Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises		The Tribunal members were							
Flat 2, 6 Manor Road, Tw Middlesex, TW2 5DF		Judge Rosanna Foskett Mr Kevin Ridgeway MRICS							
			-				_		
Landlord		PA Ho	using Ltd						
Tenant		Mrs C	Mrs C Edwards						
1. The fair rent is	£174	Per	Week	(excluding water rates and cou but including any amounts in p 3&4)			[
2. The effective date is		19 Feb	19 February 2024						
3. The amount for service	:	£25.85			Week	_			
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 do not apply (please see calculation overleaf).									
7. Details (other than ren	t) where differer	nt from Ker	nt Register en	try					
8. For information only:									
The fair rent to be registe because it is the below the prescribed by the Order.									
Chairman	Judge Ros Foske Mr Kevin Rid MRIC	tt dgeway	Date of d	ecision	19 Fe	ebruary 2024			

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE		X								
PREVIOUS RI	PI FIGURE	Υ	296.9 (March 2021)							
x	378	Minus Y	296.9	= (A)	81.1					
(A)	81.1	Divided by Y	296.9	= (B)	0.273					
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)		0.273 + 1.05 = 1.323								
Last registered rent*		£139.50	Multipl	ied by (C) =	£184.56					
*(exclusive of any variable service charge)										
Rounded up to nearest 50p =		£185								
Variable service	charge	NO								
If YES add amou	ınt for services	Service charge is fixed so N/A	S							
MAXIMUM FAIR RENT =		£185		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 £144.80 per week (including services) by application dated 27 June 2023 and the Rent Officer registered £184 per week (including £23.53 per week attributable to services by way of fixed service charge) on 18 October 2023 with effect from that date. The Rent Officer applied the capping provisions of the Rent Acts (Maximum Fair Rent) Order 1999 (having determined that, absent those capping provisions, the fair rent would be £189 per week including services).
- 2. The previous rent registered on 3 March 2021 (with effect from that date) was £139.50 per week (including £1.61 per week attributable to services by way of fixed service charge).
- 3. Following an objection made on behalf of the Tenant (made by email to the Valuation Office Agency on 17 November 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 self-contained flat in a converted property. The accommodation comprises 2 rooms, 1 kitchen and 1 bathroom/WC on the ground 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 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 £310 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:

Total	30%
obligations on the landlord	10%
No decorating & internal repairing	
No carpets & curtains provided by landlord	5%
No central heating	10%
Condition of kitchen	5%

- 10. That gave a fair rent of £217 per week (70% of £310 = £217).
- 11. A further deduction for scarcity of 20% was then made (20% of £217 = £43 rounded) giving an uncapped fair rent for the purposes of section 70 of the 1977 Act of £174 per week.
- 12. The fixed service charge set out in the Landlord's statement of fixed service charge for the year commencing 1 April 2023 is £25.85 per week.

Decision

- 13. The capped rent for the property according to the provisions of the Rent Acts (Maximum Fair Rent) Order 1999 is calculated at £185 per week, including the figure of £25.85 as fixed service charge (see calculation above).
- 14. In this case, the lower rent of £174 per week (uncapped) including £25.85 for fixed service charge 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. RP PTA.	Any	subsequent	application	for	permission	to	appeal	should	be	made	on F	orm