

MARKET RENT INCREASES

The law regulating market rent increases for tenancy agreements (leases) in the ACT is contained in the Residential Tenancies Act 1997 ('the Act').

Housing ACT is entitled to increase the market rent for your property at any time during the first year of your tenancy and then at 12-monthly intervals. In practice, Housing ACT will conduct a review of all of its properties once a year. This usually occurs around October each year.

Housing ACT must give you eight weeks' notice in writing of their intention to increase the rent. The notice must include the amount of the increase and the date on which the increase will occur.

- If you believe the increase is excessive, you may apply to the Residential Tenancies Tribunal ('RTT') for a review of the decision.
- If you decide to leave the property before the rent increase applies, you need to give three weeks' notice.
- If you decide to remain in the property without applying for review, the new market rent will take effect from the date specified in the notice.

Note: If you are on a rebated rent, the amount of rent you actually pay will not change unless you lose your entitlement to a rebate.

APPEALING MARKET RENTAL INCREASES

Rental increases are categorised by Housing ACT as tenancy matters because they are determined according to the Residential Tenancies Act 1997. However, Housing ACT

will consider an appeal from you about a rent increase before any application is made to the Residential Tenancies Tribunal.

Internal review

If you receive a notice of a rent increase and you believe that the increase is excessive, you can write to Housing ACT advising why the increase is excessive and asking that the decision to increase the rent be reviewed. Your request for review must be lodged within 7 days of Housing ACT notifying you of the proposed increase.

Applying to the RTT

If there is no satisfactory response, you may apply to the RTT to have the increase reviewed. You must file an application with the RTT at least 14 days before the rent increase is due to come into effect. The RTT may waive this time limit if you can demonstrate

special circumstances that explain why your application is late.

The RTT does not have the power to hear an application to dispute a rent increase once the increase has come into effect.

If you wish to leave open the option of applying to the RTT while you are also seeking internal review, apply to the RTT within the time limit. If the RTT hears the application before the internal appeal has been completed, you can ask for the hearing to be adjourned while you await the outcome of the internal review.

'Excessive' rent increases

The RTT may disallow part or all of the increase if they find it to be 'excessive'. The general rule describes a rent increase as excessive where the increase is 20% greater than the relevant increase in the Consumer Price Index. You can find information on



Welfare Rights & Legal Centre

Advice Line
6247 2177

the CPI and a step-by-step guide on working out if an increase is excessive at the Tenants Union website (www.tenantsact.org.au).

Where the increase is more than 20%, Housing ACT must satisfy the RTT that the increase is justified. If the increase is less than 20%, the tenant must satisfy the RTT that it is excessive.

The RTT will also consider the following factors:

- The rent before the proposed increase;
- Whether the rent had been increased previously in the tenancy, the amount of that increase, and the period since that increase;
- Costs of Housing ACT in relation to the premises;
- Services provided by Housing ACT to you;

- The value of fixtures and goods supplied as part of the tenancy;
- The state of repair of the tenancy;
- Rental rates for comparable premises;
- The value of any work performed or improvements made by you, with Housing ACT's consent; and
- Any other matter the Tribunal considers relevant.

In considering these matters, no one factor carries more weight than another. The weight to be attached to each factor may vary depending on the circumstances of each case.

For further information on appeals see **The Appeals Process** (WRLC Fact Sheet 9) and **Residential Tenancies Tribunal** (WRLC Fact Sheet 11).



Disclaimer

This fact sheet contains general information available at the time of printing. It does not constitute legal advice. If you have a specific legal problem, please contact the Welfare Rights and Legal Centre's advice line on 6247 2177. The Welfare Rights and Legal Centre is entirely independent of Housing ACT. All assistance is free.

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