## **Notice of the Tribunal Decision**

Rent Act 1977 Schedule 11

Address of Premises			The Tribunal members were						
67 Bisell Way, Brierley Hill, West Midlands, DY5 2RY			Mrs Anthea Rawlence MRICS Mrs Kay Bentley						
		_	·						
Landlord		Sanctuary Housing Association							
Tenant		Mr M Hill							
1. The fair rent is	£261.49	Per	Calendar Month		water rates and council tax ing any amounts in paras				
2. The effective date is		23 Oct	ober 2020						
3. The amount for services is			£18.10		Per	Calendar Month	i		
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 regist	ered as variable.								
6. The capping provision calculation overleaf).	s of the Rent Acts	(Maxim	um Fair Rent)	Order 1999 a	apply (plo	ease see			
7. Details (other than ren	t) where different	from Rei	nt Register en	try					
-									
8. For information only:									
The fair rent to be registe because it is below the n services (variable) presc	naximum fair rent	of £287.6							
Chairman	A. J. Rawle	nce	Date of d	ecision	23 October 2020				

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		X	<b>X</b> 293.3						
PREVIOUS RPI FIGURE		<b>Y</b> 260							
x	293.3	Minus Y	2	260	= <b>(A)</b>	33.3			
(A)	33.3	Divided by Y	2	260	= <b>(B)</b>	0.128077			
First application for re-registration since 1 February 1999 NO									
If yes (B) plus 1.075 = (C)									
If no (B) plus 1.05 = (C)		1.178077							
Last registered rent*		£228.74		Multiplie	ed by (C) =	269.4733			
*(exclusive of any variable service charge)									
Rounded up to nearest 50p =		£269.50							
Variable service charge		YES							
If YES add amou	ınt for services	£18.10							
MAXIMUM FAIR RENT =		£287.60		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.