

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises

61 Benson Avenue, London, E6 3EE

The Tribunal members were

Judge Rosanna Foskett
Mr Kevin Ridgeway MRICS

Landlord

Mountview Estates Ltd

Tenant

Mr K M Humm

1. The fair rent is

£180.50

Per

Week

(excluding water rates and council tax but including any amounts in paras 3&4)

2. The effective date is

19 February 2024

3. The amount for services is

N/A

Per

negligible/not applicable

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

N/A

Per

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

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 £184 per week.

Chairman

Judge Rosanna Foskett
Mr Kevin Ridgeway MRICS

Date of decision

19 February 2024

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE	X	378 (Jan 2024, month before Tribunal Decision)	
PREVIOUS RPI FIGURE	Y	308.6 (Sept 2021, date of registration of previous rent)	
X	378	Minus Y	308.6
		= (A)	69.40
(A)	69.40	Divided by Y	308.6
		= (B)	0.225

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) 0.225 + 1.05 = 1.275

Last registered rent* £141.50 **Multiplied by (C) =** £180.41

*(exclusive of any variable service charge)

Rounded up to nearest 50p = £180.50

Variable service charge **NO**

If YES add amount for services

MAXIMUM FAIR RENT = **£180.50** **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.

SUMMARY REASONS

Background

1. The Landlord applied to register a fair rent of £228 per week by application dated 28 August 2023 and the Rent Officer registered £180 per week on 18 October 2023 with effect from 19 November 2023.
2. The previous rent registered on 23 September 2021 (with effect from 19 November 2021) was £141.50 per week.
3. Following an objection from the Tenant (made by letter to the Valuation Office Agency on 27 October 2023) to the determination by the Rent Officer, the Tribunal has made a determination under the provisions of the Rent Act 1977.

Inspection

4. The Tribunal did not inspect the property but considered this case on the basis of the papers provided by the parties.

Evidence

5. There were no written submissions from the parties. The Tribunal considered the documents that had been sent by the Valuation Office Agency, the Landlord and the Tenant.

Determination and Valuation

6. The property is a Victorian terraced house. The accommodation comprises 2 rooms and 1 kitchen on the ground floor and 3 rooms and 1 bathroom/WC on the first floor. It has no central heating.
7. Having regard to our own expert, general knowledge of rental values in the area (including by reviewing local properties on Rightmove.co.uk) as well as the list of 36 comparables provided by the Landlord, we consider that the open market rent for the property in the condition and with the amenities it has would be around £460 per week.
8. This hypothetical rent is adjusted as necessary to allow for the differences between the terms and conditions considered usual for such a letting in today's market and the condition of the actual property at the date of the determination under the Rent

Act 1977. Any benefit derived from the tenant's improvements (if any) is disregarded.

9. The following deductions were made:

Windows in poor order and no double glazing	10%
Condition of bathroom/WC	5%
Condition of kitchen	5%
Condition of electrics	5%
No central heating	10%
No carpets & curtains provided by landlord	5%
No decorating & internal repairing obligations on the landlord	10%
Total	50%

10. That gave a fair rent of £230 per week (50% of £460 = £230).

11. A further deduction for scarcity of 20% was then made (20% of £230 = £46) giving an uncapped fair rent for the purposes of section 70 of the 1977 Act of £184 per week.

Decision

12. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £180.50 per week (see calculation above).

13. In this case, the lower rent of £180.50 per week is to be registered as the fair rent for this property.

Chairman: Judge Rosanna Foskett, Mr Kevin Ridgeway MRICS

Date: 19 February 2024

APPEAL PROVISIONS

These summary reasons are provided to give the parties an indication as to how the Tribunal made its decision. If either party wishes to appeal this decision, they should first make a request for full reasons and the details of how to appeal will be set out in the full

reasons. Any subsequent application for permission to appeal should be made on Form RP PTA.