First-tier Tribunal – Property Chamber   **File Ref No.** | BIR/00CR/F77/2020/0018 |

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises	**The Tribunal members were**
92 Bisell Way, Brierley Hill, West Midlands, DY5 2RZ	Mrs Anthea Rawlence MRICS

Landlord	Sanctuary Group

Tenant	Mr M Cullum

1. The fair rent is	£261.50	**Per**	Calendar Month	**(excluding water rates and council tax but including any amounts in paras 3&4)**

2. The effective date is	24 August 2020

3. The amount for services is	£18.10	**Per**	Calendar Month

4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is not applicable	N/A	**Per**	N/A

5. The rent is 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

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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 £283.10 per calendar month including £18.10 per calendar month for services (variable) prescribed by the Order.

Chairman	Mrs Anthea Rawlence MRICS	**Date of decision**	24 August 2020

FR24

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE	**X**	292.7	
PREVIOUS RPI FIGURE	**Y**	260	

X	292.7	**Minus Y**	260	**= (A)**	32.7
(A)	32.7	**Divided by Y**	260	**= (B)**	0.0125769

First application for re-registration since 1 February 1999 NO

If yes (B) plus 1.075 = (C)	
If no (B) plus 1.05 = (C)	1.175769

Last registered rent*	£233.50	**Multiplied by (C) =**	265.6063

***(exclusive of any variable service charge)**

Rounded up to nearest 50p =	£267

Variable service charge	**YES**
If YES add amount for services	£18.10

MAXIMUM FAIR RENT =	**£285.10**	**Per**	**Calendar month**

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.