the Dwelling. The Committee noted that the current rent was £575 per month and that this had not been increased for nearly five years. The proposed new rent was £800 per calendar month.

28. The Committee carefully considered the comparable rental properties that had been referenced by the parties. It had regard to the three specific examples provided by the Landlord, being two at a rent of £900 and one at a rent of £750 per month. The Committee noted that the Landlord said that the average property rental cost was £850 per month and the Applicant stated that similar properties to her own were rented out at around £800 per month. The Committee's Surveyor Member had also carried out his own research as to comparable two-bedroom rental properties in the area.
29. The Surveyor Member identified a total of 12 no. 2-bedroom houses marketed to let on Rightmove in the period 22 March 2024 – 26 November 2024. The rents ranged from £725 - £1,100 per calendar month, but the majority of comparables were in the range of £725 - £900 per calendar month. The opinions of both the Landlord and Applicant were therefore deemed to be not unreasonable, but that the Dwelling was likely to command a slightly lower rental value than £800 per calendar month based on the evidence. A useful pair of comparables to frame the likely achievable rental value of properties similar to the Dwelling are firstly, a 2-bedroom semi-detached house on Prince Street, an estate house, but appearing to be in good condition with a first-floor bathroom, driveway parking and situated close to a primary school and closer to the centre of Pontypool. Marketed for let at £825 per calendar month in July 2024, the Dwelling is considered inferior to this comparable and would be likely to command a lower rental value. The second comparable is a 2-bedroom end-terrace house on Amberley Place with stepped access and basic interiors, backing directly on to a primary school and opposite an ambulance station; currently marketed for let at £725 per calendar month. The Dwelling was considered of similar or slightly better quality than this comparable.
30. The Surveyor Member also consulted average rental data published by the ONS which stated that the average monthly private rent in the Torfaen local authority area in October 2019 was £564 (marginally below the actual initial rent agreed by the Landlord and Applicant); the figure for September 2024 was £797. Whilst the comparable evidence was given more weight than the ONS statistics, the Committee considered a reasonable rent for the Dwelling (upon being made fit for habitation) would be £750 per calendar month.
31. The Committee appreciated that this was the first time since the Applicant initially rented the Dwelling in 2019 that the Landlord had sought to increase the rent from £575 per calendar month. It also appreciated that the Landlord felt that he was facing rising costs in terms of mortgage payments, tax and for future repairs. Nevertheless, Regulation 6 of the Rent Determination Regulations does not allow for the impact of such matters upon the Landlord to be considered. The Regulation is concerned only with the question of the level of rent upon which the Dwelling might reasonably be expected to be let in the open market under the same type of contract, bearing in mind the assumptions described in the Regulation.

32. The Committee also noted that the Applicant candidly stated that she had refused to allow the Landlord to carry out electrical repairs, and this will clearly have placed the Landlord in a difficult position. Equally however, the Committee was persuaded that the Applicant had reported all disrepair to the Landlord, and yet the concerning, extensive damp issues had not been addressed.
33. Having considered the question of what would ordinarily have been the appropriate market rent for the Dwelling; the Committee went on to consider the appropriate rent for the Dwelling in its current state. The Surveyor Member considered the Dwelling to be one of the worst he had attended in terms of the extent and severity of damp and mould present, particularly in the kitchen and bathroom. In the circumstances, the Committee concluded that the Dwelling could not possibly be regarded as being fit for human habitation in accordance with Section 91(1) of the Act. Therefore, the property could not reasonably be let as a dwelling under the same type of converted period contract in its current condition. The Committee therefore considered that the rent which the Dwelling might reasonably be expected to be let in the open market by a willing landlord under the same type of contract was NIL (£0).
34. The Committee also considered that this figure would remain appropriate until such date that the Dwelling was rendered fit for human habitation in accordance with Section 91(1) of the Act, as confirmed by an independent surveyor approved by both parties. At such date, the Committee considered that the rent which at which the Dwelling might reasonably be expected to be let in the open market by a willing landlord under the same type of contract would be £750 per calendar month.

## **DETERMINATION**

35. The Rent Assessment Committee hereby determines that the rent at which the Dwelling might reasonably be expected to be let in the open market by a willing landlord under the same type of relevant converted contract is NIL (£0) per calendar month. In accordance with Paragraph 5 of the Regulations, the NIL (£0) rent is payable with effect from 22 September 2024, being the date specified in the Notice under section 123 of the Act, and then £750 per calendar month from the date on which the Dwelling is brought back into fit and habitable condition in accordance with paragraph 34 above.

**Dated this 17<sup>th</sup> day of December 2024**

**C Jones  
Tribunal Judge**