First-tier Tribunal – Property Chamber

File Ref No.

LON/00BG/F77/2022/0115

## Notice of the Tribunal Decision

## Rent Act 1977 Schedule 11

Address of Premises		The Tribunal members were				
22 Cyprus Street London E2 0NN		Neil Martindale FRICS				
Landlord	Souther	Southern Housing Group				
Tenant	Mr J & I	Mr J & Mrs T Payne				
1. The fair rent is	£ 236.18	Per	week	(excluding water rates and council tax but including any amounts in paras 3&4)		
2. The effective date is		13 Sept	13 September 2022			
3. The amount for services is			nil	Per	week	
4. The amount for fuel ch	arges (excludin	•••	le/not applica Ind lighting o		counting	

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

nil Per nil Per

5. The rent is not to be registered as variable.

6. The capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 apply.

7. Details (other than rent) where different from Rent Register entry

	As rent register.					
	Note: The landlord is not obliged to charge this fair rent but, may not charge more.					
8	8. For information only: Part (a) below, applies.					

(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 £600per week.

Chairman

N Martindale

Date of decision

13 September 2022

## MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		x	343.2						
PREVIOUS RPI FIGURE		Y	291.7						
x	343.20	Minus Y	29	1.70	= <b>(</b> A <b>)</b>		51.5		
(A)	51.5	Divided by Y	29 <sup>.</sup>	1.70	= <b>(B)</b>	C	.1766		
First application for re-registration since 1 February 1999 YES/NO									
lf yes (B) plus 1.075 = (C)									
lf no (B) plus 1.05 = (C)		1.2266							
Last registered rent*		191.50 (200.03 inc 8.53)		Multiplied by (C) =		234.89			
*(exclusive of any variable service charge)									
Rounded up to nearest 50p =		235 per week							
Variable service charge		YES							
If YES add amount for services		1.18							
MAXIMUM FAIR RENT =		£ 236.18		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.

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.