Rent Act 1977

1977 CHAPTER 42

PART I

PRELIMINARY

Exceptions

4 Dwelling-houses above certain rateable values.

(1) A tenancy **[**[F1]which is entered into before 1st April 1990 or (where the dwelling-house had a rateable value on 31st March 1990) is entered into on or after 1st April 1990 in pursuance of a contract made before that date**]** is not a protected tenancy if the dwelling-house falls within one of the Classes set out in subsection (2) below.

(2) Where alternative rateable values are mentioned in this subsection, the higher applies if the dwelling-house is in Greater London and the lower applies if it is elsewhere.

Class A

The appropriate day in relation to the dwelling-house falls or fell on or after 1st April 1973 and the dwelling-house on the appropriate day has or had a rateable value exceeding £1,500 or £750.

Class B

The appropriate day in relation to the dwelling-house fell on or after 22nd March 1973, but before 1st April 1973, and the dwelling-house—

(a) on the appropriate day had a rateable value exceeding £600 or £300, and

(b) on 1st April 1973 had a rateable value exceeding £1,500 or £750.

Class C

The appropriate day in relation to the dwelling-house fell before 22nd March 1973 and the dwelling-house—

(a) on the appropriate day had a rateable value exceeding £400 or £200, and

(b) on 22nd March 1973 had a rateable value exceeding £600 or £300, and

(c) on 1st April 1973 had a rateable value exceeding £1,500 or £750.

(3) If any question arises in any proceedings whether a dwelling-house falls within a Class in subsection (2) above, by virtue of its rateable value at any time, it shall be deemed not to fall within that Class unless the contrary is shown.

[[F2](4) A tenancy is not a protected tenancy if—

(a) it is entered into on or after 1st April 1990 (otherwise than, where the dwelling-house had a rateable value on 31st March 1990, in pursuance of a contract made before 1st April 1990), and

(b) under it the rent payable for the time being is payable at a rate exceeding £25,000 a year.

(5) In subsection (4) above "rent" does not include any sum payable by the tenant as is expressed (in whatever terms) to be payable in respect of rates, services, repairs, maintenance or insurance, unless it could not have been regarded by the parties as a sum so payable.

(6) If any question arises in any proceedings whether a tenancy is precluded from being a protected tenancy by subsection (4) above, the tenancy shall be deemed to be a protected tenancy unless the contrary is shown.

(7) The Secretary of State may by order replace the amount referred to in subsection (4) above by an amount specified in the order; and such an order shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.**]**

Textual Amendments

F1 Words inserted by S.I. 1990/434, reg. 2, **Sch. para. 15**

F2 S. 4(4)–(7) inserted by S.I. 1990/434, reg. 2, **Sch. para. 16**

5 Tenancies at low rents.

(1) A tenancy **[**[F3]which was entered into before 1st April 1990 or (where the dwelling-house under the tenancy had a rateable value on 31st March 1990) is entered into on or after 1st April 1990 in pursuance of a contract made before that date**]** is not a protected tenancy if under the tenancy either no rent is payable or, . . . [F4] the rent payable is less then two-thirds of the rateable value which is or was the rateable value of the dwelling-house on the appropriate day.

(2) Where—

(a) the appropriate day in relation to a dwelling-house fell before 22nd March 1973, and

(b) the dwelling-house had on the appropriate day a rateable value exceeding,if it is in Greater London, £400 or, if it is elsewhere, £200,

subsection (1) above shall apply in relation to the dwelling-house as if the reference to the appropriate day were a reference to 22nd March 1973.

[[F5](2A) A tenancy is not a protected tenancy if—

(a) it is entered into on or after the 1st April 1990 (otherwise than, where the dwelling-house under the tenancy had a rateable value on 31st March 1990, in pursuance of a contract made before 1st April 1990), and

(b) under the tenancy for the time being either no rent is payable or the rent is payable at a rate of, if the dwelling-house is in Greater London, £1,000 or less a year, and, if the dwelling-house is elsewhere, £250 or less a year.

(2B) Subsection (7) of section 4 above shall apply to any amount referred to in subsection (2A) above as it applies to the amount referred to in subsection (4) of that section.**]**

(3) In this Act a tenancy falling within subsection (1) above is referred to as a "tenancy at a low rent".

(4) In determining whether a long tenancy is a tenancy at a low rent, there shall be disregarded such part (if any) of the sums payable by the tenant as is expressed (in whatever terms) to be payable in respect of rates, services, repairs, maintenance, or insurance, unless it could not have been regarded by the parties as a part so payable.

(5) In subsection (4) above "long tenancy" means a tenancy granted for a term certain exceeding 21 years, other than a tenancy which is, or may become, terminable before the end of that term by notice given to the tenant.

Textual Amendments

F3 Words inserted by S.I. 1990/434, reg. 2, **Sch. para. 17**

F4 Words repealed by Housing Act 1980 (c. 51, SIF 61), Sch. 25 Pt. II para. 75, **Sch. 26**

F5 S. 5(2A)(2B) inserted by S.I. 1990/434, reg. 2, **Sch. para. 18**

Modifications etc. (not altering text)

C1 S. 5 modified by Housing Act 1980 (c. 51, SIF 61), **Sch. 8 para. 1**

[F6 5A Certain shared ownership leases.

(1) A tenancy is not a protected tenancy if it is a qualifying shared ownership lease, that is—

(a) a lease granted in pursuance of the right to be granted a shared ownership lease under Part V of the Housing Act 1985, or

(b) a lease granted by a housing association and which complies with the conditions set out in subsection (2) below.

(2) The conditions referred to in subsection (1)(b) above are that the lease—

(a) was granted for a term of 99 years or more and is not (and cannot become) terminable except in pursuance of a provision for re-entry or forfeiture;

(b) was granted at a premium, calculated by reference to the value of the dwelling-house or the cost of providing it, of not less than 25 per cent, or such other percentage as may be prescribed, of the figure by reference to which it was calculated;

(c) provides for the tenant to acquire additional shares in the dwellinghouse on terms specified in the lease and complying with such requirements as may be prescribed;

(d) does not restrict the tenant's powers to assign, mortgage or charge his interest in the dwellinghouse;

(e) if it enables the landlord to require payment for outstanding shares in the dwellinghouse, does so only in such circumstances as may be prescribed;

(f) provides, in the case of a house, for the tenant to acquire the landlord's interest on terms specified in the lease and complying with such requirements as may be prescribed; and

(g) states the landlord's opinion that by virtue of this section the lease is excluded from the operation of this Act.

(3) The Secretary of State may by regulations prescribe anything requiring to be prescribed for the purposes of subsection (2) above.

(4) The regulations may—

(a) make different provision for different cases or descriptions of case, including different provision for different areas, and

(b) contain such incidental, supplementary or transitional provisions as the Secretary of State considers appropriate,

and shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(5) In any proceedings the court may, if of opinion that it is just and equitable to do so, treat a lease as a qualifying shared ownership lease notwithstanding that the condition specified in subsection (2)(g) above is not satisfied.

(6) In this section—

"house" has the same meaning as in Part I of the Leasehold Reform Act 1967;

"housing association" has the same meaning as in the Housing Associations Act 1985; and

"lease" includes an agreement for a lease, and references to the grant of a lease shall be construed accordingly.**]**

Textual Amendments

F6 S. 5A inserted by Housing and Planning Act 1986 (c. 63, SIF 73:3), s. 18, **Sch. 4 para. 1(2)**

6 Dwelling-houses let with other land.

Subject to section 26 of this Act, a tenancy is not a protected tenancy if the dwelling-house which is subject to the tenancy is let together with land other than the site of the dwelling-house.

7 Payments for board or attendance.

(1) A tenancy is not a protected tenancy if under the tenancy the dwelling-house is bona fide let at a rent which includes payments in respect of board or attendance.

(2) For the purposes of subsection (1) above, a dwelling-house shall not be taken to be bona fide let at a rent which includes payments in respect of attendance unless the amount of rent which is fairly attributable to attendance, having regard to the value of the attendance to the tenant, forms a substantial part of the whole rent.

8 Lettings to students.

(1) A tenancy is not a protected tenancy if it is granted to a person who is pursuing, or intends to pursue, a course of study provided by a specified educational institution and is so granted either by that institution or by another specified institution or body of persons.

(2) In subsection (1) above "specified" means specified, or of a class specified, for the purposes of this section by regulations made by the Secretary of State by statutory instrument.

(3) A statutory instrument containing any such regulations shall be subject to annulment in pursuance of a resolution of either House of Parliament.

9 Holiday lettings.

A tenancy is not a protected tenancy if the purpose of the tenancy is to confer on the tenant the right to occupy the dwelling-house for a holiday.

10 Agricultural holdings.

A tenancy is not a protected tenancy if the dwellinghouse is comprised in an agricultural holding (within the meaning of the **[**[F7]Agricultural Holdings Act 1986**]**) and is occupied by the person responsible for the control (whether as tenant or as servant or agent of the tenant) of the farming of the holding.

Textual Amendments

F7 Words substituted by Agricultural Holdings Act 1986 (c. 5, SIF 2:3), ss. 99, 100, Sch. 13 para. 3, **Sch. 14 para. 59**

11 Licensed premises.

A tenancy of a dwelling-house which consists of or comprises premises licensed for the sale of intoxicating liquors for consumption on the premises shall not be a protected tenancy, nor shall such a dwelling-house be the subject of a statutory tenancy.

12 Resident landlords.

(1) Subject to subsection (2) below, a tenancy of a dwelling-house granted on or after 14th August 1974 shall not be a protected tenancy at any time if—

[[F8](a) the dwelling-house forms part only of a building and, except in a case where the dwelling-house also forms part of a flat, the building is not a purpose-built block of flats, and

(b) the tenancy was granted by a person who, at the time when he granted it, occupied as his residence another dwelling-house which—

(i) in the case mentioned in paragraph (a) above, also forms part of the flat; or

(ii) in any other case, also forms part of the building; and

(c) subject to paragraph 1 of Schedule 2 to this Act, at all times since the tenancy was granted the interest of the landlord under the tenancy has belonged to

a person who, at the time he owned that interest, occupied as his residence another dwelling-house which—

(i) in the case mentioned in paragraph (a) above, also formed part of the flat; or

(ii) in any other case, also formed part of the building.**]**

[[F9](2) This section does not apply to a tenancy of a dwelling-house which forms part of a building if the tenancy is granted to a person who, immediately before it was granted, was a protected or statutory tenant of that dwelling-house or of any other dwelling-house in that building.**]**

(3) For the purposes of subsection (2) above, a tenancy shall be treated as being for a term of years certain notwithstanding that it is liable to determination by re-entry or on the happening of any event other than the giving of notice by the landlord to determine the term.

(4) Schedule 2 to this Act shall have effect for the purpose of supplementing this section.

Textual Amendments

F8 S. 12(1)(*a*)–(*c*) substituted by Housing Act 1980 (c. 51, SIF 61), **s. 65(1)**

F9 S. 12(2) substituted for s. 12(2)(3) with saving by Housing Act 1980 (c. 51, SIF 61), s. 69(4), **Sch. 25 Pt. II para. 67**

[[F10]13 Landlord's interest belonging to Crown.

(1) Except as provided by subsection (2) below—

(a) A tenancy shall not be a protected tenancy at any time when the interest of the landlord under that tenancy belongs to Her Majesty in right of the Crown or to a government department or is held in trust for Her Majesty for the purposes of a government department; and

(b) a person shall not at any time be a statutory tenant of a dwelling-house if the interest of his immediate landlord would at that time belong or be held as mentioned in paragraph (a) above.

(2) An interest belonging to Her Majesty in right of the Crown shall not prevent a tenancy from being a protected tenancy or a person from being a statutory tenant if the interest is under the management of the Crown Estate Commissioners.**]**

Textual Amendments

F10 S. 13 substituted by Housing Act 1980 (c. 51, SIF 61), **s. 73(1)**

Modifications etc. (not altering text)

C2 S. 13 modified by National Health Service and Community Care Act 1990 (c. 19, SIF 113:2), s. 60(2), **Sch. 8 Pt. III para. 19(2)(b)**

14 Landlord's interest belonging to local authority, etc.

A tenancy shall not be a protected tenancy at any time when the interest of the landlord under that tenancy belongs to—

(a) the council of a county;

(b) the council of a district or, in the application of this Act to the Isles of Scilly, the Council of the Isles of Scilly;

[F11(bb) the Broads Authority;]

(c) . . . . . F12 the council of a London borough or the Common Council of the City of London;

[F13(ca) F14

(cb) a joint authority established by Part IV of the Local Government Act 1985;]

(d) the Commission for the New Towns;

(e) a development corporation established by an order made, or having effect as if made, under the [F15New Towns Act 1981]; or

(f) the Development Board for Rural Wales; [F16or]

[F16(g) an urban development corporation within the meaning of Part XVI of the Local Government Planning and Land Act 1980;]

nor shall a person at any time be a statutory tenant of a dwelling-house if the interest of his immediate landlord would belong at that time to any of those bodies

[F17(h) a housing action trust established under Part III of the Housing Act 1988].

Textual Amendments

F11 S. 14(bb) inserted by Norfolk and Suffolk Broads Act 1988 (c. 4, SIF 81:1), ss. 21, 23(2), 27(2), **Sch. 6 para. 18**

F12 Words repealed by Local Government Act 1985 (c. 51, SIF 81:1), s. 102, **Sch. 17**

F13 S. 14 (*ca*)(*cb*) inserted by Local Government Act 1985 (c. 51, SIF 81:1), s. 84, **Sch. 14 para. 56**

F14 S. 14(*ca*) repealed by Education Reform Act 1988 (c. 40, SIF 41:1), ss. 231(7), 235(6), 237, **Sch. 13 Pt. I**

F15 Words substituted by New Towns Act 1981 (c. 64, SIF 123:3), s. 81, **Sch. 12 para. 24**

F16 Word and s. 14(*g*) inserted by Local Government, Planning and Land Act 1980 (c. 65, SIF 123:2), **s. 155(1)**

F17 S. 14(h) added by Housing Act 1988 (c. 50, SIF 61), **s. 62(7)**

Modifications etc. (not altering text)

C3 S. 14 extended by Local Government Act 1985 (c. 51, SIF 81:1), s. 57(7), **Sch. 13 para. 21**

C4 S. 14 excluded by Housing Act 1985 (c. 68, SIF 61), **s. 382(3)**

C5 S. 14(*cb*) extended by S.I. 1985/1884, art. 10, **Sch. 3 para. 4**(*p*)

C6 S. 14(*cb*)extended by S.I. 1987/2110, art. 2, **Sch. 1 para. 8**(*l*)

15 Landlord's interest belonging to housing association, etc.

(1) A tenancy . . . F18 shall not be a protected tenancy at any time when the interest of the landlord under that tenancy belongs to a housing association falling within subsection (3) below; nor shall a person at any time be a statutory tenant of a dwelling-house if the interest of his immediate landlord would belong at that time to such a housing association.

(2) A tenancy shall not be a protected tenancy at any time when the interest of the landlord under that tenancy belongs to—

(a) the Housing Corporation

[F19(aa) Housing for Wales]; or

(b) a housing trust which is a charity within the meaning of the [M1]Charities Act 1960;

nor shall a person at any time be a statutory tenant of a dwelling-house if the interest of his immediate landlord would belong at that time to any of those bodies.

[[F20](3) A housing association falls within this subsection if—

(a) it is registered under the Housing Associations Act 1985, or

(b) it is a co-operative housing association within the meaning of that Act.**]**

(4) . . . . . [F21]

[[F22](5) In subsection (2) above "housing trust" means a corporation or body of persons which—

(a) is required by the terms of its constituent instrument to use the whole of its funds, including any surplus which may arise from its operations, for the purpose of providing housing accommodation; or

(b) is required by the terms of its constituent instrument to devote the whole, or substantially the whole, of its funds to charitable purposes and in fact uses the whole, or substantially the whole, of its funds for the purpose of providing housing accommodation.**]**

(6) . . . . . [F23]

Textual Amendments

F18 Words repealed with saving by Housing Act 1980 (c. 51, SIF 61), s. 74, Sch. 9, Sch. 25 Pt. II para. 68, **Sch. 26**

F19 S. 15(2)(aa) inserted by Housing Act 1988 (c. 50, SIF 61, 75:1), s. 140(1), **Sch. 17 para. 99**

F20 S. 15(3) substituted by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 4, **Sch. 2 para. 35(2)**

F21 S. 15(4) repealed with saving by Housing Act 1980 (c. 51, SIF 61), s. 74, Sch. 9, Sch. 25 Pt. II para. 68, **Sch. 26**

F22 S. 15(5) substituted by Housing Act 1980 (c. 51, SIF 61), s. 74(2)(3), **Sch. 9**

F23 Ss. 15(6), 17, 18(3)(4), 24(1)(2), 27–43, 50, 53, 67(6), 70(5), 76, 79(4), 86(5), 91, 92(6)(7), 108–113, 115, 117, 130, 133–135, 141(2), 155(1), Sch. 1 para. 8, Schs. 3, 4, 6, Sch. 7 para. 4, Sch. 10 para. 10, Sch. 11 paras. 13, 14 and 15–25, Sch. 13, Sch. 14 para. 6, Sch. 17 paras. 10, 11, Sch. 19, Sch. 20 paras. 1(6)(7), 4, Schs. 21, 22, Sch. 23 paras.1, 4(*g*)–(*i*), 37, 38 repealed by Housing Act 1980 (c. 51, SIF 61), **Sch. 26**

Modifications etc. (not altering text)

C7 S. 15 excluded by Housing Act 1985 (c. 68, SIF 61), **s. 382(3)**

Marginal Citations

M1 1960 c. 58.

16 Landlord's interest belonging to housing co-operative.

A tenancy shall not be a protected tenancy at any time when the interest of the landlord under that tenancy belongs to a housing co-operative, **[**[F24]within the meaning of section 27B of the Housing Act 1985 (agreements with housing co-operatives under certain superseded provisions) and the dwelling-house is comprised in a housing co-operative agreement within the meaning of that section**]**.

Textual Amendments

F24 Words substituted by virtue of Housing and Planning Act 1986 (c. 63, SIF 75:3), s. 24(1)(2), **Sch. 5 para. 15**

Modifications etc. (not altering text)

C8 S. 16 excluded by Housing Act 1985 (c. 68, SIF 61), **s. 382(3)**

16A F25

Textual Amendments

F25 S. 16A inserted with saving by Housing Act 1980 (c. 51, SIF 61), **s. 56(5)–(7)** and repealed by Housing Act 1988 (c. 50, SIF 61, 75:1), s. 140, **Sch. 18**, Note 1

Status:
Point in time view as at 01/02/1991.

Changes to legislation:
There are currently no known outstanding effects for the Rent Act 1977, Cross Heading: Exceptions.