



Rent Act 1977

1977 CHAPTER 42

PART II

RENTS UNDER CONTROLLED TENANCIES

Revision of rent and rent limits

28 Procedure for increasing rents

- (1) If the rent for the time being recoverable under a controlled tenancy is less than the rent limit it may be increased up to that limit in accordance with this section.
- (2) Subject to—
 - (a) Part II of Schedule 6 to this Act, and
 - (b) paragraph 4 of Schedule 20 to this Act,the rent may be increased as mentioned in subsection (1) above by the service by the landlord on the tenant of a notice of increase in the prescribed form, specifying the amount of the increase.
- (3) The increase shall not have effect with respect to any rental periods beginning before such date as may be specified in the notice which, except in a case authorised by section 29(2), 31 or 32(5) of this Act, shall be a date not earlier than 3 months after the service of the notice.
- (4) The total of the increases which may be specified in any notice or notices of increase as taking effect less than 9 months after service of the first notice (excluding any increases which, under section 29(3), 31(10) or 32(5) of this Act, are to be disregarded) shall not exceed 37 ½ pence per week, but a notice may specify more than one date and amount.
- (5) Except in so far as may be necessary for giving effect to an adjustment under section 29 or 32 of this Act, a notice of increase shall be of no effect if given at a time when—
 - (a) the dwelling is within a clearance area under the Housing Act 1957 or is or forms part of premises with respect to which a demolition order or closing order under that Act has been made and has not ceased to be in force ; or

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- (b) works of repair remain unexecuted which were required to be executed—
 - (i) by an order relating to the dwelling made under section 94 of the Public Health Act 1936 (nuisance orders where local authority abatement notices are disregarded) against the landlord or any person receiving rent as agent for the landlord; or
 - (ii) by a notice relating to the dwelling given to the landlord or any such person under section 9 of the Housing Act 1957 (notices to repair houses unfit for human habitation).
- (6) Except in so far as may be necessary for giving effect to an adjustment under section 29 or 32 of this Act, if the date specified in a notice of increase in accordance with subsection (3) above falls at a time when the condition specified in paragraph (a) or (b) of subsection (5) above is fulfilled, no increase shall be recoverable by virtue of the notice for any rental period beginning at any such time.

29 Adjustment with respect to rates borne by landlord

- (1) Where any rates in respect of the dwelling are borne by the landlord or a superior landlord, then, for any rental 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 basic rental period, the rent limit shall be increased or decreased by the amount of the difference.
- (2) In so far as a notice of increase relates to an increase of rent authorised by this section, the date specified in the notice may be any date not earlier than 6 weeks before the service of the notice and, if it is earlier than the service of the notice, any rent underpaid shall become due on the day after the service of the notice.
- (3) Any increase of rent authorised by this section shall be disregarded for the purposes of section 28(4) of this Act.

30 Adjustment with respect to services and furniture

- (1) Where, for any rental 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 under the terms of the tenancy,or any circumstances relating thereto any difference, in comparison with the basic rental period, such as to affect the amount of the rent which it is reasonable to charge, the rent limit shall be increased or decreased by an appropriate amount.
- (2) Where, for any rental period, the rent limit is increased by an appropriate amount under subsection (1) above, the rent for that period shall, notwithstanding anything in section 28 of this Act and without the service of any notice, be increased by the like amount.
- (3) Any question whether, or by what amount, the rent limit is increased or decreased by virtue of subsection (1) above shall be determined by agreement in writing between the landlord and the tenant or by the county court.
- (4) Any determination under subsection (3) above—
 - (a) may be made so as to relate to past rental periods; and

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- (b) shall have effect with respect to rental periods subsequent to the periods to which it relates until revoked or varied by any such agreement as is referred to in subsection (3) or by the county court.

31 Increase for repairs

- (1) If repairs have been effected to a dwelling which is subject to a controlled tenancy, the rent limit under the controlled tenancy for rental periods beginning after the completion of the repairs shall be increased by the appropriate amount.
- (2) If repairs have been effected to premises part of which is subject to a controlled tenancy (other than repairs to the part of the premises subject to the tenancy), and the landlord claims that benefit accrues to that part of the premises consisting of the dwelling subject to the controlled tenancy, the rent limit under the controlled tenancy for rental periods beginning after the completion of the repairs may be increased, in accordance with subsection (6) below, by the appropriate amount.
- (3) In this section—
 - " the appropriate amount " means—
 - (a) subject to subsection (6) below, in a case to which subsection (1) above applies, 12 ½ per cent. per annum of the expenditure on the repairs; and
 - (b) in a case to which subsection (2) applies, 12 ½ per cent. per annum of a proportion of the expenditure on the repairs determined in accordance with subsection (6) below;
 - " expenditure on the repairs " means the amount expended on the repairs by the landlord or any superior landlord or any person from whom the landlord or any superior landlord derives title.
- (4) This section does not apply to repairs for which the tenant is responsible or to repairs completed before 6th April 1973.
- (5) Where a grant paid or payable under—
 - (a) Part I of the Housing Act 1969 ; or
 - (b) section 61, 65 or 71 of the Housing Act 1974,is such as to cover the whole or any part of the cost of repairs, the reference in subsection (3) above to the amount expended on the repairs shall be construed as a reference to that amount diminished by the amount of the grant.
- (6) The appropriate amount—
 - (a) in a case to which subsection (1) above applies, but where the tenant claims that benefit accrues not only to the dwelling subject to the controlled tenancy but also to other premises of the landlord or a superior landlord, and
 - (b) in any case to which subsection (2) above applies,is 12 ½ per cent. per annum of only so much of the expenditure on the repairs as may be determined, by agreement in writing between the landlord and the tenant or by the county court, to be properly apportionable to the dwelling, having regard to the benefit accruing, from the carrying out of the repairs, to the dwelling and to the other premises benefited by them. Any such determination may be made so as to relate to past rental periods and if made by the county court shall be final.
- (7) If—
 - (a) the landlord serves a notice of increase of rent by virtue of this section, and

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- (b) the tenant requests him in writing, not later than 3 months after service of the notice, to supply him with information showing how he has calculated the expenditure on the repairs,
- it shall be the landlord's duty, not later than one month after the date of the request, to supply the tenant with copies of such accounts, receipts and other documents as are reasonably necessary for that purpose.
- (8) A request under subsection (7) above shall be deemed to be duly made to a landlord if it is served on any agent of the landlord named as such in a rent book or other similar document or on the person who receives the rent on behalf of the landlord; and it shall be the duty of a person on whom a request is so served to forward it as soon as may be to the landlord.
- (9) If any person without reasonable excuse fails to perform any duty imposed on him by subsection (7) or (8) above, he shall be guilty of an offence and liable to a fine not exceeding £200.
- (10) In so far as a notice of increase relates to an increase of rent authorised by this section, the date specified in the notice may be any date after the service of the notice, and any such increase shall be disregarded for the purposes of section 28(4) of this Act.
- (11) Where an offence under subsection (9) above which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of that offence and be liable to be proceeded against and punished accordingly.
- (12) Where the affairs of a body corporate are managed by its members, subsection (11) above shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

32 Increase for improvements

- (1) If an improvement has been effected in a dwelling and the improvement was completed after 5th July 1957 then, subject to—
- (a) section 33 of this Act, and
 - (b) paragraph 4 of Schedule 20 to this Act,
- the rent limit under any controlled tenancy of the dwelling for rental periods beginning after the completion of the improvement shall be increased by the appropriate percentage 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) The appropriate percentage shall be determined as follows:—
- (a) if the improvement was completed before 24th November 1961, it is 8 per cent.; and
 - (b) if the improvement was completed on or after that date then, subject to subsection (3) below, it is 12 ½ per cent.
- (3) If an improvement completed on or after 24th November 1961 was carried out in reliance on a consent granted before that date by a tenant under the controlled tenancy, the appropriate percentage is 8 per cent., and not 12 ½ per cent.

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- (4) Subsection (3) above shall not apply where the consent was in writing and contained an acknowledgement (however expressed) that the rent could be increased on account of the improvement to a stated amount which was at least the maximum of the rent limit as it would then have been if increased, in accordance with subsection (1) above, on the basis that the appropriate percentage was 12 ½ per cent.
- (5) In so far as a notice of increase relates to an increase of rent authorised by this section, the date specified in the notice may be any date after the service of the notice, and any such increase shall be disregarded for the purposes of section 28(4) of this Act.
- (6) Where in pursuance of a proposal made on the ground of a change in the occupier or circumstances of occupation, the gross value which (under Schedule 4 to this Act) is material in determining the 1956 gross value of a dwelling in which an improvement has been effected has been varied so as to take account of the state of the dwelling at a date after 5th July 1957, then, in relation to that dwelling, a reference to that date shall be substituted for the reference in subsection (1) above to 5th July 1957.

33 Grant-aided improvements etc.

- (1) Where, in respect of an improvement—
 - (a) a grant has been made under—
 - (i) section 20 of the Housing Act 1949 (improvement grants),
 - (ii) section 30 of the Housing (Financial Provisions) Act 1958 (improvement grants),
 - (iii) section 4 of the House Purchase and Housing Act 1959 (standard grants),
 - (iv) section 15 of the Airports Authority Act 1965 (grants towards cost of sound-proofing),
 - (v) Part I of the Housing Act 1969 (improvement grants and standard grants),
 - (vi) section 29A of the Civil Aviation Act 1971,
 - (vii) regulations under section 20 of the Land Compensation Act 1973 (sound-proofing of buildings affected by public works), or
 - (viii) section 61 or 65 of the Housing Act 1974 (improvement grants and intermediate grants); or
 - (b) a repayment has been made under section 12 of the Clean Air Act 1956 (adaptation of fireplaces in private dwellings);

the reference in section 32(1) of this Act to the amount expended on the improvement shall be construed as a reference to that amount diminished by the amount of the grant or repayment.
- (2) Where an improvement is effected in a dwelling in compliance with an immediate improvement notice or a final improvement notice within the meaning of Part II of the Housing Act 1964 or an improvement notice within the meaning of Part VIII of the Housing Act 1974 (compulsory improvement of dwellings to provide standard amenities) or in compliance with an undertaking accepted under either of those Parts, and
 - (a) the landlord, or a predecessor in title of the landlord, is the person who expended money on the improvement, and
 - (b) a standard grant under section 4 of the House Purchase and Housing Act 1959 or Part I of the Housing Act 1969 or an intermediate grant under section 65

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of the Housing Act 1974 in respect of the improvement, although obtainable, has not been obtained,

the reference in section 32(1) of this Act to the amount expended on the improvement shall be construed as a reference to that amount diminished by the amount of the standard grant or intermediate grant which could have been obtained in respect of the improvement.

- (3) In a case falling within subsection (2) above, the local authority in whose district the dwelling is situated shall, at the request in writing of the landlord or the tenant, give him an estimate in writing of what the amount of the standard or inter-mediate grant would have been if it had been obtained.
- (4) In any proceedings relating to an increase of rent authorised by section 32 of this Act in a case falling within subsection (2) above, it shall be assumed, until the contrary is proved, that a standard grant or, as the case may be, intermediate grant was obtainable in respect of the improvement and, for the purposes of any such proceedings, an estimate under subsection (3) above shall be sufficient evidence of what the amount of that grant would have been.
- (5) In this section " local authority " means the council of a district or of a London borough or the Common Council of the City of London.

34 Private street works to count as improvements

- (1) This section applies where a dwelling which is the subject of a controlled 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 5th July 1957 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 as mentioned in section 32(1) of this Act.
- (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 but also to other premises of the landlord or superior landlord, the amount to be treated as mentioned in subsection (2) above 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, to be properly apportionable to the dwelling, having regard to the benefit accruing, from the carrying out of the works, to the dwelling and to the other premises.
- (5) Any appointment made by the county court under subsection (4) above shall be final.

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- (6) For the purposes of this section the amount of any expenditure shall be treated as diminished by the amount of any contribution paid in respect of that expenditure under any enactment.

35 Tenant's right to challenge amount of expenditure on improvements or repairs

- (1) A tenant on whom a notice specifying an increase authorised by section 31 or 32 of this Act is served may, subject to paragraph 1(7) of Schedule 20 to this Act and 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) in the case of work carried out in pursuance of a notice under section 9 of the Housing Act 1957 (repair notices), that a greater amount was expended on it than was reasonable, or
 - (b) in any other case, that the work was unnecessary or 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 rental periods.
- (2) No application shall be made under this section on the ground that any work was unnecessary if—
- (a) any such grant as is referred to in section 31(5) or 33(1)(a) of this Act has been made in respect of the work, or
 - (b) a tenant under the controlled tenancy consented in writing to the work and the consent contained an acknowledgement (however expressed) that the rent could be increased on account of the work.
- (3) No application shall be made under this section in relation to any increase authorised by virtue of section 34 of this Act.
- (4) In this section references to " work " shall be construed—
- (a) in relation to a notice specifying an increase authorised by section 31 of this Act, as references to the improvement in question, and
 - (b) in relation to a notice specifying an increase authorised by section 32 of this Act, as references to the repairs in question.
- (5) In this section " improvement", in addition to having the meaning given by section 43 of this Act, shall be construed in accordance with paragraph 1(6) of Schedule 20 to this Act.

36 Variations of rent during protected tenancies

- (1) Neither a notice of increase nor section 30 of this Act shall operate to increase the rent under a controlled tenancy for any rental period which begins at a time when the controlled tenancy is a protected tenancy, except in so far as may be consistent with the terms of the tenancy.
- (2) Where a notice of increase is served during the currency of a protected tenancy which could, by a notice to quit served by the landlord at the same time, be brought to an end before the date or the earliest 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.

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- (3) If, in the case of a controlled tenancy which was current on 6th July 1957,—
- (a) the basic rental period began at a time when the controlled tenancy was a protected tenancy, and
 - (b) the rent recoverable for the basic rental period included an increase agreed or determined under section 40 of the Housing Repairs and Rents Act 1954 (increase for rise in cost of services provided under pre-1939 lettings) in respect of services which the landlord was not under the terms of the tenancy liable to provide,
- then, if those services are withheld in whole or in part during any rental period beginning during the currency of the protected tenancy, the rent recoverable for that period shall be decreased by an appropriate amount.
- (4) Any question whether, or by what amount, the recoverable rent is decreased by virtue of subsection (3) above shall be determined by agreement in writing between the landlord and the tenant or by the county court.
- (5) Any determination under subsection (4) above—
- (a) may be made so as to relate to past rental periods; and
 - (b) shall have effect with respect to rental periods subsequent to the periods to which it relates until revoked or varied by any such agreement as is referred to in subsection (4) above or by the county court.
- (6) Subject to subsections (3) and (4) above, nothing in this Part of this Act shall affect the operation of any lease or agreement in so far as it provides for a reduction of rent during the currency of a protected tenancy.

37 Errors and misrepresentations in notices of increase

- (1) 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.
- (2) Any such amendment of a notice of increase 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.
- (3) No increase of rent which becomes payable by reason of an amendment of a notice of increase under subsection (1) above shall be recoverable in respect of any rental period which ended more than 6 months before the date of the order making the amendment.
- (4) If a notice of increase contains any statement or representation which is false or misleading in any material respect, the landlord shall be liable to a fine not exceeding £50 unless he proves that the statement was made innocently and without intent to deceive.