

## Rent Act 1977

### **1977 CHAPTER 42**

#### **PART III**

### RENTS UNDER REGULATED TENANCIES

### Regulation of rent

#### 44 Limit of rent during contractual periods

- (1) Where a rent for a dwelling-house is registered under Part IV of this Act, the rent recoverable for any contractual period of a regulated tenancy of the dwelling-house shall be limited to the rent so registered.
  - This subsection is subject to the following provisions of this Act: subsection (4) below, sections 55 and 71(3), paragraph 1(3) of Schedule 7, Schedule 9 and paragraph 3 of Schedule 20.
- (2) Where a limit is imposed by subsection (1) above on the rent recoverable in relation to any contractual period of a regulated tenancy, the amount by which the rent payable under the tenancy exceeds that limit shall, notwithstanding anything in any agreement, be irrecoverable from the tenant.
- (3) In this Part of this Act "contractual rent limit" means the limit specified in subsection (1) above.
- (4) Schedule 7 to this Act shall have effect for the purpose of providing a special rent limit in relation to certain tenancies which became regulated tenancies by virtue of section 14 of the Counter-Inflation Act 1973.

### 45 Limit of rent during statutory periods

(1) Except as otherwise provided by this Part of this Act, where the rent payable for any statutory period of a regulated tenancy of a dwelling-house would exceed the rent recoverable for the last contractual period thereof, the amount of the excess shall, notwithstanding anything in any agreement, be irrecoverable from the tenant.

- (2) Where a rent for the dwelling-house is registered under Part IV of this Act, the following provisions shall apply with respect to the rent for any statutory period of a regulated tenancy of the dwelling-house:—
  - (a) if the rent payable for any statutory period would exceed the rent so registered, the amount of the excess shall, notwithstanding anything in any agreement, be irrecoverable from the tenant; and
  - (b) if the rent payable for any statutory period would be less than the rent so registered, it may be increased up to the amount of that rent by a notice of increase served by the landlord on the tenant and specifying the date from which the increase is to take effect.

This subsection is subject to the following provisions of this Act: sections 55 and 71(3), paragraph 1(3) of Schedule 7, paragraph 10 of Schedule 8, paragraph 8(4) of Schedule 9 and paragraph 3 of Schedule 20.

- (3) The date specified in a notice of increase under subsection (2)(b) above shall not be earlier than the date on which the rent was registered nor earlier than 4 weeks before the service of the notice.
- (4) Where no rent for the dwelling-house is registered under Part IV of this Act, sections 46 to 48 of this Act shall have effect with respect to the rent recoverable for any statutory period under a regulated tenancy of the dwelling-house.

# Adjustment, with respect to rates, of recoverable rent for statutory periods before registration

- (1) Where—
  - (a) section 45(4) of this Act applies, and
  - (b) any rates in respect of the dwelling-house are, or were during the last contractual period, borne by the landlord or a superior landlord,

then, for any statutory period for which the amount of the rates (ascertained in accordance with Schedule 5 to this Act) differs from the amount, so ascertained, of the rates for the last contractual period, the recoverable rent shall be increased or decreased by the amount of the difference.

- (2) Where the amount of the recoverable rent is increased by virtue of this section, the increase shall not take effect except in pursuance of a notice of increase served by the landlord on the tenant and specifying the increase and the date from which it is to take effect.
- (3) The date specified in a notice of increase under subsection (2) above shall be not earlier than 6 weeks before the service of the notice, and if it is earlier than the service of the notice any rent unpaid shall become due on the day after the service of the notice.

# Adjustment, with respect to services and furniture, of recoverable rent for statutory periods before registration

- (1) Where section 45(4) of this Act applies and for any statutory period there is with respect to—
  - (a) the provision of services for the tenant by the landlord or a superior landlord, or
  - (b) the use of furniture by the tenant,

or any circumstances relating thereto any difference, in comparison with the last contractual period, such as to affect the amount of the rent which it is reasonable to charge, the recoverable rent for the statutory period shall be increased or decreased by an appropriate amount.

- (2) Any question whether, or by what amount, the recoverable rent for any period is increased or decreased by virtue of this section shall be determined by agreement in writing between the landlord and the tenant or by the county court; and any such determination—
  - (a) may be made so as to relate to past statutory periods; and
  - (b) shall have effect with respect to statutory periods subsequent to the periods to which it relates until revoked or varied by any such agreement as is referred to in this subsection or by the county court.

# Increase, on account of improvements, of recoverable rent for statutory periods before registration

- (1) If, in a case where section 45(4) of this Act applies—
  - (a) an improvement has been effected in a dwelling-house, and
  - (b) the improvement was completed—
    - (i) after 7th December 1965, and
    - (ii) after the time as from which the rent under the regulated tenancy was agreed,

then, subject to subsection (6) below, the recoverable rent for any statutory period beginning after the completion of the improvement shall be increased by 12 ½ per cent. per annum of the amount expended on the improvement by the landlord or any superior landlord or any person from whom the landlord or any superior landlord derives title.

- (2) Where, in respect of an improvement—
  - (a) a grant has been made under—
    - (i) section 15 of the Airports Authority Act 1965 or section 29A of the Civil Aviation Act 1971 (grants towards cost of sound-proofing), or
    - (ii) regulations under section 20 of the Land Compensation Act 1973 (sound-proofing of buildings affected by public works), or
  - (b) a repayment has been made under section 12 of the Clean Air Act 1956 (adaptation of fireplaces in private dwellings),

the amount expended on the improvement shall, for the purposes of subsection (1) above, be treated as diminished by the amount of the grant or repayment.

- (3) Where the amount of the recoverable rent is increased by virtue of this section, the increase shall not take effect except in pursuance of a notice of increase served by the landlord on the tenant and specifying the increase and the date, which may be any date after the service of the notice, from which it is to take effect.
- (4) A tenant on whom a notice of increase specifying an increase authorised by this section is served may, not later than one month after the service of the notice or such longer time as the court may allow, apply to the county court for an order cancelling or reducing the increase on the ground—
  - (a) that the improvement was unnecessary, or
  - (b) that a greater amount was expended on it than was reasonable,

and the court may make an order accordingly which may relate not only to future but also to past statutory periods.

This subsection is subject to the following provisions of this Act: subsection (5) below, section 50(6) and paragraph 1(7) of Schedule 20.

- (5) No application may be made under subsection (4) above if—
  - (a) a grant has been made in respect of the improvement under any of the enactments mentioned in subsection (2)(a) above, or
  - (b) the tenant in writing consented to the improvement and acknowledged (in whatever terms) that the rent could be increased on account of the improvement.
- (6) Subsection (1) above does not apply to any improvements with respect to which a grant under—
  - (a) Part I of the Housing Act 1969, or
  - (b) Part VII of the Housing Act 1974, is payable or has been paid.
- (7) In this section "improvement" in addition to having the meaning given by section 61 of this Act, shall be construed in accordance with paragraph 1(6) of Schedule 20 to this Act.

#### 49 Notices of increase

- (1) Any reference in this section to a notice of increase is a reference to a notice of increase under section 45(2), 46(2) or 48(3) of this Act.
- (2) A notice of increase must be in the prescribed form.
- (3) Notwithstanding that a notice of increase relates to statutory periods, it may be served during a contractual period.
- (4) Where a notice of increase is served during a contractual period and the protected tenancy could, by a notice to quit served by the landlord at the same time, be brought to an end before the date specified in the notice of increase, the notice of increase shall operate to convert the protected tenancy into a statutory tenancy as from that date.
- (5) If the county court is satisfied that any error or omission in a notice of increase is due to a bona fide mistake on the part of the landlord, the court may by order amend the notice by correcting any errors or supplying any omission therein which, if not corrected or supplied, would render the notice invalid and, if the court so directs, the notice as so amended shall have effect and be deemed to have had effect as a valid notice.
- (6) Any amendment of a notice of increase under subsection (5) above may be made on such terms and conditions with respect to arrears of rent or otherwise as appear to the court to be just and reasonable.
- (7) No increase of rent which becomes payable by reason of an amendment of a notice of increase under subsection (5) above shall be recoverable in respect of any statutory period which ended more than 6 months before the date of the order making the amendment.

### 50 Private street works to count as improvements

- (1) This section applies where any dwelling-house which is the subject of a regulated tenancy has access to a street on which works have been carried out under—
  - (a) section 174, 189 or 190 of the Highways Act 1959 (certain authorities to execute street works in accordance with the Codes of 1875 and 1892), or
  - (b) the corresponding provisions of any local Act.

### (2) The amount—

- (a) of any expenditure incurred after 7th December 1965 by the landlord or a superior landlord in the carrying out of the works in question, or
- (b) of any liability incurred after that date by the landlord or a superior landlord in respect of those works to the authority by whom they were carried out,

shall be treated (whether or not apart from this section it would be so treated) as expenditure incurred by the landlord or superior landlord on an improvement effected in the dwelling-house.

- (3) Subsection (2)(b) above applies whether the liability mentioned in that subsection is dischargeable in a lump sum or by instalments, but for the purposes of this section interest shall be excluded in determining the amount of any liability which is dischargeable by instalments.
- (4) If benefit accrues from the carrying out of the works not only to the dwelling-house but also to other premises of the landlord or superior landlord, then for the purposes of this section the amount to be treated as expenditure on an improvement effected in the dwelling-house shall be so much only of the expenditure or liability as may be determined by agreement in writing between the landlord and the tenant or by the county court.
- (5) For the purposes of this section, the amount of any expenditure shall be treated as diminished by the amount of any contribution made in respect of that expenditure under any enactment.
- (6) No application may be made under section 48(4) of this Act in relation to an increase authorised by virtue of this section.