

Rent increases: Assured shorthold tenants

In this factsheet we look at how your landlord can increase your rent if you are an assured shorthold tenant.

There is little control over rents for assured shorthold tenancies, but this does not mean that your landlord can increase your rent when s/he wants to by any amount s/he chooses. There are procedures to be followed. Your rent can be increased by agreement, or because your tenancy agreement allows for it, or, by following a procedure set out in the law.

You agree to an increase

There is nothing to stop you agreeing with your landlord that your rent can be increased. You should note that if you pay the increased rent, or you claim more housing benefit on the basis of a rent increase, this will normally be taken to mean that you have agreed to the increase.

Provision in tenancy agreement

If you have a tenancy agreement and there is a clause concerning rent increases, your landlord will be able to increase your rent in line with what the agreement says. Such a clause may state that the rent will be increased by a certain amount or percentage, or may simply say that the landlord can increase the rent by serving a notice on the tenant. It must also state when the increase can occur, for example it could say in one year's time, or on 1 April. It is essential to read any tenancy agreement before you sign it to be clear what you have agreed to.

Unfair terms

Some clauses may be 'unfair'. This is unusual, but a clause, for example, which says the landlord can increase your rent at any time by giving just 14 days' notice would be unfair. If it is unfair, it will be unenforceable.

No provision in tenancy agreement/ end of fixed term agreement

Some tenancies are for a fixed period. If there isn't a provision in a fixed-term agreement for the landlord to increase the rent, the rent will remain the same unless you agree to a rent increase.

After the end of the fixed period, or where there has never been a fixed period, if there is

no provision in the agreement for a rent increase unless you agree to an increase, the landlord must follow the procedure set out in section 13 of the Housing Act 1988.

Under the procedure, the landlord must give you at least one month's notice in the correct form. The notice must advise you of your right to refer the proposed increase to the First-tier Tribunal (Property Chamber) – formerly it was to the Rent Assessment Committee (RAC) – which can assess whether the new rent will be above a reasonable market rent of similar properties in your area.

If the new proposed rent is too high, it can be lowered, but please note that if it is lower than the market rent it could be increased.

Under this procedure, the rent can only be increased once a year. If you have never had a fixed-term agreement, the first time the procedure can be used is one year after your tenancy began. If you had a fixed-term agreement, it can be used when the fixed term ends.

Excessive rents

If you think your rent is excessively high in comparison with similar properties in your area, you can make an application to the First-tier Tribunal (Property Chamber) for it to be reduced. You can only do this within the first six months of your tenancy.

Eviction

As an assured shorthold tenant you have limited security of tenure, and your landlord will normally be able to get a court order to evict you after serving a minimum of two months' notice. You may wish to get advice before you challenge a rent increase.

Further advice

You can get further advice from Shelter's free* housing advice helpline (0808 800 4444), a local Shelter advice service or Citizens Advice bureau, or by visiting shelter.org.uk/advice

* Calls are free from UK landlines and main mobile networks.



Specialist support on housing advice

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