First-tier Tribunal – Property Chamber   File Ref No. | LON/00BF/F77/2019/0191

<u>Notice of the Tribunal Decision</u>

Rent Act 1977 Schedule 11

Address of Premises

69 Westmoreland Drive, Sutton, Surrey, SM2 6AB

The Tribunal members were

Mr Charles Norman BSc FRICS

Mr Leslie Packer

Landlord

Orbit South Housing Association Ltd

Tenant

Miss L Smith

1. The fair rent is	164.50	*Per*	Week	**(excluding water rates and council tax but including any amounts in paras 3&4)**

2. The effective date is   31 March 2020

3. The amount for services is	£9.88	*Per*	Week

4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is

	Per	

negligible

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

8. For information only:

(a) **The fair rent to be registered is the maximum fair rent as prescribed by the Rent Acts (Maximum Fair Rent) Order 1999. The rent that would otherwise have been registered was £180 per week. including £9.88 per week for services.**

| *Chairman* | Charles Norman

FRICS | **Date of decision** | 31 March 2020 |

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE   X | 292.0

PREVIOUS RPI FIGURE   Y | 275.3

X	292.0	Minus Y	275.3	= **(A)**	16.7
(A)	16.7	Divided by Y	275.3	= **(B)**	0.06066

First application for re-registration since 1 February 1999 YES/NO

If yes (B) plus 1.075 = (C) |

If no (B) plus 1.05 = (C) | 1.1106

Last registered rent* | £148   **Multiplied by (C) =** | £164.38

*(exclusive of any variable service charge)

Rounded up to nearest 50p = | £164.50

Variable service charge   **NO**

If YES add amount for services |

MAXIMUM FAIR RENT =	**£164.50**	**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.