

## 1974 No. 381

## COUNTER-INFLATION

**The Counter-Inflation (Public Sector Residential Rents)  
 (England and Wales) Order 1974**

<i>Made</i>	- - -	<i>8th March 1974</i>
<i>Laid before Parliament</i>		<i>8th March 1974</i>
<i>Coming into Operation</i>		<i>8th March 1974</i>

The Secretary of State for the Environment (as respects England, except Monmouthshire) and the Secretary of State for Wales (as respects Wales and Monmouthshire), in exercise of their powers under sections 11 and 23(2) of, and paragraphs 1 and 3 of Schedule 3 to, the Counter-Inflation Act 1973(a) and of all other powers enabling them in that behalf, hereby make the following order:—

*Citation and commencement*

1. This order may be cited as the Counter-Inflation (Public Sector Residential Rents) (England and Wales) Order 1974 and shall come into operation on 8th March 1974.

*Interpretation*

2.—(1) The Interpretation Act 1889(b) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

(2) In this order, unless the context otherwise requires—

“the 1972 Act” means the Housing Finance Act 1972(c);

“the 1973 Act” means the Counter-Inflation Act 1973;

“authority” means a local authority, a development corporation established under the New Towns Act 1965(d) or the Commission for the New Towns;

“local authority” means the Greater London Council, the Common Council of the City of London, a London borough council, or the Council of the Isles of Scilly and includes

(a) in relation to any date or period falling before 1st April 1974 the council of a county, county borough or county district, and

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(a) 1973 c. 9.  
 (c) 1972 c. 47.

(b) 1889 c. 63.  
 (d) 1965 c. 59.

(b) in relation to any date or period falling on or after 1st April 1974 the council of a county or district;

“rates” includes water rates and charges;

“rental period” means a period in respect of which a payment of rent falls to be made;

“residential tenancy” includes—

(a) any tenancy of a dwelling, other than a tenancy of premises which comprises or includes a dwelling and to which Part II of the Landlord and Tenant Act 1954(a) (security of business, professional and other tenants) applies, and

(b) any agreement for the occupation by any person of a dwelling otherwise than in pursuance of a contract of service with an authority the terms of which require that he shall be provided with a dwelling at a rent specified in the contract or without payment of rent;

“the standstill period” means the period beginning with the date on which this order comes into operation and ending with 31st December 1974.

(3) In this order, unless the context otherwise requires, references to any enactment shall be construed as references to that enactment as amended, extended or applied by any other enactment.

#### *Definitions*

3. For the purposes of this order and of subsection (1) of section 11 of the 1973 Act as it applies in relation to this order—

(a) “rent” shall exclude any sum attributable to rates, the use of furniture or the provision of services;

(b) an increase of rent takes place or would take place in relation to a dwelling on the first day of a rental period in respect of which there becomes, or would become, payable in accordance with the terms of any tenancy or agreement in relation to the dwelling or in accordance with the provisions of any enactment, whether or not, in any case, in consequence of the service of a notice of increase of rent, an amount of rent which exceeds the amount of rent payable for the immediately preceding rental period, and

(c) “new letting” means a new residential tenancy granted on or after 8th March 1974 and a new letting takes place on the date on which such new residential tenancy is granted.

#### *Prevention of increases of rent*

4.—(1) This article applies in the case of any dwelling let on a residential tenancy under which the interest of the landlord belongs to an authority.

(2) Notwithstanding the provisions of sections 62 and 64 of the 1972 Act and the terms of the tenancy, any provision of any enactment or agreement and any

notice, whether served before or after the coming into operation of this order, under which an increase of rent, other than an increase to which paragraph (3) below applies, would but for the provisions of this order take place within the standstill period shall be of no effect.

(3) Notwithstanding the provisions of paragraph (2) of this article a rent may be increased to reflect—

- (a) any change in the condition of the dwelling, but disregarding any improvement carried out, otherwise than in pursuance of the terms of the residential tenancy, by the tenant or any predecessor in title of his, or
- (b) any change in the terms of the residential tenancy (other than terms as to rent), or
- (c) any other change of circumstances.

*Restriction on rent payable on new lettings*

5.—(1) This article applies in the case of any new letting which takes place within the standstill period of a dwelling which was previously let under a residential tenancy at any time during the period of twelve months immediately preceding the date on which the new letting takes place.

(2) Notwithstanding the provisions of sections 62 and 64 and subsection (4) of section 66 of the 1972 Act and the terms of any agreement, the rent payable on a new letting shall not exceed the rent payable under the previous tenancy referred to in paragraph (1) of this article (or if there was more than one, the last of them) for the last rental period thereof by any amount other than such amount as reflects—

- (a) any change in the condition of the dwelling, but disregarding any improvement carried out, otherwise than in pursuance of the terms of the residential tenancy, by the tenant or any predecessor in title of his, or
- (b) any difference between the terms (other than terms as to rent) of the new letting and the previous residential tenancy, or
- (c) any other change of circumstances.

*Recovery of excess rent*

6.—(1) If a tenant has paid on account of rent any amount which, by virtue of article 4 or 5 of this order, is not payable by the tenant, then, subject to paragraph (3) of this article, the tenant who paid it shall be entitled to recover the amount from the authority.

(2) Subject to paragraph (3) of this article, an amount which a tenant is entitled to recover under paragraph (1), of this article may, without prejudice to any other method of recovery, be deducted by the tenant from any rent payable by him to the authority.

(3) No amount which a tenant is entitled to recover under paragraph (1) of this article shall be recoverable at any time after the expiry of one year from the date of payment.

*Transitional*

7. Without prejudice to paragraph 4 of Part I of Schedule 3 to the 1973 Act, any right acquired or liability or obligation incurred by virtue of any of the provisions of this order shall not be affected by Part II of the 1973 Act ceasing to be in force, and accordingly any legal proceeding or remedy in respect of any such right, liability or obligation may be instituted, continued or enforced as though the said Part II had continued in force.

*Revocation*

8. The Counter-Inflation (Rents) (England and Wales) Order 1974(a) is hereby revoked.

8th March 1974.

*Anthony Crosland,*  
Secretary of State for the Environment.

8th March 1974.

*John Morris,*  
Secretary of State for Wales.

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EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order makes provision for preventing increases in the rents of dwellings let by local authorities, new town development corporations and the Commission for New Towns during a standstill period beginning on the 8th March 1974 and ending on 31st December 1974. The Order also provides that the rents on reletting during the standstill period of any dwellings previously let within the preceding twelve months shall not exceed the previous rent. This Order does not restrict increases in rent to take account of improvements, changes in the terms of the tenancy or other changes of circumstances nor does it restrict increases in charges for furniture or the provision of services.

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(a) S.I. 1974/184 (1974 I, p. 658).

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