GUIDANCE NOTES FOR TENANTS ON THE RENT INCREASE NOTICE

(These notes are for guidance only)

This notice will be used by your Landlord to increase your rent if you have a private residential tenancy, as set out in the Private Housing (Tenancies) (Scotland) Act 2016¹ (the Act).

PART 1 – THE TENANT AND THE LET PROPERTY

IS THE LET PROPERTY LOCATED IN A RENT PRESSURE ZONE?

1. If the Scottish Ministers have designated the area you live in as a rent pressure zone, there will be a cap on the amount that your rent can increase by. You can check whether the Let Property shown in Part 1 is located in a rent pressure zone on the Scottish Government's web page at (https://www.mygov.scot/rent-pressure-zone-checker/).

PART 2a – THE PROPOSED RENT INCREASE

DELIVERY OF THIS NOTICE

- 2. Your Landlord must take steps to ensure that you receive this notice as soon as possible. A notice is only valid if it is served on you in the following ways:
 - by handing it to you
 - by sending it to you recorded delivery post at the address of the Let Property
 - by emailing it to your current email address (if you have previously agreed that email is your preferred contact method)
- 3. If your Landlord sends this notice to you by post or email, they must give you 48 hours to receive it. This delivery time should be added on to the three months' notice your Landlord has to give you. You can challenge the 48 hours delivery time, but you must give your Landlord evidence which shows the exact date you received this notice.
- 4. For example, if your Landlord sends this notice to you by recorded delivery on 13 January, you would be expected to receive it on 15 January. So the 3 months' notice period would start on 15 January (see section 'YOU ARE ENTITLED TO 3 MONTHS' NOTICE OF ANY RENT INCREASE').

YOU ARE ENTITLED TO 3 MONTHS' NOTICE OF ANY RENT INCREASE

- 5. Your Landlord must give you at least 3 months' notice of any rent increase. This starts on the day you received the notice and ends on the same date 3 months after you received it. If the month in which it ends does not have that date, then it is the last day of that month.
- 6. For example, if you received a rent increase notice on 15 January, the 3 months' notice period would end on 15 April. So the earliest date the increased rent would apply is 16 April. If you received the notice on 30 November, the notice period would end on 28 or 29 February (depending on whether or not it was a leap year), and the earliest date the increased rent would apply is 1 March.

¹ http://www.legislation.gov.uk/asp/2016/19/contents/enacted

7. If you think that your Landlord has not provided you with enough notice, you must be able to give evidence to support your claim. You should send a copy of the evidence to your Landlord along with the completed Part 3 of this form.

FREQUENCY OF RENT INCREASES

- 8. A Landlord can only increase your rent using this notice if:
 - you have a private residential tenancy, and
 - at least 12 months will have passed between the date of your last rent increase, and the date of the proposed rent increase shown in Part 2 of this notice.
- 9. If this is the first rent increase since the tenancy began, the rent increase can take place within 12 months of the start date of the tenancy. If there is less than 12 months between the date of your last increase and the proposed rent increase date, the rent increase may be illegal, and you may not have to pay it speak to your Landlord about this.

IF YOU THINK THE PROPOSED RENT INCREASE IS TOO HIGH – REFER IT TO A RENT OFFICER FOR RENT ADJUDICATION

- 10. If the Let Property is NOT located in a rent pressure zone, and you think that the rent increase proposed by your Landlord is too high, you can refer this notice to a Rent Officer for rent adjudication.
- 11. Rent Officers are independent officers appointed by statute. They will determine your rent by comparing rents for similar size properties in your area. You have 21 days from the date you received this notice to make a referral to the Rent Officer. Before you make a referral to a Rent Officer, you must tell your landlord that you are going to do this by completing and returning Part 3 of this form to your landlord. If you are a joint tenant and you received a joint notice, make sure Part 3 is signed by all joint tenants. If you each received individual notices, make sure you each sign and send back Part 3 of the notice you received.
- 12. You apply to the Rent Officer by using the specific rent adjudication form that can be found at the link: <u>https://www.mygov.scot/apply-about-rent</u>. Printable versions of the form and guidance notes can be found at the link: <u>https://www.gov.scot/publications/private-residential-tenancy-prescribed-notices-forms/</u>. The Rent Officer will aim to send you the decision within 40 days of receiving the completed form. A Rent Officer can increase as well as reduce the amount of rent you pay.
- 13. You cannot refer this notice to a Rent Officer if the Let Property is in a rent pressure zone.

PART 2b – IF THE LET PROPERTY IS IN AN RPZ

WHAT IS AN RPZ AND HOW DOES THIS AFFECT YOUR RENT?

14. If you live in an RPZ, your local authority applied to the Scottish Ministers to have the area you live in classified as a Rent Pressure Zone because rents in your area are rising too much. This is causing difficulties for existing Tenants in that area, and having a negative effect on the authority's housing system.

- 15. Scottish Ministers have accepted the authority's application and classified the area as a rent pressure zone. This means that there is a cap on the amount that your rent can increase by, which is set out in regulations by Scottish Ministers. Any cap set by Ministers is at least the Consumer Prices Index (CPI)² plus one percent.
- 16. Ministers have the power to include an additional percentage to CPI + 1% (this is X in the equation in Part 2(RPZ)), if they consider this appropriate. Landlords can also apply to a rent officer for a determination of an additional amount to reflect any completed property improvements (this is Y in the equation). If your Landlord has included a figure for Y, they must also give you a copy of the letter from the rent officer which shows how much they can increase your rent by to reflect any improvements.
- 17. It is against the law for your Landlord to increase your rent by more than the cap set by Ministers. If you think your rent increase is more than the cap, you should:
 - speak to your Landlord,
 - contact your local authority, Shelter Scotland or local Citizens Advice Bureau
 - contact a solicitor (you may be able to get legal aid depending on your income)
- 18. If your rent increase is above the cap set by Ministers, you will only be required to pay the amount up to the cap set by Scottish Ministers.

PART 3 – TENANT'S RESPONSE TO THE PROPOSED RENT INCREASE

WHAT YOU NEED TO DO IF YOU HAVE RECEIVED THIS NOTICE

- 19. You must return Part 3 to your Landlord as soon as possible. Keep a copy for your records.
- 20. You may want to discuss the proposed new rent with your Landlord before you complete and return Part 3. If you contact your Landlord to discuss the proposed rent increase, you should both be aware that you will need to hold the discussion in good time so you still have the option to refer the rent increase notice to a Rent Officer (if applicable) for determination of the open market rent.
- 21. You only have 21 days from the date you received this notice to refer a case to a Rent Officer for a rent determination. Before sending your case to a Rent Officer (using the specific rent adjudication form), you **must** use Part 3 above to tell your Landlord that you are going to refer your case to a Rent Officer.
- 22. You cannot refer a case to a rent officer for a rent determination if the Let Property is in a rent pressure zone.
- **23.** If you get benefits to help you with your rent, you should tell whoever pays them about any changes to your rent amount.

² **Consumer Prices Index** is a measure of Consumer price inflation and is the speed at which the prices of the goods and services bought by households rise or fall. Consumer price inflation is estimated by the Office of National Statistics using price indices. One way to understand a prices index is to think of a very large shopping basket containing all the goods and services bought by households. The prices index estimates changes to the total cost of this basket.