

Notice of the Tribunal Decision

Rent Act 1977 Schedule 11

Address of Premises

Flat 2 Salway House
25 Thornhill Road
London E10 5LZ

The Tribunal members were

Mr N Martindale FRICS
Ms M Krisko FRICS

Landlord

Orbit Housing Association

Tenant

Mrs L Duncan

1. The fair rent is

£635.34

Per

Calendar month

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

2. The effective date is

5 June 2024

3. The amount for services is

£71.34

Per

Calendar month

negligible/not applicable

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

nil

Per

negligible/not applicable

5. The rent is 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 register entry. Tenant owns a 25% share.

8. For information only:

The fair rent to be registered is the maximum fair rent as prescribed by the Rent Acts (Maximum Fair Rent) Order 1999 is above the MFR cap of £635.34 pcm and is therefore capped. This is the capped Fair Rent. The uncapped Fair Rent would be £885 pcm @100% £663.75 @25% tenant share.

Chairman

N A Martindale

Date of decision

5 June 2024

MAXIMUM FAIR RENT CALCULATION

LATEST RPI FIGURE (2 months prior)	X		385.00		
PREVIOUS RPI FIGURE (2 months prior)			317.70		
X	385.0	Minus Y	317.70	= (A)	67.30
(A)	67.30	Divided by Y	317.70	= (B)	0.2119

First application for re-registration since 1 February 1999 NO

If yes (B) plus 1.075 = (C)			
If no (B) plus 1.05 = (C)	1.2618		
Last registered rent*	£446.74 pcm	Multiplied by (C) =	563.71 pcm
*(exclusive of any variable service charge)			
Rounded up to nearest 50p =	£564.00 pcm		
Variable service charge	YES		
If YES add amount for services	71.34		
MAXIMUM FAIR RENT =	£635.34	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.