First-tier Tribunal – Property Chamber   File Ref No.   CHI/24UJ/F77/2022/0023

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises	**The Tribunal members were**
3 Fernside Cottages, Hyde, Fordingbridge, Hampshire, SP6 2QF	Mr I Perry BSc FRICS Mr P Smith BSc FRICS Mr M Woodrow MRICS

Landlord	Mr P Gurd

Tenant	Mr Kenneth Preece

1. The fair rent is	£800.00	**Per**	Calendar Month	**(excluding water rates and council tax but including any amounts in paras 3&4)**

2. The effective date is	05 July 2022

3. The amount for services is	n/a	**Per**	n/a

not applicable

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

	n/a	**Per**	n/a

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

8. For information only:

(a) 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 £924.00 per Calendar Month prescribed by the Order.

Chairman	Mr I Perry BSc FRICS	**Date of decision**	5 July 2022

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MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE	**X**	337.1

PREVIOUS RPI FIGURE	**Y**	265.5

X	337.1	**Minus Y**	265.5	**= (A)**	71.6
(A)	71.6	**Divided by Y**	265.5	**= (B)**	0.2697

First application for re-registration since 1 February 1999 NO

If yes (B) plus 1.075 = (C)	
If no (B) plus 1.05 = (C)	1.3197

Last registered rent*	£700.00	**Multiplied by (C) =**	923.79

*(exclusive of any variable service charge)

Rounded up to nearest 50p =	£924.00

Variable service charge   **NO**

If YES add amount for services	

MAXIMUM FAIR RENT =	**£924.00**	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.

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