

YOUR FACT SHEET ON SECTION 13

As part of the Housing Act 1988, Section 13 allows private letting agents and landlords to increase rents for any tenancy.

LANDLORDS CAN CURRENTLY INCREASE RENTS WITH SECTION 13

- Landlords can use Section 13 to increase rent for periodic tenancies with at least one month's notice. This also includes if a fixed-term tenancy moves to periodic at the end of the agreement.
- If a contractual periodic tenancy does not have a rent review clause, a Section 13 notice can be used
- Section 13 can only be implemented when the first year of a periodic tenancy has passed, and used once a year.
- This is the same even if a fixed-term tenancy converts to a periodic - the start date of the initial fixed-term tenancy starts the countdown of using a Section 13 notice.

IF A TENANCY AGREEMENT ISN'T PERIODIC, YOU CAN'T USE SECTION 13 TO INCREASE RENTS

Landlords can increase rents by doing the following:

- For [Assured Shorthold Tenancy](#), landlords can include a "rent review clause", which should include when a review will take place, how much rents may increase, and the notice period.
- At the end of a [fixed-term tenancy](#), rents can be increased in a new contract.
- [During a tenancy](#), the landlord and tenant can mutually agree to a rent increase with a written record of that agreement.

Increases must be "fair and realistic" and stay in line with local market rates.



TENANTS CAN DISPUTE A SECTION 13 NOTICE

Through a First-tier Property Tribunal, tenants can dispute a rent increase if they think it is unfair.

However, tenants should first speak to their landlord if they have concerns. If an agreement can't be reached, a tribunal can help set a new rent for the tenancy, which may be higher than originally proposed.

WILL SECTION 13 CHANGE UNDER THE RENTERS (REFORM) BILL?

The Renters (Reform) Bill will transition all tenancies over to periodic, rolling contracts (with some exceptions), with a possible new mechanism to increase rents.

This system will likely consist of a landlord completing a simple form and serving it to the tenant with a two-month notice period.

Tenants will be able to accept the amount by paying the new proposed rent. However, if they disagree with the rent increase they will need to go through the First-tier Tribunal.

If a tenant disputes the rent increase and the tribunal agrees, landlords may be liable to pay the additional costs back to the tenant.

With this new system, landlords will still only be able to increase their rent once a year.

