



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:

RAC/EH12/708

OBJECTION RECEIVED

18 August 2009

OBJECTION

Tenant

ADDRESS OF PREMISES

1F2, 28 Roseburn Street, Edinburgh, EH12 5PR

TENANT

Miss J Thompson

NAME AND ADDRESS OF LANDLORD

Lothian Homes Trust

AGENT

James Gibb
4 Atholl Place
Edinburgh
EH3 8HT

DESCRIPTION OF PREMISES

Traditional tenement flat comprising kitchen/living room, bedroom with boxroom off, bathroom and communal drying green.

Internal floor area is approx 44 sq. m.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN

SURVEYOR

HOUSING PANEL MEMBER

A McCamley BA LLB NP

D Marshall FRICS

J Blackwood

FAIR RENT

£ 3,900 p.a.

DATE OF DECISION

9 October 2009

EFFECTIVE DATE

9 October 2009

A McCamley

Chairman of Private Rented Housing Committee

16th October 2009

Date

STATEMENT OF REASONS PRIVATE RENTED HOUSING COMMITTEE

INSPECTION : 9th OCTOBER 2009

PROPERTY : 1F2, 28 Roseburn Street, Edinburgh

Introduction

1. The Committee comprised Mrs. Anne McCamley, Chairman, Mr. D. Marshall, Surveyor and Mr. J. Blackwood, Housing Member
2. The Landlords are the Lothian Homes Trust. The Tenant is Miss J Thompson. This reference to the Private Rented Housing Committee for the Determination of a fair rent under the Rent (Scotland) Act 1984 in respect of the first floor flat at 28 Roseburn Street, Edinburgh arises from dissatisfaction on the part of the Tenant
3. The original rent was £2,600.00 per annum. The Landlord applied for a rent of £3,950.00 per annum. The rent determined by the Rent Officer was £3,120.00 per annum.

Description of Property

4. On the morning of the 9th of October 2009 the Committee carried out an inspection of the property. The property is a first floor flat forming part of a traditional Edinburgh tenement building. There is a pleasant communal drying area to the rear. No services are provided by the Landlord. The stair has the benefit of a door entry system. The flat is located in an area close to the City Centre and near to shops, schools and public transport links. There are commercial and industrial units nearby but there are also new residential developments.

5. The flat comprises a kitchen/living room and bedroom with internal box room off it. The Tenant uses the bedroom as a sitting room and has a double bed in the box room. There is also a bathroom with a w.c., wash hand basin and bath. The property is a traditional 'room and kitchen' tenement flat.
6. The property does not appear to have been re-wired recently but the electrical system seemed adequate. The windows are the original sash and case style. There is no central heating system. All heating appliances are supplied by the Tenant. There are no kitchen units or appliances supplied by the Landlord. The Tenant has provided her own microwave and fridge. There are no laundry facilities provided by the Landlord. All furniture and floor coverings have been provided by the Tenant.
7. The Landlord was not represented at the inspection.
8. As neither party had requested a Hearing no Hearing took place.

The Decision

9. In terms of Section 48(1) of the 1984 Act, the duty of the Committee when determining what rent would be a fair rent under a regulated tenancy, is to "have regard to all the circumstances, (other than personal circumstances), and, in particular, to apply their knowledge and experience of current rents of other comparable property in the area, as well as having regard to the age, character and locality of the dwellinghouse in question and to its state of repair and if any furniture is provided for use under the tenancy to the quantity, quality and condition of the furniture". Disrepair or defects attributable to the Tenant should be disregarded as should any improvements made by the Tenant, otherwise than in pursuance of the terms of the tenancy. Improvements by the Landlord are taken into account. In reaching its determination, the Committee applied with its duty as set out above.

10. The Committee considered carefully all the evidence presented, together with the observations made by Committee Members at the internal and external inspection. In particular, the Committee considered carefully which of the three alternative methods of ascertaining a fair rent was most appropriate in this case. The three accepted methods used in Scotland are:-

- (a) determining a fair rent by having regard to registered rents of comparable houses in the area
- (b) taking market rents and then discounting any scarcity element and making
any appropriate disregard as required by Section 48(3) or
- (c) calculating the appropriate return based on the capital value of the property, taking into account the element of scarcity.

None of these methods is regarded as being the primary method, and the method chosen by the Committee will depend in each case upon the evidence available. In this case neither party produced any evidence as to capital values, market rents or registered rents of comparable properties.

Mindful of the observations by the Lord President in *Western Heritable Investment Company Limited v. Hunter* (2004) the Committee was aware of the need to proceed on the basis of the best available evidence using other available evidence as a check where possible. In this case, in the absence of any evidence from the parties, the Committee was obliged to rely on its own knowledge and experience of the rents passing and being asked in the local market. We did not have available to us any up to date evidence as to registered rents of comparable regulated tenancies. We proceeded to consider the case using the market rent less any discount for scarcity approach.

11. Using its knowledge and experience and having regard to other properties available for let in the area the Committee considered that a market rent for a double glazed and centrally heated unfurnished room and kitchen of the type and in the locality of the present property would be a minimum of £475.00 per month. We arrived at this figure after researching the up to date rentals achieved for this type of property through the newspapers, the internet and making enquiries with letting agencies. However, the subject property must be valued as having no central heating ,no kitchen , and no double glazing. The bathroom must also be valued as functional but not modern in style. We also noted floor coverings would require to be provided by the Landlord. We considered a total of £150.00 per month should be deducted from the open market figure to take account of these factors leaving a net figure of £325.00 per month.
12. We then proceed to consider whether any further deductions required to be made in terms of Section 48(2) (the factor commonly referred to as "scarcity") of the 1984 Act but the Committee was satisfied that in the area of Edinburgh as a whole there could not be said to be scarcity of similar properties to let at the present time. The Committee was satisfied that there is an equilibrium in the market at the moment.
13. Having taken all relevant factors into account, the Committee determined that a fair rent for the property is £3,900.00 per annum. In reaching this decision the Committee had regard to all documentary and other evidence and all the circumstances that required to be taken into account in terms of Section 48 of the Rent (Scotland) Act 1984.
14. It should be noted that any increase in rent imposed in consequence of this decision must be applied in accordance with the provisions of Section 33 of the Rent (Scotland) Act 1984 and The Limits on Rent Increases (Scotland)

Order 1989 No.2469(S.168). These provisions specify the limits for the phasing in of significant increases.

15. The effective date is the 9th of October 2009.

A McCamley

Chairman.