### **Notice of the Rent Assessment Committee Decision**

Rent Act 1977 Schedule 11

Ref: CHI/45UD/F77/2003/0136

# **MAXIMUM FAIR RENT CALCULATION**

LATEST RPI FIGURE x 181.3				
PREVIOUS RPI FIGURE y 173.4				
X 181.3 Minus y 173.4 = (A) 7.9				
(A) $7.9$ divided by y $173.4$ = (B) $0.0455594$				
First application for re-registration since 1 February 1999 NO				
If yes (B) plus 1.075 = (C)				
If no (B) plus 1.05 = (C) 1.0955594				
Last registered rent* £90 Multiplied by (C) = 98.600346 *(exclusive of any variable service charge)				
Rounded up to nearest 50 pence = £99.00				
Variable service charge NO				
If YES add amount for services				
MAXIMUM FAIR RENT = £99 Per Week				

#### **Explanatory Note**

- 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 Committee'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.

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Rent Act 1977 Schedule 11

Address of Premises			The Com	The Committee members were			
43 Orchard Avenue			Mr D Ag	Mr D Agnew LLB (Chairman)			
Chichester				Mr B H R Simms FRICS MCIArb			
West Sussex PO19 3BG			Mr P Owen				
Landlord	Bankway	Properties Ltd					
Tenant	Mr R J Ru	utland					
1. The fair rent is	£99	Y OD Per			rates and council tax b unts in paras 3&4)	out	
2. The effective date	e is	5 August 2003					
3. The amount for s	ervices is	N/a negligit	le/not applica	Per ble			
4. The amount for fuel charges (excluding heating and lighting of common parts) not counting for rent allowance is							
		£ <u>N/a</u> not appl	cable	er [			
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)/ do not apply because 1 <sup>st</sup> registration/15% exemption.							
7. Details (other than rent) where different from Rent Register entry							
8. For information o	nly:						
Fair Rent) Order	<sup>·</sup> 1999. The r	d is the maximum ent that would ot cluding £	nerwise have I	been registere	ie Rent Acts (Maximum d was r <del>ariable)</del> .		
(b) The fair rent to because it is the £per	same as/be	l is not limited by low the maximuservices (variable	n fair rent of	£pe₁	ilr Rent) Order 1999, rIncluding		
Chairman	D AGNEV	The	Date	of decision	5/08/2003		

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If yes (B) plus 1.075 = (C)					
If no (B) plus 1.05 = (C) 1.0955594					
Last registered rent* $\mathfrak{L}90$ Multiplied by (C) = $98.600346$ *(exclusive of any variable service charge)					
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Variable service charge NO					
If YES add amount for services					
MAXIMUM FAIR RENT = £99 Per Week					

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