

**Notice of the Tribunal Decision**

Rent Act 1977 Schedule 11

**Address of Premises**

6a DeFrene Road, London, SE26 4AB

**The Tribunal members were**Ian B Holdsworth FRICS MCI Arb  
Ms J Dalal**Landlord**

Peabody (Registered Charity)

**Tenant**

Mr Bernar and Mrs McMorrow

**1. The fair rent is**

£526

**Per**

month

**(excluding water rates and council tax but including any amounts in paras 3&4)****2. The effective date is**10<sup>th</sup> March 2022**3. The amount for services is**

Nil

**Per**

n/a

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

Nil

**Per**

n/a

**negligible/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 tenants moved to the subject property in December 2014 from a dwelling owned by the same Landlord on the basis they would return to the original property after improvements were completed. The tribunal understand the tenants decided to stay at the subject property and have paid a rent of £609 per month from or around 2016. This exceeded the registered rent of £338.50 which was registered and effective from 4<sup>th</sup> March 2009.

After inspection of the subject property the tribunal is of the opinion that the works carried to the subject property by the landlord constitute repairs rather improvements. Some of the works were necessary to remedy damage caused by subsidence to the property. The tribunal are unable to identify any rental increase as a consequence of the landlords works and therefore there is no justification for removal of the capping provisions.

**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 £ 648.00 per month including £ nil per month for services**

**Chairman**

Ian B Holdsworth

**Date of decision**

10<sup>th</sup> March 2022

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE X

PREVIOUS RPI FIGURE Y

X  Minus Y  = (A)

(A)  Divided by Y  = (B)

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)

Last registered rent\*  Multiplied by (C) =

\*(exclusive of any variable service charge)

Rounded up to nearest 50p =

Variable service charge **NO**

If YES add amount for services

MAXIMUM FAIR RENT =  Per

### 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.