

Consumption meters and law

Landlords cannot unilaterally install them

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IN THE past when rent control applied to dwellings, rentals often included charges for water consumption.

Rent boards were restricted by law to allow for a maximum annual rental increase of 10% and the landlord had to provide proof of expenses that consisted of service charges such as water and general electricity.

There are many buildings today that have a bulk or “communal” water meter and the monthly consumption cost is included in the rentals.

In some instances, it is not practical for a landlord to sustain the mounting costs of water consumption. Adding the cost to the rental is also not fair to a tenant whose water usage is minimal. The tenant may pay the water charges separate from the rental, if this was the agreement with the landlord.

The landlord has no option when working out expenses but to divide the costs of water so that each tenant pays an equal share.

Water charges usually escalate because of the increased consumption and this is passed over to the tenants in equal amounts resulting in dispute among tenants and between tenants and the landlord.

The challenges and frustration become enormous when this plays out in a sectional titles scheme where many more stakeholders are involved.



Some landlords have realised that installing individual meters places the responsibility where it belongs – with each tenant.

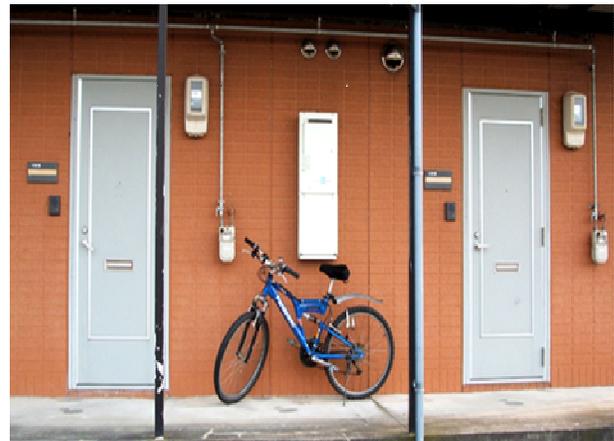
There is a delicate process to be followed when there is a lease in force. The landlord cannot install a meter without the tenant’s consent because paying for water separately was not part of the lease contract.

In a case presently with the Organisation of Civic Rights tenants were informed by their new landlord that they would have to pay for water charges that were

included in their rentals. The landlord also intended to increase the rentals.

Unless the tenants agree, the landlord cannot unilaterally change the lease contracts.

In this instance, the lease contract with the previous landlord continues since in our law, the old landlord is substituted by the new landlord without interfering with the terms and conditions of the lease contract.



If rental is not agreed upon then there is no lease when the parties enter into an agreement to lease the dwelling. During the currency of the leased dwelling, if the landlord intends to increase the rental, this intention-which is communicated in writing to the tenant-does not by itself bring an increase into existence.

The tenant has to agree to the offer, unless an increase is stated in a written lease.

If the rental is an offer made to the tenant, it must be accepted for a new rental agreement to take effect. The landlord cannot install separate water meters and expect the tenants to pay their own water account if this was not part of the initial lease contract.

If there is an agreement for the installation of separate water meters, the landlord is required to pay for the installation costs. This would also apply to the installation of separate electricity meters where tenants share accommodation in a dwelling or rent an individual flat.

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