

Rent increases - your rights

Presented by: Ben Cording

Acknowledgement of Country

In the spirit of reconciliation, Tenants Victoria and those gathered today acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past, present and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples.



Disclaimer

These slides are designed for the purpose of information, and are not a substitute for legal advice.

If you need assistance or advice on a specific area, you can seek advice from Tenants Victoria on (03) 9411 1444 or via email through Tenants Victoria's email portal on our website, tenantsvic.org.au.



Rents are going up



Rents have significantly increased in the past 12 months.

Many factors contribute to this.

For example, there is greater demand as more people are unable to buy a home so rent instead. Interest rates are rising, so landlords who have not paid off their mortgage will try to pass on their higher monthly repayments to their tenants by raising rents. Rental vacancies are at historically low levels.

An important factor for renters is that many renters do not challenge their notice of rent increase.

Rents are going up (cont.)



2 Year Change in Rental Costs

Rental data up to and including Jun 2022

Region

All

\$420

Victoria - Median Rent

7.7%

Victoria - Rent Increase
last 2 years

\$425

Median Rent - Metro

6.3%

Metro - Rent Increase
last 2 years

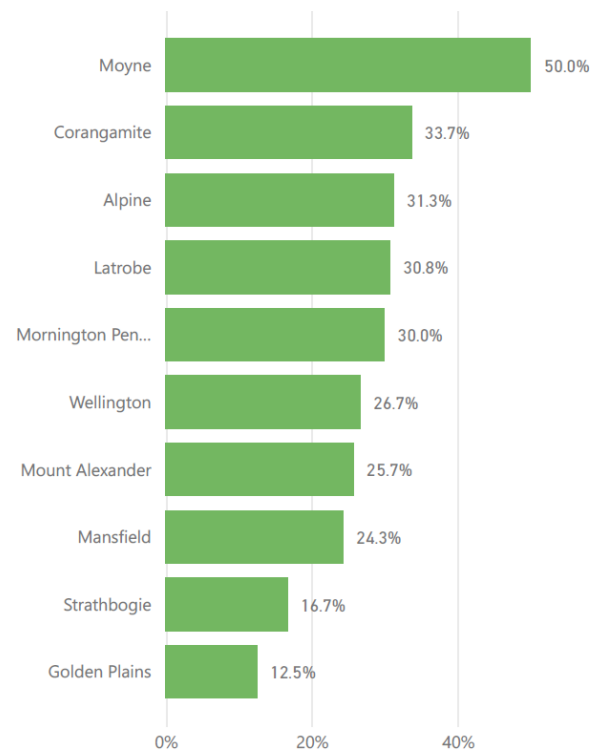
\$390

Median Rent - Non
Metro

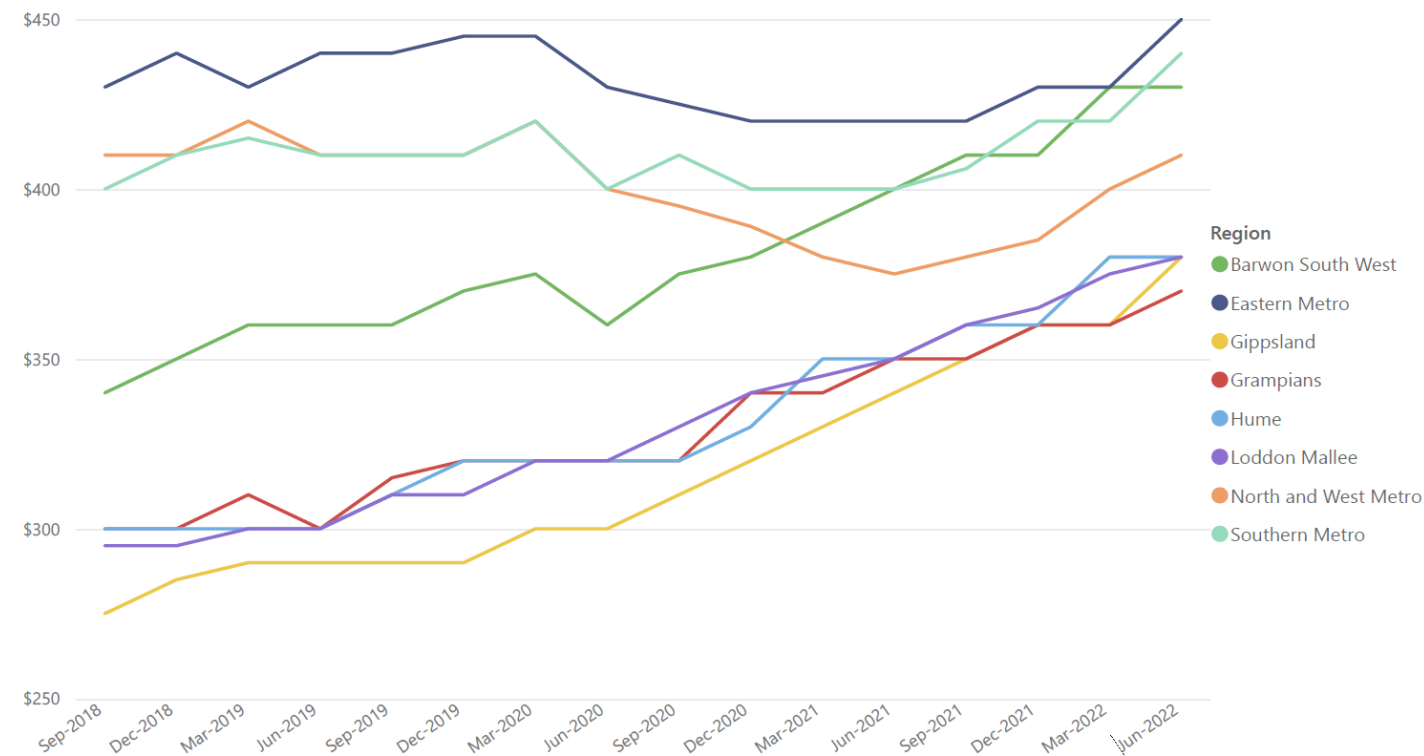
18.2%

Non-Metro - Rent
Increase last 2 years

Increase in Median Rental Price over 2 years



Median Rental Price over time



Rent increases



There are no limits or caps on how much your rent can go up.

Under the law it is the renter's responsibility to challenge a rent increase if they think it is unreasonable or excessive.

If you don't challenge the rent increase, the rent increase will come into effect.

Many renters don't challenge their landlord (officially called the rental provider) for a variety of reasons.

However, not challenging a rent increase can put you in a hard financial position.

Rent increases (cont.)



Rent increases are regulated by the law. A rent increase notice from the landlord must:

- Use the correct [form](#)
- Give you a clear 60 days' notice before the rent increase happens
- Specify the '**method**' of the increase
- Be given to you by hand, post or registered post, or email if you have agreed to email
- Advise you of your right to challenge the notice of increase
 - This includes the right to apply for a free report from Consumer Affairs Victoria (CAV), within 30 days of getting the notice

If a landlord doesn't increase the rent correctly, the rent increase **will not be effective**.

Any extra money paid under an incorrect notice is refundable through compensation.

Impact of rent increases



If a rent increase is not done according to the law, the increase will not be effective.

Any money paid under an invalid increase will be in 'credit' by the total of the increases paid by the renter, or could be claimed as overpaid rent.

This may invalidate the notice to vacate for specifying a significantly incorrect amount.

Always check a rental ledger for increases and whether each increase was accompanied by a valid notice of increase –see section [44](#) requirements.

See: [Gregorio v Gregorio \(Residential Tenancies\) \[2022\] VCAT 680 \(17 June 2022\)](#) @ [25]

See: [Bergess v Semenow \(Residential Tenancies\) \[2020\] VCAT 193 \(19 February 2020\)](#) @ [38]

Method of rent increase



If a rent increase is given, the law requires that the method of increase is specified (section [44](#)(3)(b)). However, this is not defined in the Act.

See: [Boyce v Mariella Nominees Pty Ltd ATF Lorusso Family Trust \(Residential Tenancies\) \[2023\] VCAT 89 \(27 January 2023\)](#) @ [30]-[31]:

‘I find that the reference to a “Comparative Market Analysis” with no further information about that analysis fails to satisfy the requirements of s 44(3)(b) that the method of calculation be provided, or the requirements of the prescribed form by providing details of the process used for that method of calculation.

The notice of rent increase is invalid.’

See this also affirmed in: [Kennedy v Pan \(Residential Tenancies\) \[2023\] VCAT 529](#)

Claiming last 2 years of rent increase



Make sure to review notices to vacate for details of rent increases as many of the notices of rent increases in the past two years will have used phrases such as ‘comparative market analysis’ which may make the notice invalid. In such situations the renter may be able to claim significant compensation that matches the amount of increase. For some people this may be 20% of the rent they paid.

There is also no means for a rental provider to ‘catch up with the increase’ in subsequent rent-increase notices. In law, the rent increase never occurred.

Increases between fixed-term agreements

Similar issues may relate to increases between fixed term agreements. For example, a renter completes a fixed term agreement at \$200 a month and is offered a new fixed term agreement at \$240 a month. The renter agrees to the new fixed term. Increases between fixed terms that are not accompanied by a notice of rent increase may also be invalid.

See: [Shafer v Bourke \(Residential Tenancies\) \[2015\] VCAT 874 \(11 June 2015\) @ \[11\]-\[15\]\)](#)

When can your rent be increased?



Rent cannot be increased more often than once every 12 months for most rental agreements (leases)

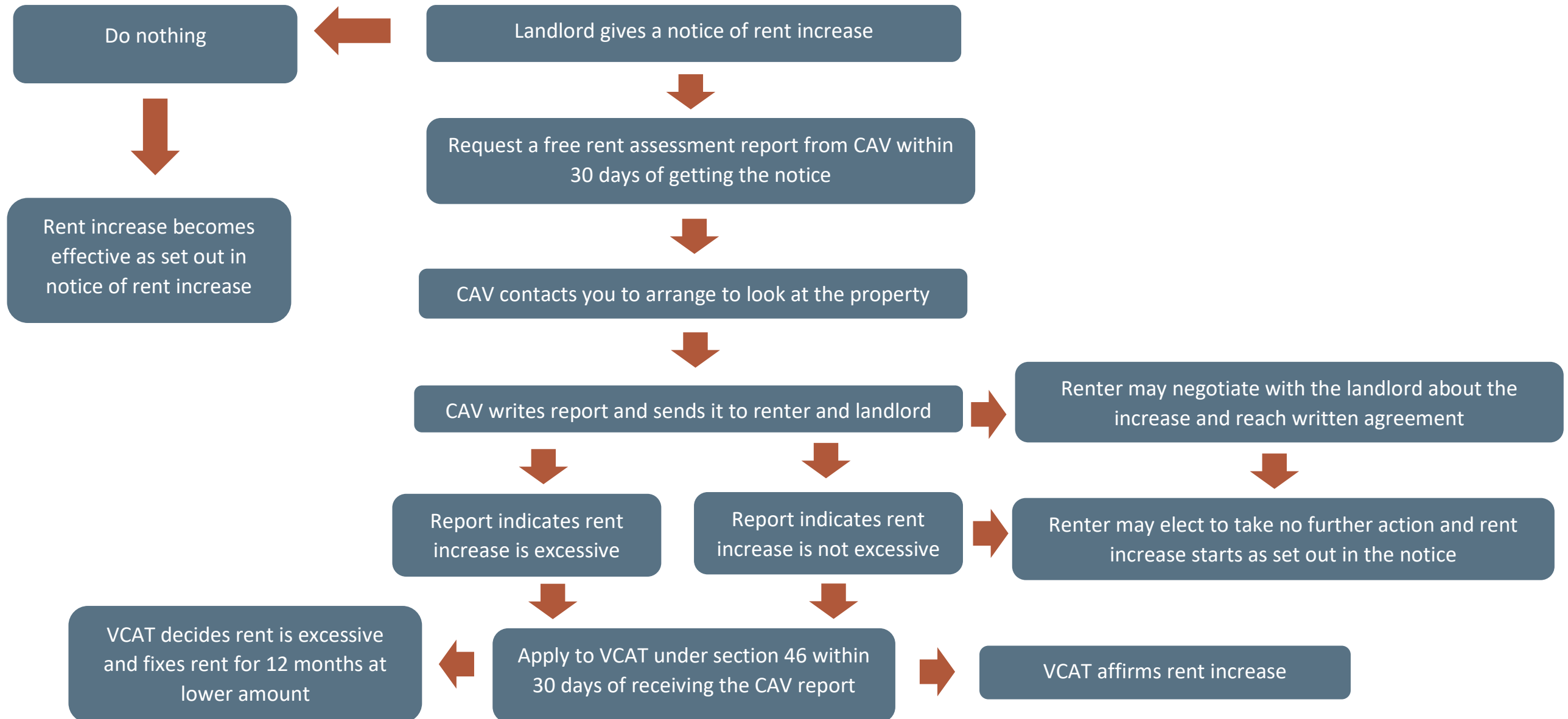
The landlord cannot give you a notice of rent increase during a fixed term rental agreement unless:

- The increase would start after the last day of your fixed term agreement
- The rental agreement permits a **specific** increase from \$A to \$B

If you are offered another fixed term rental agreement that increases your rent, a notice of rent increase must **still** be given.

Any time your rent is increased, a proper notice of rent increase must be given.

Your options if you get a notice of rent increase



Correct Form for Rent Increases



Notice of proposed rent increase to renter of rented premises

Residential Tenancies Act 1997 Section 44(1)
Residential Tenancies Regulations 2021 Regulation 21

The residential rental provider (rental provider) must use this form to notify the renter of a proposed rent increase.

Information for the renter

- The rental provider must give you at least 60 days' notice of any rent increase.
- A valid notice of proposed rent increase is required for all rent increases.
- The notice may only provide for one rent increase.
- The notice must include the method by which the rent increase was calculated. The rent increase cannot be over the amount calculated using this method.
- Rental providers must not increase the rent more than once every 12 months.
- Rental providers must not increase the rent during a fixed term residential rental agreement (agreement) unless the agreement provides for an increase.

Challenging a rent increase

- You may apply to the Director of Consumer Affairs Victoria to review the proposed increase if you think it is too high. This is free. You may apply by filling in the section below, 'Requesting an investigation of rent increase', and providing a copy to Consumer Affairs Victoria.
- An application must be made in writing within 30 days after the notice is given. The Director will investigate the increase and provide a report.
- You may also apply to the Victorian Civil and Administrative Tribunal (VCAT) for an order declaring the proposed rent amount to be excessive. This application must be made within 30 days after the notice of rent increase is given.
- You will need to pay the increased rent amount from the date provided on this notice unless VCAT decides otherwise.
- If you have not requested a report from the Director and 30 days have passed since you have received the notice, you can still apply directly to VCAT. You will need to satisfy VCAT that you have reasonable grounds to apply without first getting a report from Consumer Affairs Victoria.
- For further information, visit the renting section of the Consumer Affairs Victoria website at www.consumer.vic.gov.au/renting or call Consumer Affairs Victoria on 1300 55 81 81.

1 Address of rented premises

25 Morris Road, Tarneit Postcode 3029

2 Renter details

Full name of renter 1 Soad Bakir
Full name of renter 2
Full name of renter 3
Full name of renter 4

Note: If there are more than four renters, include details on an extra page.

Renter's address for service (if different to address of rented premises above)

25 Morris Road, Tarneit Postcode 3029

Contact details

Business hours 0412 123 123



After hours 0412 123 123
Email address Soad.bakir@gmail.com

3 Rental provider details

Full name of rental provider (this cannot be an agent's name)
Kumar Ahuja
Address of rental provider for serving documents (this can be an agent's address)
22 Cornford Street, Tarneit Postcode 3029
Contact details of rental provider or agent
Business hours 0421 321 321
After hours 0421 321 321
Email address Kumar.Ahuja@gmail.com

4 Proposed rent increase

I intend to increase the rent as follows:

Current rent amount (\$) 1600 per ☐ week ☐ fortnight ☒ calendar month
New rent amount (\$) 1617.60 per ☐ week ☐ fortnight ☒ calendar month
Amount of rent increase (\$) 17.60 per ☐ week ☐ fortnight ☒ calendar month
Start date of increased rent 3 August 2021

5 Method used to calculate the rent increase

(For example 'Consumer Price Index' used to calculate rent increase)

Provide details of the process and calculation used to reach new rent amount.

Method used to calculate the rent increase CPI = 1.1%

6 Delivery of this notice

- The notice period begins when the renter is estimated to receive this notice.
- For information on postage times from different locations please refer to the Australia Post website (<https://auspost.com.au/parcels-mail/calculate-postage-delivery-times>)
- If sending by post, the rental provider must allow for the delivery time in calculating the increase date.
- If sending by registered post, the rental provider should keep evidence of the mail delivery method used to send this notice.

This notice was sent on: 26 May 2021 (insert date)

This notice has been delivered:

☐ personally - for example, by hand
☒ X by registered/ordinary post Expected delivery time 2 June 2021 (please see the Australia Post website)

Registered post tracking number (if applicable) 1234 1234 123

☐ by email (if consent has been provided by the renter)

Email/postal address renter 1
Email/postal address renter 2
Email/postal address renter 3
Email/postal address renter 4

7 Signature of rental provider or agent

Signature Kumar Ahuja
Name Kumar Ahuja Date 26/05/2021



Case Study 1

Correct Form for Rent Increases

Help or further information

For further information, visit the renting section – Consumer Affairs Victoria website at www.consumer.vic.gov.au/renting or call Consumer Affairs Victoria on 1300 55 81 81.

Telephone interpreter service

If you have difficulty understanding English, contact the Translating and Interpreting Service (TIS) on 131 450 (for the cost of a local call) and ask to be put through to an Information Officer at Consumer Affairs Victoria on 1300 55 81 81.

Arabic

إذا كان لديك صعوبة في فهم اللغة الإنكليزية، اتصل بخدمة الترجمة التحريرية والشفوية (TIS) على الرقم 131 450 (بكلفة مكالمة محلية) واطلب أن يوصلوك بموظف معلومات في دائرة شؤون المستهلك في فكتوريا على الرقم 1300 55 81 81.

Turkish İngilizce anlamakta güçlük çekiyorsanız, 131 450'den (şehir içi konuşma ücretine) Yazılı ve Sözlü Tercümanlık Servisini (TIS) arayarak 1300 55 81 81 numaralı telefondan Victoria Tüketici İşleri'ni aramalarınızı ve size bir Danışma Memuru ile görüşmelerini isteyiniz.

Vietnamese Nếu quý vị không hiểu tiếng Anh, xin liên lạc với Dịch Vụ Thông Phiên Dịch (TIS) qua số 131 450 (với giá biểu của cú gọi địa phương) và yêu cầu được nối đường dây tới một Nhân Viên Thông Tin tại Bộ Tiêu Thụ Sự Vụ Victoria (Consumer Affairs Victoria) qua số 1300 55 81 81.

Somali Haddii aad dhibaato ku gabo fahmida Ingiriiska, La xiriir Adeega Tarjuma iyo Afcelinta (TIS) telefoonka 131 450 (qiimaha meesha aad joogto) weydiisuna in lagugu xiro Sarkaalka Macluumaadka ee Arrimaha Macmiilaha. Fikrooraya tel: 1300 55 81 81.

Chinese 如果您聽不大懂英語，請打電話給口譯和筆譯服務處，電話：131 450（祇花費一個普通電話費），讓他們幫您接通維多利亞消費者事務處（Consumer Affairs Victoria）的信息官員，電話：1300 55 81 81。

Serbian Ako vam je teško da razumete engleski, nazovite Službu prevodilaца и тумача (Translating and Interpreting Service – TIS) na 131 450 (po cenu lokalnog poziva) и zamolite их da вас повежу са Службеником за информације (Information Officer) у Викторијској Служби за потрошачка питања (Consumer Affairs Victoria) на 1300 55 81 81.

Amharic በኢንግሊዝኛ ቋንቋ ለማረጋገጥ ወይም ለማረጋገጥ (TIS) በ131 450 (በአካባቢው ወጪ) ለማድረግ 1300 55 81 81 ስልክ በማድረግ ለዚህ አገልግሎት ማግኘት ይቻላል።

Dari

اگر شما مشکل دانستن زبان انگلیسی دارید، با اداره خدمات ترجمانی تحریری و شفاهی (TIS) به شماره 131 450 به قیمت مخابره محلی تماس بگیرید و بخواهید که شما را به کارمند معلومات دفتر امور مهاجرین ویکتوریا به شماره 1300 55 81 81 ارتباط دهد.

Croatian Ako nerazumijete dovoljno engleski, nazovite Službu tumača i prevoditelja (TIS) na 131 450 (po cijeni mjesnog poziva) i zamolite da vas spoje s djelatnikom za obavijesti u Consumer Affairs Victoria na 1300 55 81 81.

Greek Αν έχετε δυσκολίες στην κατανόηση της αγγλικής γλώσσας, επικοινωνήστε με την Υπηρεσία Μετάφρασης και Διερμηνείας (TIS) στο 131 450 (με το κόστος μιας τοπικής κλήσης) και ζητήστε να σας συνδέσουν με έναν Υπάλληλο Πληροφοριών στην Υπηρεσία Προστασίας Καταναλωτών Βικτωρίας (Consumer Affairs Victoria) στον αριθμό 1300 55 81 81.

Italian Se avete difficoltà a comprendere l'inglese, contattate il servizio interpreti e traduttori, cioè il Translating and Interpreting Service (TIS) al 131 450 (per il costo di una chiamata locale), e chiedete di essere messi in comunicazione con un operatore addetto alle informazioni del dipartimento. "Consumer Affairs Victoria" al numero 1300 55 81 81

For the renter

Requesting an investigation of rent increase (no cost)

If you want to request an investigation, it must be in writing.

You can apply for an investigation by completing the information below and posting a copy of this notice of rent increase to:

Director of Consumer Affairs Victoria,
GPO Box 123
Melbourne VIC 3001,

or

email to renting@justice.vic.gov.au

After your request has been received, a Residential Tenancies Inspector will contact you.

☐ Yes, I/we the **renter(s)** wish to apply for a rent increase investigation

I/We can be contacted on:

Daytime phone number

Privacy notification – Consumer Affairs Victoria collects and handles your personal information consistent with the requirements of the **Privacy and Data Protection Act 2014**. Without this information we may be unable to process this transaction. You are able to request access to the personal information that we hold about you, and to request that it be corrected by contacting Consumer Affairs on 1300 55 81 81, the Information and Privacy Unit on 8684 0178 or the Freedom of Information Unit on 8684 0063.

Alternatively, this form can be used to
request a free rent assessment by CAV:
[Request for repairs inspection or rent
assessment form](#)

Case Study 1



Process for Rent Increases

A rent increase notice must:

- use the correct form
- Give the renter a clear 60 days
- Specify the “method of the increase”
- Advise the renter of the right to challenge the Notice of Increase (within 30 days of getting the Notice)
- (can only be served (given) to the renter via email, if the Renter has agreed to accept notices via email or other electronic ways)

If a Rental Provider doesn't increase the rent correctly, the Rent Increase won't be effective.

(see advice if you think a rent increase notice is not *valid*).

Case Study 1



What is considered deciding if a rent increase is too much?

- Similar rentals in the same arear (not including social housing)
- The condition of the premises and any repair issues
- Costs of running the premises
- Anything the rental provide pays for such as utilities (if applicable)
- Anything costs the renter is liable for under the agreement
- Any work the renter has done with the rental providers consent
- Any changes to the rented premises since the start of the first rental agreement
- Number of rent increases in the last 24 months and the amount of any increase
- The value of the rented premises

Consumer Affairs Reports



Department of Justice and Community Safety

Consumer Affairs Victoria

909 High Street
Reservoir VIC 3073
Telephone: (03) 8256 9271
Email: consumer@justice.vic.gov.au
DX210220

7 July 2022

Soad Bakir
25 Morris Road,
TARNEIT VIC 3029

[via email: soad.bakir@gmail.com]

Dear Ms Bakir,

RENT ASSESSMENT REPORT SECTION 45 RESIDENTIAL TENANCIES ACT 1997 (CASE NUMBER: C2022/05/123456)

I refer to your Application to Consumer Affairs Victoria (CAV) to investigate and report on the Notice of Rent Increase that you have received from Kumar Ahuja (your rental provider), regarding your rented premises at 25 Morris Road, Tarneit 3029. Following CAV's investigation and having regard to the factors set out in section 47 of the Residential Tenancies Act 1997, I have come to the conclusion that the proposed rent increase from \$1600 per calendar month to \$1698 per calendar month is excessive.

Should you wish to do so, you now have 30 days to apply to the Victoria Civil and Administrative Tribunal (VCAT) – Residential Tenancies list, requesting an Order declaring the proposed rent increase excessive. A copy of the enclosed report MUST accompany your application to VCAT. A copy of the report has also been sent to Kumar Ahuja (your rental provider).

For further information regarding an application to VCAT, you may contact VCAT Customer Service on 9628 9800 or 1800 133 055 (Rural and Regional Victoria) or visit their website at www.vcat.vic.gov.au.

If you have any further enquiries regarding this report, I may be contacted on 0422 222 111.
Yours sincerely,

Fiona Nguyen
Regional Officer

Consumer Affairs Victoria: Supporting consumers through information, education, dispute resolution and advocacy. Making markets work through trader education and regulation.

For additional information go to www.consumer.vic.gov.au



Report in accordance with Section 46 & 47

Residential Tenancies Act 1997

Case Number:	C2022/05/123456
Rented premises address:	25 Morris Road, Tarneit 3029
Owner:	Kumar Ahuja
Real Estate Agent:	N/A
Current Rent:	\$1600
Proposed Rent:	\$1698
Type of Occupancy:	Single
Date of Inspection:	4 July 2022
Date of Increase:	13 August 2022
Date of Report:	7 July 2022

I, Fiona Nguyen, delegate to the Director of Consumer Affairs Victoria, have investigated the proposed rent increase issued 2 June 2022 and here within this report I provide my findings having regard to the information received in accordance with the provisions of Section 46 and 47 of the *Residential Tenancies Act 1997* (The Act).

Description of 25 Morris Road, TARNEIT 3029

The premises is a 4-bedroom, 2-bathroom, brick stand-alone single dwelling home constructed in 2012. It is located approximately 10 minutes from the train station and local grammar school, and main shopping plaza. The premises have modern appliances and an open-plan kitchen and lounge. It has ducted heating and evaporated cooling with large single garage.

The block is a 350 square meters with a medium sized backyard and simple garden.

Comparable rented premises, other than public and community housing in the same locality, (s. 47(3)(a) of the Act):

I have liaised with Real Estate Agents who managed properties in this area. It is their opinion that a house of this standard, style, size and location may currently obtain a weekly rent between \$375 to \$450.

- One agent who has similar types of properties in the area believes that the inspected premises could obtain weekly rent of \$400.
- Another agent who also has similar types of properties in the area believes that the inspected premises could obtain a weekly rent between \$390 to \$420.
- Another agent who also has similar types of properties in the area believes that the inspected premises could obtain a weekly rent of \$420 to \$450.

I have carried out several rent assessment inspections in the last month. From my knowledge of this standard, style, size and location a weekly rent of \$400-\$410 could be obtained.



Consumer Affairs Reports



Refer to Attachment A: Comparable Rented Premises

<https://www.realestate.com.au/property-house-vic-tarneit-435136423> (\$440 pw)

<https://www.realestate.com.au/property-house-vic-tarneit-432962850> (\$480 pw)

<https://www.realestate.com.au/property-house-vic-tarneit-435169839> (\$435 pw)

State of repair and general condition of the rented premises (s. 47(3)(b) of the Act):

From my observations of the rented premises on the inspection date, it appears to be:

Exterior:

- Well maintained by the renter
- Some observable flaking of paint
- Minor crack in brickwork

Interior:

- Very well maintained by the renter
- Carpet is thread bare and heavily stained throughout*
- Mould in the bathroom which the renter indicates has been reported to the rental provider, but no response was received
- Walls appear clean but peeling in parts*
- It appears generally the house is in a poor condition and has not been well maintained for a house of its age, distinguishing it from the higher end of the above range.

*The renter showed me the original condition report to show the carpets and walls were consistent with how the rented premises was provided.

Note: I have not validated or confirmed the verbal or written advice provided by the renter regarding the state of repair and general condition of the rented premises.

Costs in providing facilities or services provided by the rental provider (s. 47(3)(c) of the Act)

No additional facilities other than standard gas, water, electricity and local council services such as rubbish collection were provided.

Council rates provided by the rental provider are \$1828.54.

Variation in providing facilities or services provided by the rental provider (s. 47(3)(d) of the Act)

I am not aware of any variations to facilities or services provided by the rental provider that are relevant to my investigations.

Costs of providing facilities or services provided renter (s. 47(3)(e) of the Act)

Not applicable.

Any charges which the renter is liable for under the Act, the rental agreement or any other Act (s. 47(3)(f) of the Act)

The renter is responsible for gas, water and electricity usage and associated usage costs under the rental agreement.

Improvements made to the rented premises which should not result in an increase because they were made by the renter (s. 47(3)(g))

The renter has, with consent of the rental provider, installed a vegetable garden, improved the thermal efficiency of the home using temporary insulating film on the windows, and installed a non-hardwired CCTV camera system.

Changes in rent and the condition of the rented premises since the last rent increase (s. 47(3)(h) of the Act)

I am not aware of any variations to facilities or services provided by the rental provider that are relevant to my investigations.

Rent increases in the preceding 24 months (s. 47(3)(ha) of the Act)

I requested the renter provide comments regarding rent increases in the preceding 24 months.

On 30 June 2022 Ms. Bakir provided written advice stating the following:

Date of increase:	Previous Rent:	Proposed rent	Comments
10-11-2019	\$1700	\$1800	Rent Increase withdrawn in lieu of compensation claim
01-04-2021	\$1700	\$1800	Fixed amount increase

Any valuation of the rented premises (s. 47(3)(i) of the Act)

Council valuation of property according to 2021-2022 rates notice is \$650,000.

CONCLUSION:

As a result of my investigation, I deem the proposed rent increase from \$1800 to \$1910 per calendar month to be excessive.

Further, it is my opinion that an appropriate level of rent for the rented premises having regard to the current market conditions should be as follows:

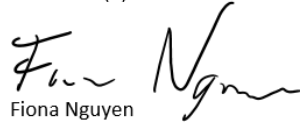
- \$1790 to \$1810 per calendar month

Consumer Affairs Reports



Note: After receiving a report from the Director under section 46, the renter may apply to the Tribunal for an order declaring the proposed rent excessive. An application under section 46 (1) must be made within 30 days after the renter receives the Director's report.

Further I have provided Kumar Ahuja (rental provider) a copy of this report as required by section 47(3).



Fiona Nguyen
Regional Officer

SAMPLE

Applying to VCAT



PART 9: CLAIM DETAILS - WHAT DO YOU WANT VCAT TO DO?

20. What orders do you want VCAT to make?

You need to tell us the relevant section number of the *Residential Tenancies Act 1997* that relates to your claim, if you can, and what orders you want VCAT to make.

You may also have to provide specific information or documents to support your application. If you do not provide information or documents that VCAT needs, your application may be delayed.

To see a list of common disputes we hear and their section numbers, go to www.vcat.vic.gov.au/rentingnotice.

Section 46 - Application to challenge rent increase

21. Provide more details about your claim.

You must give complete details about your claim, including:

- how you have calculated any amounts you are asking for
- why you are asking for the above orders.

This will help the respondent understand why you have made this application. If you need more space, you can attach a document setting out the details of the claim.

See the attached Consumer Affairs Rent Assessment report.

I am seeking an Order that my rental provide cannot increase the rent.

Factors CAV and VCAT consider



Consumer Affairs Victoria (CAV) and the Victorian Civil and Administrative Tribunal (VCAT) will consider these factors to decide whether a rent increase is excessive:

- Rental costs for similar properties in the same location
- The state of repair and general condition of the property
- The cost of running services and facilities at the property
- Charges the landlord or renter may be responsible for under rental laws or the rental agreement
- The cost of services and facilities provided by the renter under the rental agreement
- Any modifications to the rented property the renter has made with consent
- Any changes in the rent or the conditions of the rented property since the last rent increase or since the beginning of the rental agreement
- The number and amount of rent increases (if any) in the last 24 months
- Any valuation of the rented premises

Rent Increase Excessive Order

ORDER

Ref No: 2021/xxxxx/xx

VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL RESIDENTIAL TENANCIES LIST REGISTER OF PROCEEDINGS

APPLICANT(S): Soad Bakir
Renter

RESPONDENT(S): Kumar Ahuja
Rental Provider

RENT PREMISES: 25 Morris Road, TARNEIT 3029

Application under the *Residential Tenancies Act 1997* Section 46

The Tribunal finds and declares that:

1. The renter was served with a Notice of Rent Increase, dated 26 May 2021, stating that the rent would increase from \$1600 per calendar month to \$1617.60 per calendar month, from 3 August 2021.
2. The renter applied within 30 days after receiving a report from the Director of Consumer Affairs for an order declaring the proposed rent excessive.
3. The proposed rent is excessive having regard to the evidence, including the report of the Director of Consumer Affairs dated 20 July 2021 and the factors set out in subsection 47(3) of the *Residential Tenancies Act 1997*.

The Tribunal orders that:

1. The rent increase is of no effect.
2. Rent is fixed at the amount of \$1600 per calendar month.
3. The rental provider may not seek to increase the rent until 12 months from the date of this Order.


J Dorian, Member



1 August 2021

BC -1/08/2021 10:54

Rent Increase NOT Excessive Order

ORDER

Ref No: 2021/xxxxx/xx

VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL RESIDENTIAL TENANCIES LIST REGISTER OF PROCEEDINGS

APPLICANT(S): Soad Bakir
Renter

RESPONDENT(S): Kumar Ahuja
Rental Provider

RENT PREMISES: 25 Morris Road, TARNEIT 3029

Application under the *Residential Tenancies Act 1997* Section 46

The Tribunal finds and declares that:

1. The renter was served with a Notice of Rent Increase, dated 26 May 2021, stating that the rent would increase from \$1600 per calendar month to \$1617.60 per calendar month, from 3 August 2021.
2. The renter applied within 30 days after receiving a report from the Director of Consumer Affairs for an order declaring the proposed rent excessive.
3. The proposed rent is not excessive having regard to the evidence, including the report of the Director of Consumer Affairs dated 20 July 2021 and the factors set out in subsection 47(3) of the *Residential Tenancies Act 1997*.

The Tribunal orders that:

1. The rent is to be increased in accordance with the Notice of Rent Increase.
2. From 3 August 2021, rent per calendar month will be \$1617.60.
3. The rental provider may not seek to increase the rent until 12 months from the date of this Order.


J Dorian, Member



1 August 2021

BC -1/08/2021 10:54



What happens if a challenge is unsuccessful



If your challenge to a rent increase is unsuccessful or a CAV report says the rise is not excessive:

- You cannot be given a notice to vacate
- You cannot be listed on a tenancy database or given a negative reference
- There are no costs or fees from VCAT other than your application fee (\$67.40 or free fee waiver given)
- Even if a CAV report states the increase is not excessive and you disagree, you can still make these arguments at VCAT, and VCAT will decide.

Options if you cannot afford a rent increase



Negotiate

Negotiate with the rental provider and be clear about your financial limits.

A good landlord will not want to lose good renters over a few dollars.

If the CAV report indicates that the rent is excessive, you must apply to VCAT unless the landlord withdraws the notice in writing.

Seek financial counselling

Seek financial counselling to help identify:

- If the rent increase is financially viable for you on your current budget
- If you are eligible for any supports or other entitlements such as government concessions on power bills

Options if you cannot afford a rent increase (cont.)



Employment rights

JobWatch is a free specialist community legal centre that provides advice in relation to your employment rights: phone: (03) 9662 1933.

The Australian Government's Fair Work Ombudsman can give you information about whether you are being paid at the right rate: www.fairwork.gov.au/pay-and-wages or phone 13 13 94.

Additional household members

Some people may choose to ask someone to come and live with them to help subsidise the rent. A person can be added to a rental agreement. This is called 'assignment' or a tenant transfer.

Make sure you have a good relationship with that person and seek advice first, such as from Tenants Victoria.

Options if you cannot afford a rent increase (cont.)



Move somewhere else to avoid rent arrears

It is better to relocate if you are likely to incur rent arrears you cannot catch up on. If your agreement ends because of rent arrears, you **may** be listed on a tenancy database.

You do not have to immediately vacate because of rent arrears. You can get a payment plan.

Try to end an agreement without rent arrears where possible.

It is however more important that you have someone safe to go to.

Moving out and preparing for the next rental



To vacate you must give 28 days' notice of intention to vacate in writing, specifying the date that you are going to return the keys

Do not sign a new fixed term lease in your current rented home if you have received a rent increase that may not be sustainable.

Take extensive photos after you have moved your belongings out and done a final clean, just in case there is a dispute about the bond.

Seek a written reference early as possible from the agent or landlord before you incur any rent arrears.

Important things for renters to know



Many renters don't know their rights. Here are some important things renters should know:

1. Renters do not need to vacate by the termination date in a notice to vacate.
2. Renters cannot be placed on a tenancy database for getting a notice to vacate or having a 'local' agreement with the rental provider or VCAT-ordered payment plan.
3. If the renter knows the rental agreement is no longer financially viable, such as losing their job, make sure steps are taken to avoid lease breaking and homelessness
4. Renters can always seek an extension of time of up to 30 days before a warrant to evict ordered by VCAT can be 'purchased' by the rental provider. Alternatively, the possession order can be delayed for 30 days.
5. If there are co-renters, unless otherwise ordered by VCAT, the full amount of rent arrears can be recovered from any individual. Co-renters are jointly liable.

Important things for you to remember



Everyone is different, has a different story and responds to stress differently.

High levels of persistent stress can mean that it is harder to concentrate, focus and be organised.

Information processing may be reduced. Decision making may be challenging.

Renters may:

- Feel judged, ashamed, or embarrassed about being in rent arrears.
- Want to ensure their children are not aware of what is going on.
- Have nowhere else to go.
- Become homeless rather than get a negative reference or because they fear going on a database.
- Have missed meals or doctor appointments to pay rent.

Suppression orders are not generally available in relation to rent arrears matters. However, there may be some exceptional circumstances (see [NQB v MHF \(Residential Tenancies\) \[2019\] VCAT 1461 \(26 September 2019\)](#)).

Resources



Tenants Victoria website: [Rent Increases](#)

Consumer Affairs Victoria website: [Rent Increases](#)

Rental law – Residential Tenancies Act

[Section 44](#) – Rent increases

[Section 45](#) – Renter may complain to Director about excessive rent (CAV Director of Housing)

[Section 46](#) – Application to Tribunal (VCAT) about excessive rent

[Section 47](#) – What can the Tribunal order?

[Section 48](#) – Tribunal can order refund of rent

Forms

[Notice of proposed rent increase to renter of rented premises](#)

[Request for repairs inspection or rent assessment](#)

Resources (cont.)



VCAT applications

[Checklist and form for online applications](#)

[Print-friendly application form](#)



Questions

Renter advice line

(03) 9416 2577

Mon to Fri

9.30 am – 1.30 pm

Closed public holidays

The approximate waiting time is over 30 minutes.

Calls are answered by lawyers, advocates and intake workers with specialist knowledge of Victorian rental laws.

Community worker line

(03) 9411 1444

Mon to Fri

9.00 am – 5.00 pm

Closed public holidays

Free advice or support for workers at not-for-profit organisations assisting people who rent in Victoria.

Email: admin@tenantsvic.org.au
with the subject line
'Organisation enquiry'



Specialist community legal centre on tenancy matters
Level 2, 255 Bourke Street, Melbourne Victoria 3000
admin@tenantsvic.org.au | tenantsvic.org.au