File Ref No.

LON/00BJ/F77/2024/617

## **Notice of the Tribunal Decision**

Rent Act 1977 Schedule 11

| Address of Premises   | _                     | The Tribunal members were              |                 |              |  |              |  |  |
|---|-----------------------|--|-----------------|--------------|--|--------------|--|--|
| G/F/S floor 234 Merton R<br>Wandsworth<br>London SW18 5JQ                         | Mr N Martindale FRICS |  |                 |              |  |              |  |  |
|   |                       |  |                 |              | <i>-</i>   |              |  |  |
| Landlord  |                       | Northumberland & Durham Property Trust |                 |              |  |              |  |  |
| Tenant  |                       | Mrs Lilian Smith                       |                 |              |  |              |  |  |
| 1. The fair rent is   | £286                  |  |                 |              | water rates and council tax<br>ng any amounts in paras |              |  |  |
| 2. The effective date is  |                       | 26 Nov                                 | ember 2024      |              |  |              |  |  |
| 3. The amount for services is   |                       |  | nil             |              | Per  |              |  |  |
|   |                       | negligik                               | ole/not applica | ble          |  |              |  |  |
| 4. The amount for fuel chrent allowance is  | arges (excluding      | heating a                              | and lighting of | common pa    | arts) not  | counting for |  |  |
|   |                       |  | nil             |              | Per  |              |  |  |
| 5. The rent is NOT to be i  | rogistorod as varis   |  | ole/not applica | ble          |  |              |  |  |
| 6. The capping provision  | _                     |  | um Fair Rent)   | Order 1999 : | annly  |              |  |  |
| 7. Details (other than ren  |                       | -                                      | _               |              | дргу.  |              |  |  |
| [   |                       |  |                 |              |  |              |  |  |
| As register entry   |                       |  |                 |              |  |              |  |  |
| 8. For information only:  |                       |  |                 |              |  |              |  |  |
| The fair rent to be registe<br>Rent) Order 1999. As the<br>MFR capping provisions | rent was above the    | he MFR, i                              | t is capped. T  | •            |  | •            |  |  |
| Chairman  | N A Martindal         | е                                      | Date of d       | ecision      | 26 No  | ovember 2024 |  |  |

## MAXIMUM FAIR RENT CALCULATION

| LATEST RPI FIGURE (2 months prior) X                           |        |              |    | 388.60              |              |            |  |  |  |
|--|--------|--------------|----|---------------------|--------------|------------|--|--|--|
| PREVIOUS RPI FIGURE (2 months prior) Y                         |        | 343.2        | 20 |                     |              |            |  |  |  |
| X  | 388.60 | Minus Y      | 34 | 3.20                | = <b>(A)</b> | 45.40      |  |  |  |
| (A)  | 45.40  | Divided by Y | 34 | 3.20                | = <b>(B)</b> | 0.1323     |  |  |  |
| First application for re-registration since 1 February 1999 NO |        |              |    |                     |              |            |  |  |  |
| If yes (B) plus 1.075 = (C)                                    |        |              |    |                     |              |            |  |  |  |
| If no (B) plus 1.05 = (C)                                      |        | 1.1823       |    |                     |              |            |  |  |  |
| Last registered rent*  |        | £241.50 pw   |    | Multiplied by (C) = |              | £285.53 pw |  |  |  |
| *(exclusive of any variable service charge)                    |        |              |    |                     |              |            |  |  |  |
| Rounded up to nearest 50p =                                    |        | £286.00 pw   |    |                     |              |            |  |  |  |
| Variable service charge  |        | NO           |    |                     |              |            |  |  |  |
| If YES add amount for services                                 |        |              |    |                     |              |            |  |  |  |
| MAXIMUM FAIR RENT =  |        | £286.00      |    | 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.