



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.

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- (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.

46 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.

47 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.

48 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,

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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.

Rent agreements with tenants having security of tenure

51 Protection of tenants with security of tenure

- (1) In this Part of this Act a "rent agreement with a tenant having security of tenure " means—
 - (a) an agreement increasing the rent payable under a protected tenancy which is a regulated tenancy, or
 - (b) the grant to the tenant under a regulated tenancy, or to any person who might succeed him as a statutory tenant, of another regulated tenancy of the dwelling-house at a rent exceeding the rent under the previous tenancy.
- (2) Where any rates in respect of the dwelling-house are borne by the landlord or a superior landlord, any increase of rent shall be disregarded for the purposes of the definition in subsection (1) above if the increase is no more than one corresponding to an increase in the rates borne by the landlord or a superior landlord in respect of the dwelling-house.
- (3) If—

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- (a) a rent agreement with a tenant having security of tenure takes effect on or after the commencement of this Act, and was made at a time when no rent was registered for the dwelling-house under Part IV of this Act, and
 - (b) it is not an agreement to which section 52 of this Act applies,
- the requirements of subsection (4) below shall be observed as respects the agreement

(4) The requirements are that—

- (a) the agreement is in writing signed by the landlord and the tenant, and
- (b) the document containing the agreement contains a statement, in characters not less conspicuous than those used in any other part of the agreement—
 - (i) that the tenant's security of tenure under this Act will not be affected if he refuses to enter into the agreement, and
 - (ii) that entry into the agreement will not deprive the tenant or landlord of the right to apply at any time to the rent officer for the registration of a fair rent under Part IV of this Act,
 or words to that effect, and
- (c) the statement mentioned in paragraph (b) above is set out at the head of the document containing the agreement.

52 Protection: special provisions following conversion

- (1) This section applies where a protected or statutory tenancy of a dwelling-house has become a regulated tenancy by virtue of—
- (a) Part VIII of this Act, section 43 of the Housing Act 1969 or Part III of the Housing Finance Act 1972 (conversion of controlled tenancies into regulated tenancies); or
 - (b) section 18(3) of this Act or paragraph 5 of Schedule 2 to the Rent Act 1968 (conversion on death of first successor),
- and in this section " the conversion " means the time when the tenancy became a regulated tenancy.
- (2) If a rent agreement with a tenant having security of tenure of the dwelling-house takes effect—
- (a) on or after the commencement of this Act, and after the conversion, and
 - (b) at a time when no rent is registered for the dwelling-house under Part IV of this Act,
- the requirements of subsection (6) below shall be observed as respects the agreement.
- (3) This section shall not apply to any agreement where the tenant is neither the person who, at the time of the conversion, was the tenant, nor a person who might succeed the tenant at that time as a statutory tenant.
- (4) Where this section, or section 44 of the Housing Finance Act 1972 (which is superseded by this section), has applied to any agreement, this section shall not apply to any subsequent agreement relating to the dwelling-house which takes effect more than 3 years after the first such agreement took effect.
- (5) Where a rent is registered for the dwelling-house and the registration is subsequently cancelled, this section shall not apply to the agreement submitted to the rent officer in connection with the cancellation nor to any agreement which takes effect after the cancellation.

- (6) The requirements mentioned in subsection (2) above are that not later than 28 days before the date when the agreement takes effect—
- (a) the landlord gives to the local authority, at the offices of the authority, a document in a prescribed form, signed by the landlord and the tenant, and containing the prescribed particulars as respects the agreement and the dwelling-house to which it relates, and a statement in characters not less conspicuous than those used in any other part of the document—
 - (i) that the tenant's security of tenure under this Act will not be affected if he refuses to enter into the agreement, and
 - (ii) that entry into the agreement will not deprive the tenant or landlord of the right to apply at any time to the rent officer for the registration of a fair rent under this Act,or words to that effect; and
 - (b) the landlord has served a copy of the document on the tenant.
- (7) Not later than the expiry of 21 days beginning with the date on which the document is given to the local authority in accordance with this section, the authority shall serve on the landlord, and on the tenant, a notice—
- (a) acknowledging receipt of the document, and
 - (b) stating that the rent of the dwelling-house is not to be increased for any period beginning before the expiry of a period of 28 days beginning with the date on which the document was given to the local authority.
- (8) Any document given to the local authority in accordance with this section shall be open to public inspection without charge from 7 days after receipt.
- (9) The local authority may withdraw the right of inspection at the expiry of a period of 3 years beginning with the date when the agreement (or if this section taken together with section 44 of the Housing Finance Act 1972, which is superseded by this section, has applied to more than one agreement relating to the dwelling-house, the first of them) took effect.
- (10) No stamp duty shall be chargeable on any document executed in accordance with this section.
- (11) In this section " local authority " means—
- (a) a council of a district or of a London borough,
 - (b) the Common Council of the City of London, or
 - (c) the Council of the Isles of Stilly.

53 Protection where grant-aided improvement is carried out

- (1) This section applies where a grant under Part I of the Housing Act 1969 or Part VII of the Housing Act 1974 has been approved in respect of works to be carried out in a dwelling-house subject to a regulated tenancy.
- (2) If a rent agreement with a tenant having security of tenure of the dwelling-house takes effect—
- (a) on or after the commencement of this Act, and in the period beginning with the time when the tenant's consent to the works was sought by the landlord and ending one year after the completion of the works, and

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- (b) at a time when no rent is registered for the dwelling-house under Part IV of this Act,
and the increase of rent effected by the agreement is wholly or partly to take account of the carrying out of the works, the requirements of subsection (4) below shall be observed as respects the agreement.
- (3) The provisions of this section are without prejudice to the requirements imposed by section 51 of this Act.
- (4) The requirements mentioned in subsection (2) above are that the statement in the document containing the agreement—
- (a) says that a grant has been approved, and
 - (b) explains that, if a rent were to be registered following improvements for which a grant was payable, the rent increase up to the registered rent would be phased as follows:—
 - (i) if the increase exceeded £1.50 per week, the rent would be increased by 3 annual increments each of one-third of the total increase;
 - (ii) if the rent increase did not exceed £1.50 per week, the rent would be increased by annual increments of up to £0.50 per week up to the registered rent.

54 Failure to comply with provisions for protection of tenants

- (1) If, in the case of a variation of the terms of a regulated tenancy, there is a failure to observe any of the requirements of section 51, 52(6) or 53 of this Act, any excess of the rent payable under the terms as varied over the terms without the variation shall be irrecoverable from the tenant.
- (2) If, in the case of the grant of a tenancy, there is a failure to observe any of those requirements, any excess of the rent payable under the tenancy so granted (for any contractual or any statutory period of the tenancy) over the previous limit shall be irrecoverable from the tenant.
- (3) In subsection (2) above the "previous limit" shall be taken to be the amount which (taking account of any previous operation of this section or of section 46 of the Housing Finance Act 1972, which is superseded by this section) was recoverable by way of rent for the last rental period of the previous tenancy of the dwelling-house, or which would have been so recoverable if all notices of increase authorised by this Act, the Rent Act 1968 and section 37(3) of the Act of 1972 had been served.
- (4) A default which consists only in delay in complying with the requirements of paragraph (a) of section 52(6) of this Act shall only affect rent for any rental period beginning before the expiry of a period of 28 days beginning with the date when those requirements are complied with.
- (5) A default in complying with paragraph (b) of section 52(6) of this Act shall not apply to rent for any rental period beginning after the default is made good.

Phasing of rent increases

55 General provision for phasing of rent increases

- (1) Where the rent of a dwelling-house qualifies for phasing under this section—

- (a) a notice of increase of the rent for any statutory period, or part of a statutory period, falling within the period of delay imposed by Schedule 8 to this Act may increase it to the extent permitted by that Schedule;
 - (b) the rent for any contractual period, or part of a contractual period, falling within the period of delay shall not exceed the amount to which the rent could have been increased in accordance with Schedule 8 for a corresponding statutory period or part of a statutory period.
- (2) A notice of increase which purports to increase rent which qualifies for phasing under this section further than permitted by Schedule 8 shall have effect to increase it to the extent so permitted but no further.
- (3) The rent of a dwelling-house qualifies for phasing under this section if—
- (a) a rent is registered for the dwelling-house under Part IV of this Act; and
 - (b) the special phasing provisions of section 89 of, and Schedule 9 to, this Act do not apply to it; and
 - (c) the tenancy is a regulated tenancy which—
 - (i) was subsisting at 10th March 1975 ; or
 - (ii) was subsisting at the date of registration; or
 - (iii) was not subsisting at the date of registration but was granted after that date to a person to whom subsection (4) below applies.
- (4) This subsection applies to a person who, at the date when the tenancy was granted, was either—
- (a) the tenant under a previous regulated tenancy of the dwelling-house, or a person who might succeed the tenant as a statutory tenant, or
 - (b) a statutory tenant of a dwelling-house, within the meaning of the Rent (Agriculture) Act 1976, whose rent qualified for phasing under section 15 of that Act, or a person who might succeed such a tenant as a statutory tenant by succession, within the meaning of that Act.
- (5) Nothing in this section or in Schedule 8 shall prevent or limit any increase in rent by virtue of section 71(4) of this Act (variable rents).
- (6) In this section " notice of increase " means a notice under section 45(2) of this Act.

56 Phasing of rent increases after certain improvements

Schedule 9 to this Act shall have effect for securing that, on first registration of a rent after an improvement 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, an increase in rent may, in certain circumstances, be recovered only in stages.

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Enforcement provisions

57 Recovery from landlord of sums paid in excess of recoverable rent, etc.

- (1) Where a tenant has paid on account of rent any amount which, by virtue of this Part of this Act, is irrecoverable by the landlord, the tenant who paid it shall be entitled to recover that amount from the landlord who received it or his personal representatives.
- (2) Any amount which a tenant is entitled to recover under subsection (1) above may, without prejudice to any other method of recovery, be deducted by the tenant from any rent payable by him to the landlord.
- (3) No amount which a tenant is entitled to recover under subsection (1) above shall be recoverable at any time after the expiry of 2 years from the date of payment.
- (4) Any person who, in any rent book or similar document, makes an entry showing or purporting to show any tenant as being in arrears in respect of any sum on account of rent which is irrecoverable by virtue of this Part of this Act shall be liable to a fine not exceeding £50, unless he proves that, at the time of the making of the entry, the landlord had a bona fide claim that the sum was recoverable.
- (5) If, where any such entry has been made by or on behalf of any landlord, the landlord on being requested by or on behalf of the tenant to do so, refuses or neglects to cause the entry to be deleted within 7 days, the landlord shall be liable to a fine not exceeding £50, unless he proves that, at the time of the neglect or refusal to cause the entry to be deleted, he had a bona fide claim that the sum was recoverable.

58 Rectification of rent books in light of determination of recoverable rent

Where, in any proceedings, the recoverable rent of a dwelling-house subject to a regulated tenancy is determined by a court, then, on the application of the tenant (whether in those or in any subsequent proceedings), the court may call for the production of the rent book or any similar document relating to the dwelling-house and may direct the registrar or clerk of the court to correct any entries showing, or purporting to show, the tenant as being in arrears in respect of any sum which the court has determined to be irrecoverable.

General provisions

59 Adjustment for differences in lengths of rental periods

In ascertaining for the purposes of this Part of this Act whether there is any difference with respect to rents or rates between one rental period and another (whether of the same tenancy or not) or the amount of any such difference, any necessary adjustment shall be made to take account of periods of different lengths; and for the purposes of such an adjustment a period of one month shall be treated as equivalent to one-twelfth of a year and a period of a week as equivalent to one-fifty-second of a year.

60 Regulations

- (1) The Secretary of State may make regulations—
 - (a) prescribing the form of any notice or other document to be given or used in pursuance of this Part of this Act; and

- (b) prescribing anything required or authorised to be prescribed by this Part of this Act.
- (2) Any such regulations shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

61 Interpretation of Part III

- (1) In this Part of this Act, except where the context otherwise requires—
 - " contractual period " means a rental period of a regulated tenancy which is a period beginning before the expiry or termination of the protected tenancy ;
 - " contractual rent limit " has the meaning assigned to it by section 44(3) of this Act;
 - " improvement " includes structural alteration, extension or addition and the provision of additional fixtures or fittings, but does not include anything done by way of decoration or repair;
 - " prescribed " means prescribed by regulations under section 60 of this Act and references to a prescribed form include references to a form substantially to the same effect as the prescribed form ;
 - " recoverable rent " means rent which, under a regulated tenancy, is or was for the time being recoverable, having regard to the provisions of this Part of this Act;
 - " rent agreement with a tenant having security of tenure " has the meaning assigned to it by section 51 of this Act;
 - " statutory period " means any rental period of a regulated tenancy which is not a contractual period.
- (2) References in this Part of this Act to rates, in respect of a dwelling-house, include references to such proportion of any rates in respect of a hereditament of which the dwelling-house forms part as may be agreed in writing between the landlord and the tenant or determined by the county court