



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/EH16/732	15 February 2010	Landlord

ADDRESS OF PREMISES

71 Dalkeith Road, Edinburgh, EH16 5AL,

TENANT

Mr D Sinclair

NAME AND ADDRESS OF LANDLORD

University of Edinburgh

AGENT

James Gibb
Property Management
4 Atholl Place
Edinburgh
EH3 8HT

DESCRIPTION OF PREMISES

Detached cottage with front garden, 3 rooms, living/kitchen, store room, bathroom and WC

Gross internal floor area is approximately 56 square metres

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
SURVEYOR
HOUSING PANEL MEMBER

Mr R Handley LLB
Mr D Marshall FRICS
Mr J Blackwood

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£6000 p.a.	13 May 2010	13 May 2010

R Handley

Chairman of Private Rented Housing Committee

25 May 2010
Date



PRIVATE RENTED HOUSING COMMITTEE

STATEMENT OF REASONS

PROPERTY:

71 DALKEITH ROAD, EDINBURGH EH16 5AL



PRIVATE RENTED HOUSING COMMITTEE

HELD ON: 13 MAY 2010

PROPERTY: 71 DALKEITH ROAD, EDINBURGH EH16 5AL

STATEMENT OF REASONS

INTRODUCTION

This is a reference to the Private Rented Housing Panel for the determination of a fair rent under the Rent (Scotland) Act 1984 ("the Act") by the landlord, the University of Edinburgh, in relation to the property at 71 Dalkeith Road, Edinburgh ("the dwellinghouse"). The tenant is Mr D Sinclair. The original rent paid by the tenant was £4,000 per annum. The proposed rent was £8,400 per annum. The Rent Officer determined a rent of £6,000 per annum.

The tenant was present at the inspection but the landlord was not represented. Neither party had requested a Hearing and consequently no Hearing was held.

THE DOCUMENTATION

The Committee had before it the Rent Register documents and representations from the landlord and the tenant. The Committee also had a Statement of Reasons from a PRHP Committee which related to property at 130 Buccleuch Street, Edinburgh.

DESCRIPTION OF THE DWELLINGHOUSE

The dwellinghouse is a single storey, stone built property. There is a small garden area to the front and the tenant has access to a small yard and workshop immediately beside the dwellinghouse. He is able to park his car in the yard. The dwellinghouse is located on a busy main road and in the grounds of the University of Edinburgh. A number of student residences are located nearby. The accommodation comprises a living room/ kitchen, three rooms, a bathroom and a separate WC. The dwellinghouse was built pre 1919 and does not have central heating or double glazing.

The floor space within the dwelling house measures about 56 square metres.

DECISIONS AND REASONS

Section 48 of the Act provides that:

(1) In determining for the purposes of this part of the Act what rent is or would be a fair rent under a regulated tenancy of a dwelling house, it shall be the duty of the rent officer or, as the case may be, of the Rent Assessment Committee (now the Private Rented Housing Panel), subject to the provisions of this section, to have regard to all the circumstances (other than personal circumstances), and in particular to apply their knowledge and experience of current rents of comparable property in the area, as well as having regard to the age, character and locality of the dwelling house 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.

(2) For the purposes of the determination it shall be assumed that the number of persons seeking to become tenants of similar dwelling houses in the locality on the terms (other than those relating to the rent) of the regulated tenancy is not substantially greater than the number of such dwelling houses in the locality which are available for letting on such terms.

In terms of section 48 of the Act, the Committee is required to fix a rent that is or would be a fair rent under a regulated tenancy.

In Scotland there are three accepted methods of determining a fair rent. These are:

- determining a fair rent by having regard to registered rents of comparables houses in the area;
- taking market rents and then discounting for any scarcity element and making any appropriate disregards as required by section 48(3);
- calculating the appropriate return, based on capital value of the property, taking into account the element of scarcity.

None of these methods is regarded as the primary method.

No evidence was produced in relation to capital values. The Committee decided it was therefore inappropriate to proceed on the basis of capital value.

As indicated, we had before us a Statement of Reasons which related to a property at 130 Buccleuch Street, Edinburgh. This property comprised three rooms with a kitchen and bathroom. The Committee in that case determined that the market rent for a double glazed and centrally, unfurnished three roomed flat would be at least £550 per month. However that Committee noted the deplorable state of repair of that property. Moreover there was no central heating, no double glazing and dampness was "seeping through the walls". That Committee

determined that a total of £285 per month should be deducted from the market rent.

Neither party provided details of any comparable properties but we considered that it was appropriate to compare open market rents and thereafter determine if it were necessary to make a deduction for scarcity and if it was appropriate to make any other deductions.

We had some difficulty in determining what the market rent would be for a property similar to the dwellinghouse. However from our own experience, knowledge and the information available on the internet and in local estate agents, we were of the opinion that a property similar to the dwellinghouse and in the same area would achieve a market rent for around £600 per month ("the market rent"). There was no scarcity in relation to the properties similar to the dwellinghouse's locality. This was confirmed by the number of properties available to let in publications and in local estate agencies. Consequently we did not consider it was appropriate to make any deductions for scarcity from the market rent.

However we considered that a deduction from the market rent should be made to take account of a number of factors.

Thus:

Market rent (per month)		£600
Less allowance*	£100	<u>£500</u>

*Although the dwellinghouse is in close proximity to the city centre and public transport, shops and leisure facilities are nearby, it is on a busy main road and is located in close proximity to student residences. The rooms in the dwellinghouse are small and the layout is one which many prospective tenants might find unappealing. There is no proper kitchen and no central heating. There is some evidence of dampness within the dwellinghouse. We considered that it was appropriate to make a deduction to take account of these factors and concluded that a fair rent for the dwellinghouse would be £6000 per year.

R Handley

..... Chairman

..... 26 May 2010 Date