



Dispute Resolution Services

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Residential Tenancy Branch
Ministry of Public Safety and Solicitor General

DECISION

Dispute Codes RR, FF

Introduction

This matter dealt with an application by the tenants to be allowed to reduce their rent for repairs, services or facilities agreed upon but not provided and to recover the filing fee for this application.

Service of the hearing documents was done in accordance with section 89 of the *Act*, and were sent by registered mail to the landlord on December 24, 2010.

Both parties appeared, gave affirmed testimony, were provided the opportunity to present their evidence orally, in written form, in documentary form, and to make submissions to me. On the basis of the solemnly affirmed evidence presented at the hearing I have determined:

Issue(s) to be Decided

- Are the tenants entitled to reduce their rent for the loss of a facility agreed upon?

Background and Evidence

Both Parties agree that this tenancy started on March 01, 2010. The tenants paid a monthly rent of \$675.00 which has been reduced by the landlord from January 01, 2011 to \$650.00.

The tenants testify that in their original tenancy agreement cable services were included in their rent of \$675.00. The tenants testify that they received a Notice from the landlord dated November 28, 2010 to terminate the cable service. This stated as a result of this termination the tenants rent will be reduced by \$25.00 effective on January 01, 2011.

The tenant's testify that this reduction is not equivalent to the loss of this service. The tenants state the landlord provided them with a certificate from Shaw Cable which stated they were offering the tenants the same cable service at \$19.99 for six months. This offer expired on December 31, 2010. The tenant's state they took out this offer with Shaw Cable for the same cable package before the expiry date however their first bill from January 04, 2011 to January 31, 2011 was 57.95 with a discount for the phone and internet of \$36.68. Their cable bill for February, 2011 is \$62.95 with a \$20.00 discount for the offer and a \$2.95 discount for the terminal. The tenant's state this shows the true reflection of the cable costs to be \$40.00 per month for the six months not the \$19.99 plus taxes as suggested by the offer certificate.

The tenants have also provided a copy of the pricing for Shaw Cable which shows the cost for the same package would be \$62.95 at the end of the six months discounted period and seek a rent reduction to reflect this amount which is in excessive of the landlords' \$25.00 rent reduction for the same service. The tenant state they have now switched to a new cable company and pay approximately \$65.00 per month.

The tenant states he understands the landlord had corporate rates for cable services applied for the entire building but this is not reflective of the cost of the loss of this service to the tenants.

The landlords' agents testify that when they gave the tenants 30 days notice of the loss of their cable service that they reduced the rent to the equivalent cost at the time the service was discontinued. This cost at that time according to Shaws Cable offer was \$22.34 including taxes. The landlords' agents state the tenants rent was reduced by a higher amount of \$25.00. The landlords agents state the landlord should not be held responsible for any future prices rises by a cable company.

The landlords agent's state if the tenants have been charged more than the introductory offer by the cable company the tenants should take this up with the cable company and not the landlord. The landlords' agents states the tenants actually received a better deal with free hook up, classic cable and additional channels

Analysis

I have carefully considered all the evidence before me, including the affirmed evidence of both parties. The landlord argues that they should only have to offer a rent reduction to the tenants for the equivalent loss of this cable service equal to the cost of the service at the time the notice was given. The tenants argue that this is not a true reflection of the cost to the tenants for the value of the cable service and as a result the tenants would have paid more for their cable service with Shaw for the first six months and after the six months introductory period this cost would rise again.

In making this decision I have determined what the value of this cable service is to the tenants and find the value for this equivalent cable service is \$62.95. As this has been reduced by Shaw Cable for six months this has been reflected in my decision. It is irrelevant to the tenants what the corporate rate was that the landlords paid for this service and it is determined only on the value of the service to the tenants.

Section 27 (2)(b) of the *Act* states:

27 (2) *A landlord may terminate or restrict a service or facility, other than one referred to in subsection (1), if the landlord;*

(b) Reduces the rent in an amount that is equivalent to the reduction in the value of the tenancy agreement resulting from the termination or restriction of the service or facility.

As the value of the tenancy has been reduced by the loss of this cable service it is the equivalent cost to the tenants for which the rent must be reduced. Consequently, I find the tenants are entitled to a rent reduction from January 01, 2011 to July 01, 2011 of \$40.00 and from July 01, 2011 of \$62.95 as the introductory offer expires after six months. As the tenants rent was only reduced by \$25.00 for January they may take a further \$15.00 from their February, 2011 rent only to make up the shortfall.

As the tenants have now switched to a different cable company and this was their choice they must bear the cost of any increase in this service themselves for the first six months.

If the landlord and or tenant can re-negotiate the cable service as offered by Shaw Cable at \$19.99 plus tax then this must be recognised in the rent reduction.

Conclusion

I HEREBY FIND in favor of the tenants' application. The tenants may reduce their rent by \$40.00 until July 01, 2010 and by \$62.95 hereafter.

As the tenants have been successful with their application, they are entitled to recover the \$50.00 filing fee for this proceeding and may deduct that amount from their next rent payment when it is due and payable to the landlord.

This decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9.1(1) of the *Residential Tenancy Act*.

Dated: January 19, 2011.

Residential Tenancy Branch