First-tier Tribunal – Property Chamber

# Notice of the Tribunal Decision

# Rent Act 1977 Schedule 11

Address of Premises		The Tribunal members were						
17 North Side, Shilbottle, Alnwick, NE66 2YE			Mr I Jeff Mrs A U		ı			
Landlord	Northum	Northumberland & Durham Property Trust Ltd						
Tenant	Mrs E Sł	Mrs E Shell						
1. The fair rent is	£3,900.00	Per	Year		cluding water rates and council tax but luding any amounts in paras 3&4)			
2. The effective date is					8 September 2021			
3. The amount for services is					not applicable			
4. The amount for fuel cl lighting of common p		not applicable						

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).

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

The property has an internal bathroom.

#### 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 £4,092 per annum prescribed by the Order.

Chairman

Mr I Jefferson

Date of decision

8 September 2021

File Ref No. MAI

# MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		x	<b>X</b> 305.5							
PREVIOUS RPI FIGURE		Y	285.0							
x	305.5	Minus Y	28	<b>285.0</b> = (A)		20.5				
(A)		Divided by Y	28	35.0 = <b>(B)</b>		0.0719				
First application for re-registration since 1 February 1999:NO										
If yes (B) plus 1.075 = (C)										
If no (B) plus 1.05 = (C)		1.1219								
Last registered rent*		3647.00		Multiplied by (C) =			4091.68			
*(exclusive of any variable service charge)										
Rounded up to nearest 50p =		4092								
Variable service charge		NO								
If YES add amo services	ount for	N/A								
MAXIMUM FAIR RENT =		£4,092		Per		annum				

# **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.