

GUIDANCE NOTES FOR LANDLORDS ON THE RENT INCREASE NOTICE

(These notes are for guidance only)

You will use this notice to increase your Tenant(s) rent if they have a private residential tenancy, as set out in the Private Housing (Tenancies) (Scotland) Act 2016¹ (the Act).

WHEN TO USE THIS NOTICE

1. You may serve this notice on your Tenant only in the following circumstances:
 - a) Your Tenant has a private residential tenancy as set out in the Act;
 - b) You want to increase the rent; and
 - c) If the rent has previously been increased, this increase is not taking effect earlier than 12 months after the rent was last increased.
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GIVING THE RIGHT AMOUNT OF NOTICE

2. You must give your Tenant at least three months' notice of the proposed increase. The three month notice period starts on the day the Tenant receives the rent increase notice and ends the same date three months after the Tenant received it. If the month in which it ends does not have that date, the notice period will end on the last day of that month.
 3. For example, if the Tenant received the rent increase notice on 4 March, the three months' notice period would end on 4 June, so the earliest date the increased rent would apply is 5 June. If the Tenant received the notice on 30 November, the notice period would end on 28 or 29 February (depending on whether it was a leap year), and the earliest date the increased rent would apply is 1 March.
 4. If you do not provide your Tenant with the necessary three months' notice of an increase, your Tenant will not be required to pay the increased amount until three months has passed since the day they received your rent increase notice.
 5. You must include time for delivery of the notice. See the section on 'How to serve the notice'.
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HOW TO COMPLETE THIS NOTICE

6. As Landlord you should complete Parts 1 and 2 of this notice.
7. You should also complete Part 2 (RPZ) if the Let Property is in an area which has been classified by Scottish Ministers as a rent pressure zone.
8. If you want to include an amount for improvement costs (this is 'Y' in the rent increase equation in Part 2 RPZ), you must first apply to a Rent Officer at Rent Service Scotland to obtain a formal decision on the amount you are entitled to add for 'Y'. You apply to the Rent Officer by using a specific application form called 'Landlord's application for a rent increase as a result of improvements made to a property in a rent pressure zone' (you can get this from the Scottish

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

Government's website², a housing advice service, or by telephoning Rent Service Scotland on 0300 244 7000 or emailing at rss.dundee@gov.scot).

9. The Rent Officer will aim to send you the decision within 35 days of receiving your application. You must provide your Tenant with a copy of the Rent Officer's decision which shows the amount you are entitled to increase the rent by to reflect any improvements made to the Let Property.
 10. You should leave Part 3 blank. This is for your Tenant to fill in when giving you a response to the proposed new rent.
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HOW TO SERVE THE NOTICE

11. After you sign and date the rent increase notice, you must take steps to ensure your Tenant(s) gets it as soon as possible. You must serve it in one of these ways:
 - by handing it to them
 - by sending it to them recorded delivery post at the address of the Let Property
 - by emailing it to them at their current email address (if they have already agreed that email is their preferred contact method)
 12. Section 26 of the Interpretation and Legislative Reform (Scotland) Act 2010, applies which means that, unless delivered personally, you must allow the Tenant 48 hours to receive the notice. This delivery time should be added on to the three months' notice you must give the Tenant. Your Tenant can challenge this, but they must provide you with evidence which shows the exact date they received this notice. Your Tenant must have at least three months' notice of the proposed increase from the day they receive this rent increase notice.
 13. For example, if you send your Tenant a rent increase notice by recorded delivery post or email on 13 January, your Tenant would be expected to receive the rent increase notice on 15 January and the 3 months' notice period would end on 15 April. So the earliest date the increased rent would start is 16 April.
 14. If you have joint Tenants, all the Tenants must be named in Part 1 of this document or each Tenant must receive an individual copy of this notice.
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YOUR TENANT'S RESPONSE

15. Your Tenant(s) should respond to this rent increase notice by returning Part 3 to you. Make sure your Tenant(s) knows whether this should be sent to you or to an Agent who deals with your affairs.
16. Your Tenant(s) may ask to discuss the proposed new rent with you (see section **NEGOTIATING WITH YOUR TENANT(S)**) or will use Part 3 of this notice to respond in one of three ways. By:
 - accepting your proposed new rent (if your Tenant(s) accepts the new rent it will start on the date in this Notice)

² <https://www.gov.scot/publications/private-residential-tenancy-prescribed-notices-forms/>

- accepting your proposed new rent, but challenging the date on which it will apply (your Tenant(s) must be able to prove that they have not been given enough notice of the rent increase)
 - letting you know that the proposed rent is not acceptable, and they are referring their case to a Rent Officer for a decision on the rent amount (if your Tenant(s) indicates that they want to refer the rent increase notice to a Rent Officer, this must be done within 21 days of the Tenant receiving this rent increase notice. This option is only available if the Let Property is not in a rent pressure zone)
17. If it's a joint tenancy and you send one notice and name all of the Tenants in Part 1, all the Tenants must individually sign Part 3. If you send each joint Tenant an individual notice, you will need each of them to sign and return Part 3.
18. If the Tenant(s) does not complete and return Part 3 to you, the rent increase will start from the date proposed in this notice.
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NEGOTIATING WITH YOUR TENANT(S)

19. If your Tenant(s) contact you to discuss the proposed rent increase, you should both be aware that you will need to have the discussion in plenty of time so your Tenant(s) has the option of referring the rent increase notice to a Rent Officer (if applicable) for determination of the open market rent. Your Tenant(s) will have 21 days from when they receive this notice to refer their case to a Rent Officer at Rent Service Scotland.
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FURTHER GUIDANCE

20. If you are not sure about anything in this notice, (for example, how to complete it or the kind of tenancy your Tenant has), you should get advice from one of the following:
- your local council
 - Shelter Scotland
 - your local Citizen's Advice Bureau
 - a solicitor
 - the Scottish Association of Landlords (a membership organisation)
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LEGISLATION

The Private Housing (Tenancies) (Scotland) Act 2016 'PART 4 Rent' gives the legal position on rents in relation to the new private residential tenancy.