

# Ceiling on rent increase abolished

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THERE appears to be a misconception about the percentage of rent increase allowed by law for residential tenancies. This is related to the Rent Control legislation that regulated not only rent increases, but also placed other restrictions on landlords and, in many ways, prejudiced *bona fide* tenants.

In terms of the provisions of the rent control law, the landlord was prevented from increasing the rental by more than 10% per annum and had to disclose proof to the rent board of maintenance and repair costs. The powers of the rent boards became increasingly restrictive over the years and the law itself did not change sufficiently with the dynamics of a changing society.

The rent boards were in existence for approximately seventy years, similar to rent boards in many other countries. The democratic reforms in South Africa also meant that the rent control law that catered mainly for certain "groups" had to change.

The one option was to "tinker" with this law but the imbalance that developed over the years indicated that this was, for practical reasons, not the best way to provide a just and fair system to deal with tenant-landlord matters.

Rent boards and the rent control board (based in Pretoria) -the body to which aggrieved parties could go to if they were not satisfied with the decision of the rent board, had to be overhauled or abolished.

The Rental Housing Act 50 of 1999 was finally introduced that took into account the imbalances and the needs, rights, obligations and duties of tenants, landlords and the government. It is still fairly new and like other laws, would have to respond to the demands of a changing society and will, therefore, undergo changes.

Now that there is a new law, do the provisions of the Rent Control Act 80 of 1976, still apply? On 31 July 2003 the "protection" of tenants living in a dwelling that was subject to rent control, ended.

The four rent boards and the rent control board were dismantled. The Rental Housing Act is now the law that deals with landlord-tenant matters in respect of rented residential dwellings. The nine provincial Rental Housing Tribunals are the bodies that has the powers to resolve complaints and to instruct and guide parties to do what is required of them under the Act.