## **Notice of the Tribunal Decision**

Rent Act 1977 Schedule 11

Address of Premises		The Tribunal members were							
96 Lime Street, Wolverhampton, West Midlands, WV3 0EX			Mr Nicholas Wint FRICS Mr Derek Douglas						
Landlord			Midland Heart						
Tenant			Mrs S Jassal						
1. The fair rent is	£91.00	Per	Week			ites and council t imounts in paras			
2. The effective date is			uary 2021						
3. The amount for services is not applicable			-		Per	-			
4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is not applicable			-		Per	-			
5. The rent is not to be re	gistered as vari	able.							
6. The capping provision calculation overleaf).	s of the Rent Ac	ts (Maxim	um Fair Rent)	Order 1999 a	apply (ple	ease see			
7. Details (other than ren	t) where differer	nt from Rei	nt Register en	try					
None									
8. For information only:									
The fair rent to be registe because it is below the m									
Chairman	Mr Nichola: FRICS		Date of c	lecision	27 J	anuary 2021			

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		X	293.5						
PREVIOUS RPI FIGURE		Y	261.1						
X	293.5	Minus Y	261.1	= (A)	32.4				
(A)	32.4	Divided by Y	261.4	= <b>(B)</b>	0.1239				
First application for re-registration since 1 February 1999 NO									
If yes (B) plus 1.075 = (C)									
If no (B) plus 1.05 = (C)		1.17394797							
Last registered rent*		£88.00	Multi	plied by (C) =	£103.31				
*(exclusive of any variable service charge)									
Rounded up to nearest 50p =		£103.50							
Variable service charge		NO							
If YES add amount for services									
MAXIMUM FAIR RENT =		£103.50		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.