## **Notice of the Tribunal Decision**

Rent Act 1977 Schedule 11

Address of Premises	The Tribunal members were						
1 Vinegar Street, East C 2QQ		Mrs Evelyn Flint DMS FRICS IRRV					
		_l 					
Landlord	Orbit South Housing Association Ltd						
Tenant	Mr G Dowell						
1. The fair rent is	£332.50	Per	Calendar Month		(excluding water rates and council tax but including any amounts in paras 3&4)		
2. The effective date is		24 September 2020					
3. The amount for serv	£14.79			Per	Calendar Month		
4. The amount for fuel ch for rent allowance is	arges (excluding h	eating ar	nd lighting of	common parts	s) not c	ounting	
					Per		
		not a	applicable		l		
5. The rent is not to be re	egistered as variabl	e.					
6. The capping provision calculation overleaf).	s of the Rent Acts	(Maximuı	m Fair Rent) C	Order 1999 apı	ply (ple	ase see	
7. Details (other than ren	t) where different fr	om Rent	Register entr	ry			
	<u> </u>			<u> </u>			
8. For information only:							
(a) The fair rent to be reg	gistered is the maxi	mum faiı	r rent as preso	cribed by the l	Rent Ac	ets	
(Maximum Fair Rent) £465.11 per month in	Order 1999. The re	nt that w	ould otherwis				
				Г			
Chairman	E Flint		Date of d	lecision	24 Se	ptember 2020	

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		X	294.2							
PREVIOUS RPI FIGURE		Υ [	278.1							
x	294.2	Minus Y	278.1	= <b>(A)</b>	10	6.1				
(A)	16.1	Divided by Y	278.1	= <b>(B)</b>	0.05	0.057893				
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)		1.107893								
Last registered rent*		£300	Multipli	Multiplied by (C) = £33		2.27				
*(exclusive of any	variable service	charge)								
Rounded up to nearest 50p =		332.50								
Variable service charge		NO								
If YES add amount for services										
MAXIMUM FAIR RENT =		£332.50	Per		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.