

## **Dispute Resolution Services**

Page: 1

# Residential Tenancy Branch Office of Housing and Construction Standards

### **DECISION**

Dispute Codes: RR FFT

#### <u>Introduction</u>

The tenant seeks an order reducing rent for services or facilities agreed upon but not provided, pursuant to section 65(1)(f) of the *Residential Tenancy Act* ("Act"). In addition, they applied to recover the cost of the filing fee, under section 72 of the Act.

Both parties attended the hearing on October 28, 2021. No service issues were raised, the parties were affirmed, and Rule 6.11 of the *Rules of Procedure* was explained.

#### <u>Issues</u>

- 1. Is the tenant entitled to an order reducing rent under section 65(1)(f) of the Act?
- 2. Is the tenant entitled to recover the cost of the application filing fee?

#### Background and Evidence

Relevant evidence, complying with the *Rules of Procedure*, was carefully considered in reaching this decision. Only relevant oral and documentary evidence needed to resolve the specific issues of this dispute, and to explain the decision, is reproduced below.

The tenancy in this dispute began on February 1, 2020. Monthly rent is \$1,450.00 which is due on the first day of the month. The tenant paid a \$750.00 security deposit and a \$750.00 pet damage deposit. A copy of a written tenancy agreement was in evidence.

It is important to note – and this was confirmed from the tenant's testimony – that the tenancy agreement states that "Free laundry" is included in the rent (see page 2 of the Residential Tenancy Agreement).

The laundry was restricted (that is, made unavailable to the tenant) on July 1, 2021. The landlord summarily reduced the monthly rent by \$50.00 as a result, on July 1.

The tenant's position is that this reduction is an insufficient reflection of the loss of laundry and seeks a further reduction in the amount of \$85.00 per month. A total reduction of \$135.00 in monthly rent is thus sought.

As for how this amount was determined, the written description in the tenant's application provides some explanation:

Mr. [P] issued an RTB 24 notice restricting laundry services. However, he has not reduced 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" RTA 27(2)(b). On average, at 4 loads/week with laundromat prices \$5.5/load to wash and dry, one month (4.3 weeks) will cost \$94.60. Additionally, transportation and loss of convenience have not been accounted for in reduction of value.

The tenant testified that, based on an average per weekly cost of going to the laundromat, over a period of ten weeks (the calculation period) the reduction in rent comes to \$136.28. This is close, therefore, to the rounded-down amount of \$135.00 that is sought by the tenant.

Responding to an issue briefly raised by the landlord at the start of the hearing, the tenant testified that she has had a roommate since October 2020. The roommate, while not on the tenancy agreement, resides in the rental unit and was using the laundry facilities. The tenant explained that the landlord permitted the roommate, that the rental unit is a two-bedroom suite, and that the amount claimed is a reasonable amount for two people. Last, the tenant testified that there were no restrictions on the quantity or frequency of laundry before the cessation of laundry services on July 1, 2021.

The landlord does not dispute that a rent reduction is warranted. However, he disputes the amount of the rent reduction claimed. He testified that the tenant's calculations are incorrect and are not a reasonable amount in this case. Further, he argued that there appears to be three facets with the laundry. The landlord explained that the laundry in question appears to be comprised of the tenant's laundry, the tenant's roommate's laundry, and, "something else." Later, the landlord suggested that the "something else" is some sort of commercial laundry being done as part of a side business that may be operated out of the rental unit.

The landlord argued that the amount claimed, and the numbers used "seem quite high." On average, the landlord suggested that it ought to be closer to \$14.00 per week to do laundry, and not the \$45.00 per week as claimed by the tenant.

In respect of the roommate, the landlord acknowledged that he had been flexible with the tenant having a roommate. Originally, the tenant's mother was supposed to live in the rental unit. But that fell through once the pandemic got under way. The landlord briefly explained how he had, or has, been trying for some time to have the roommate added as a tenant on the tenancy agreement, but to no avail. As to when the roommate moved in, the landlord believes that it was possibly around the same time that the tenant stated. (The tenant and the roommate around that time apparently travelled to Germany to acquire cats, he added.)

The landlord touched again on the side business and argued that this ought to be a factor in the amount claimed. He was fairly certain that the tenant was doing commercial washing and that some sort of chemicals had made their way into the machine.

In brief rebuttal, the tenant testified that she wanted to make one thing clear: never had she done any sort of non-residential, commercial laundry in the rental unit.

#### <u>Analysis</u>

The standard of proof in a dispute resolution hearing is on a balance of probabilities, which means that it is more likely than not that the facts occurred as claimed. The onus to prove their case is on the person making the claim.

Subsections 65(1) and 65(1)(f) of the Act state that

Without limiting the general authority in section 62 (3) [director's authority respecting dispute resolution proceedings], if the director finds that a landlord or tenant has not complied with the Act, the regulations or a tenancy agreement, the director may make any of the following orders: [. . .]

that past or future rent must be reduced by an amount that is equivalent to a reduction in the value of a tenancy agreement [. . .]

The landlord argued that there are three components of the laundry that must be considered: (1) the tenant's laundry, (2) the roommate's laundry, and (3) the commercial laundry.

While the landlord argued that the laundry being done is partly comprised of commercial laundry (that is, laundry being done as part of a business operation), the tenant denied that any commercial laundry was ever done. There is, it should be noted, no evidence for me to find that the tenant ever engaged in commercial laundering. As such, I am unable to find that there are three components of the laundry to be considered. This leaves us with two: the tenant's laundry and the roommate's laundry.

A "tenancy" means a tenant's right to possession of a rental unit under a tenancy agreement. And so, it follows that any value derived from that tenancy lay solely with the tenant. On this point, I am in agreement with the landlord. What this means as it pertains to the case before us is that the roommate, who is not a tenant under the tenancy agreement, retains no rights or responsibilities under the Act (see Residential Tenancy Policy Guideline 19). Consequently, any reduction in the value of the tenancy cannot be passed along to, or claimed indirectly by, a roommate. Given this fact, it follows that of the entire amount being claimed, only half may be ultimately considered.

The calculation for the above amount is as follows: the total amount of receipts over a ten-week period is \$314.50, which works out to \$31.45 per week, and thus \$136.28 monthly.  $$31.45 \times 52$  weeks  $\div 12 = $136.28$ . \$135.00 is the rounded down and claimed amount and divided by two (because the roommate's losses cannot be factored in) is \$67.50. Ultimately, while the landlord disputes the manner in which the calculations are made, I find that the tenant's calculations are persuasive.

Last, what must also be considered, though not quantified or strictly factored into the final amount, is the loss of time and travel costs in the tenant having to travel to a laundromat. It is reasonable, therefore, to find that the claim made by the tenant, based solely on the receipts provided, fairly reasonably represents the reduction of the value of the tenancy agreement.

Taking into consideration all the oral testimony and documentary evidence presented before me, and applying the law to the facts, I find on a balance of probabilities that the tenant has discharged her onus of proving their claim for a reduction in rent, albeit for a lower amount than what was claimed.

Pursuant to section 65 of the Act, it is hereby ordered that the monthly rent shall be reduced by \$67.50. (That is, from \$1,500.00 monthly rent as required under the tenancy agreement to \$1,432.50.) This reduction in rent shall commence effective November 1, 2021.

Pursuant to section 67 of the Act, given that the rent reduction must be applied to the beginning of the period for which laundry were terminated, the balance owing by the landlord to the tenant is \$70.00. (Calculated as \$67.50 - \$50.00 already reduced = \$17.50 x 4 months.) To give effect to this order for compensation, the tenant is authorized under section 65(1)(f) of the Act to deduct \$70.00 from the rent for December 2021. It should be noted that this one-time deduction is on top of the above-noted reduction in rent that is to go into effect on November 1, 2021.

Finally, section 72 of the Act permits me to order compensation for the cost of the filing fee to a successful applicant. As the tenant succeeded in their application, I grant them \$100.00 in compensation to cover the cost of the filing fee. To give effect to this award the tenant is also authorized to make a one-time deduction in rent in the amount of \$100.00 from a future rent payment.

#### Conclusion

The application is granted, subject to the reduction and deductions set out above.

This decision is made on delegated authority under section 9.1(1) of the Act.

Dated: October 29, 2021

Residential Tenancy Branch