First-tier Tribunal – Property Chamber

File Ref No.

BIR/00FK/F77/2019/0003

## Notice of the Tribunal Decision

## Rent Act 1977 Schedule 11

Address of Premises		The Tribunal members were				
42 Crewe Street, Derby, Derbyshire, DE23 8QL			Mr Graham Freckelton FRICS Mrs Kay Bentley			
Landlord		Metropolitan Thames Valley				
Tenant		Mr K and Mrs L Alexander				
1. The fair rent is	£83.00	Per	Week	(excluding water ra but including any a 3&4)	ates and council tax amounts in paras	
2. The effective date is		20 February 2019		]		
3. The amount for services is		N/A not applicable		Per		
4. The amount for fuel ch rent allowance is	narges (excluding	heating a	nd lighting o	f common parts) not	counting for	
				Per		

5. The rent is not to be registered as variable.

6. The capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply (please see calculation overleaf).

not applicable

7. Details (other than rent) where different from Rent Register entry

8. For information only:			

The fair rent to be registered is not limited by the Rent Acts (Maximum Fair Rent) Order 1999, because it is below the maximum fair rent of £87.00 per week (variable) prescribed by the Order.

Chairman	Mr Graham Freckelton FRICS	Date of decision	20 February 2019

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		x	285.6			
PREVIOUS RPI FIGURE		Y	208.00			
x	285.6	Minus Y	208	.0 = <b>(A)</b>	77.60	
(A)	77.60	Divided by Y	208	.0 = <b>(B)</b>	0.37307	
First application for re-registration since 1 February 1999 NO						
lf yes (B) plus 1.075 = (C)						
lf no (B) plus 1.05 = (C)		1.42307				
Last registered rent* *(exclusive of any variable service		61.00 e charge)		Multiplied by (C) =	86.80	
Rounded up to nearest 50p =		£87.00				
Variable service charge		NO				
If YES add amount for services						
MAXIMUM FAIR RENT =		£87.00		Per	week	

## **Explanatory Note**

- 1. The calculation of the maximum fair rent, in accordance with the formula contained in the Order, is set out above.
- 2. In summary, the formula provides for the maximum fair rent to be calculated by:
  - (a) increasing the previous registered rent by the percentage change in the retail price index (the RPI) since the date of that earlier registration and
  - (b) adding a further 7.5% (if the present application was the first since 1 February 1999) or 5% (if it is a second or subsequent application since that date).

A 7.5% increase is represented, in the calculation set out above, by the addition of 1.075 to (B) and an increase of 5% is represented by the addition of 1.05 to (B).

The result is rounded up to the nearest 50 pence.

- 3. For the purposes of the calculation the latest RPI figure (x) is that published in the calendar month immediately before the month in which the Tribunal's fair rent determination was made.
- 4. The process differs where the tenancy agreement contains a variable service charge and the rent is to be registered as variable under section 71(4) of the Rent Act 1977. In such a case the variable service charge is removed before applying the formula. When the amount determined by the application of the formula is ascertained the service charge is then added to that sum in order to produce the maximum fair rent.