



PRIVATE RENTED HOUSING PANEL

HOUSING (SCOTLAND) ACT 1988 SECTION 25(1)

Register Of Rents Determined Under Statutory Assured Tenancies

REFERENCE NO.

RAC/AB35/A67

APPLICATION RECEIVED

13 July 2010

ADDRESS OF PREMISES

Balnacroft Cottage, The Street, Crathie, by Ballater, AB35 5TS

TENANT

Mr I Tawse

NAME AND ADDRESS OF LANDLORD

Mr J Gordon

AGENT

Aberdeen Considine
8 & 9 Bon Accord Crescent
Aberdeen
AB11 6DN

RENTAL PERIOD

6 Monthly

DATE TENANCY COMMENCED

9 April 1990

DESCRIPTION OF PREMISES

End terrace two storey cottage circa 1900 comprising on ground level living room, study, kitchen and bathroom. Upper level comprises two bedrooms.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
PROFESSIONAL MEMBER
LAYMEMBER

Mr E Miller LLB (Hons) Dip. LP NP
Mr C Hepburn MRICS
Mr A McKay

PRESENT RENT

£ 3450.00 p.a.

RENT DETERMINED

£ 4800.00 p.a.

DATE CONSIDERED

23 September 2010

DATE DETERMINATION TAKES EFFECT

30 December 2010

E Miller

Chairman of Private Rented Housing Committee

Date

24/9/2010

Private Rented Housing Committee

Statement of Reasons

Inspection and Hearing – 23 September 2010

Property – Balnacroft Cottage, The Street, Crathie, by Ballater ("the Property")

INTRODUCTION

1. The Committee comprised Mr E K Miller (Chairman), Mr C Hepburn (Surveyor) and Mr Andrew McKay (Housing Member).
2. The Landlord is John Gordon Esq., Abergeldie Castle, Ballater, Aberdeenshire.
3. The Tenant is Iain Tawse Esq., Balnacroft Cottage, The Street, Crathie, by Ballater, Aberdeenshire.
4. This reference to the Private Rented Housing Committee for the determination of a market rent under the Housing (Scotland) Act 1988 ("the Act") in respect of the Property arises from dissatisfaction on the part of the Tenant.
5. The current rent is £3,450 per annum. By way of form AT2 dated 28 June 2010 the Landlord sought a rent of £6,240 per annum. The reference by the Tenant to the Private Rented Housing Panel is by way of application on Form AT4 dated 12 July 2010 for a determination of rent under Section 24(a) of the Act.

DESCRIPTION OF THE PROPERTY

6. The Committee, accompanied by the Clerk to the Committee Mr Robert Shea, inspected the Property on the morning of 23 September 2010. The Property is situated at the end of a row of three similar terraced cottages

off a narrow single track road. The Property is in a quiet rural location and is approximately 7 miles from each of Ballater and Braemar where the nearest modern facilities are.

7. Within the Property is a good sized lounge with windows to the front and rear. There is a small public room off the lounge which has been converted from a former coal/wood store. There is a good sized bathroom and kitchen within the Property. Upstairs there are two small bedrooms. Useage of the bedrooms is restricted due to the heavily combed ceiling which results in a small area available in which a person can stand upright.

The Property has central heating throughout which had recently been installed by the Landlord. The windows were single glazed timber units and were dated but functioning. The Property had been furnished by the Tenant throughout and he had carried out various improvement works to the kitchen and also to the lounge with the installation of a modern stove and the repair of a ceiling. Generally the furnishings were dated and the kitchen and bathroom were also quite dated.

HEARING AND SUBMISSION

The Committee had before it the following documentation:-

- i. Notice to Quit served by the Landlord to the Tenant dated 16 April 2007.
- ii. Form AT4 served by the Landlord on the Tenant dated 28 June 2010.
- iii. Tenant's written representations dated 23 July 2010.
- iv. Landlord's written representations dated 27 July 2010.
- v. Decision of a previous Committee of the Private Rented Housing Panel in relation to the Property dated 28 April 2008
- vi. Evidence of comparable properties to let in the area as provided by Mr Hepburn

The Tenant did not attend the hearing. The Tenant had, at the inspection, not given any information as regards comparable properties or rents. His primary concern, as expressed to the Committee, was that the level of rent sought by the Landlord was beyond his means. He suffered from several industrial injuries and disabilities and as a result had very limited income.

The Landlord did attend the Hearing. At the Hearing the Landlord submitted that he had let four other similar two bedroom properties at £130 per week on the Abergeldie Estate. The Landlord was not prepared to advise which specific properties these were as he did not wish the information on other tenant's rents to become publicly available via the decision of the Committee.

The Landlord also submitted that he had spent money improving the Property since the last Committee decision on the rent of the Property. He provided the Committee with an invoice confirming that a total of £6,684.48 exclusive of VAT had been spent on the central heating system that had been installed in the Property. He also provided an invoice in relation to the repointing of the gable end of the cottage to the sum of £1,378.48 exclusive of VAT. The Landlord had pointed out that the lack of central heating and the crack in the gable wall had been highlighted by the previous Committee as having a detrimental effect on the level of rent achievable for the Property. The Tenant had openly confirmed during the inspection that the installation of the central heating had enhanced his comfort within the Property. The Landlord's submitted that the combined result of taking account of these improvements and the market rents achieved for other comparable properties meant that the figure of £120 per week that he sought was reasonable.

Mr Hepburn had carried out investigations into comparable properties for let within the area and highlighted to the Landlord a let at Clachanturn Farm, Crathie, Ballater. This was a detached farmhouse which had on the ground floor a porch, hall, lounge, study, dining kitchen, bathroom, shower room and a bedroom. On the first floor there were a further two

bedrooms, oil central heating, double glazing and a garden. This had achieved a rental at £130 per week. There was also the Grieves House at Mains of Abergeldie, Crathie, by Ballater which was also a detached dwellinghouse with on the ground floor a hall, lounge, sitting room/dining room and a fitted kitchen. There were three bedrooms, a bathroom with shower, oil central heating and parking spaces. Again this has been rented at £130 per week. It transpired that these were, in fact, other properties of the Landlord. The Committee noted and accepted that the rental levels for Clachanturn Farm and the Grieves House were higher. However both of these properties were larger and were detached and therefore a higher rental could be achieved for them. Whilst they did provide guidance to the Committee they were not a direct comparison.

The Committee considered all of the evidence relating to current market rents submitted by the Landlord and their own investigations and general knowledge of the rental market in the area. The Committee considered that the rent for a two bedroom, well decorated cottage in a remote setting in the Ballater/Braemar area with central heating and two public rooms in good general condition would be around £500 per calendar month. The Property, however, had poor parking areas, was quite some distance from facilities and had two bedrooms that because of the heavily combed ceilings were not particularly attractive. The Committee considered that for those reasons this particular Property would only attract £450 per calendar month in such "good" condition as described at the start of this paragraph. The Committee were of the view that this Property was, however, not in such good condition. When the Tenant's improvements were disregarded and the general dated condition of the kitchen, bathroom and windows were taken into account this would result in a further discount on the rent achievable. The previous Committee in its decision in 2008 had listed various items that reduced the rental achievable and the Committee were in agreement with the approach adopted in that decision. The Committee noted that a rental deduction of approximately £1,300 had been applied in the last decision. However, the Landlord had, since that last decision, carried out the works to the gable wall and had installed a central heating system. The Tenant had

acknowledged during the inspection that the heating system had made a big difference to the warmth of the Property. The Landlord was therefore entitled to expect that a smaller deduction would apply, given his recent capital investment in the Property. Accordingly the Committee were of the view that a deduction of only £600 per annum was now appropriate to reflect the particular condition of this property. When this further deduction was applied to the monthly rental this gave a current market rent of £400 per calendar month and an annual rent of £4,800.

The Committee confirmed that, in line with the Form AT2 lodged by the Landlord, the new rent of £4,800 per annum would take effect from 30 December 2010.

E Miller

Signed:

(Chairman)

Date:

24 / 9 / 2010