

RENT ASSESSMENT PANEL FOR SCOTLAND

RENT (SCOTLAND) ACT 1984

NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE

REFERENCE NO.	OBJECTION RECEIVED	OBJECTION
RAC/AB34/410	12 January 2006	Tenant

ADDRESS OF PREMISES

3 Wester Coull, Tarland, Aboyne, Aberdeenshire, AB34 4YS

TENANT

Miss IM Reid

NAME AND ADDRESS OF LANDLORD

Wester Coull Estate

AGENT

Mr R Leslie-Melville
Land Management (Scotland) Ltd
Auchmacoy Estate Office
Auchmacoy
AB41 8RB

DESCRIPTION OF PREMISES

Semi detached two storey villa in remote location circa 1930's with single glazing, no fixed heating, front garden and parking area to rear comprising on ground floor one room and kitchen. Upper floor comprises two rooms and bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN

Miss C Cooper LLB NP

PROFESSIONAL MEMBER

Mr C Hepburn ARICS

LAY MEMBER

Mr A McKay

FAIR RENT

£2,250.00 per annum

DATE OF DECISION

1 March 2006

**EFFECTIVE
DATE**

1 March 2006

C Cooper

Chairman of the Rent Assessment Committee

.....
2/3/06
Date

Statement of Reasons

Rent Assessment Committee 1st March 2006

3 Wester Coull, Tarland, Aboyne AB34 4YS

Registration No. R0004307

Reference No. RAC/AB34/4YS

This is a reference to the Rent Assessment Committee under the provisions of the Rent (Scotland) Act 1984 (“the 1984 Act”), following an objection by the tenant, Miss I. M. Reid. The landlord is Wester Coull Estate.

This is a first registration of rent, an application for registration having been made by the landlord seeking a rent of £3,300 per annum. The Rent Officer registered a rent of £2,520 per annum. The Rent Assessment Committee received notification of the objection by the tenant by letter dated 10th January 2006.

The Committee inspected the property on 1st March 2006. No Hearing took place. The tenant was present at the inspection, but no representative of landlord was present.

Property Description

The subjects comprise a SEMI DETACHED TWO STOREY VILLA, probably built in the 1930's. The building is of solid brickwork construction, cement rendered externally while internally lined with plaster. The property has a pitched roof, clad with asbestos tiles with mixed concrete and suspended timber ground floors.

The accommodation comprised:-

On the ground floor Lounge and Kitchen; with Bathroom on the mezzanine level; and two Bedrooms at first floor level.

Garden ground was located to the front and rear.

Tenant's Written Submission

The tenant's letter received by the Committee on 10th January 2006 along with written representations by the tenant dated 23rd January 2006 were considered by the Committee.

The tenant indicated that whilst she had been a tenant for a period of 20 years, only one repair had been carried out by the landlords during that period, which involved the replacement of the chimney can following a fire.

The tenant referred to problems with the sewage drain, which periodically blocked and despite informing the landlords' agents of the blockage, no work was carried out and she was forced to dig and clear the drain personally.

The tenant did not provide any comparable rentals for consideration by the Committee indicating that she had been unable to find a similar property by way of comparison, following her inspection of the Rent Register. She referred, however, to a neighbouring tenant whose previous rental had been comparable to that paid by her prior to the application for registration, but whose rental had been increased by only £300 per annum. The tenant stated that the said property comprised a three bedroom property. She did not specify the address of the property or any further detail.

The tenant referred to the adjoining property, which she stated had been better repaired and maintained, with insulation, secondary double-glazing, modernised kitchen, the addition of a porch at the back door and adequate electric points. She stated that when she highlighted the differences in this property to the landlord's agents she was advised that the said property secured a higher return by way of rental.

The tenant referred to the limited facilities of the area including bus service; location of the nearest bus stop (one-quarter mile away); and the local facilities. She indicated that Council waste collection involved wheeling the bin along a one-quarter mile track for collection.

The tenant indicated that whilst she acknowledged that the rental proposed was in line with local authority rents for similar accommodation, the property did not meet local authority standards. She felt she was disadvantaged (1) due to the fact that no consideration was given to the fact that the property was sub-standard when prioritising her position on the local housing application list and (2) in the level of Council Tax payable for the property, which although of similar accommodation to certain local authority houses, was in a much poorer state of repair.

She stated that whilst in a few years she may be entitled to housing benefit, this would be of little benefit to her due to the extremely high costs involved in keeping the property adequately heated and frost free.

Landlord's Written Submissions

The landlord stated that in his opinion the registered rent for the property could not justifiably be set at a level less than £250 per month. He cited by way of comparable rentals: -

Number 4 Wester Coull was leased on a short assured tenancy commencing 1st August 2005 at a rental of £275 per month. The landlord stated that this was a semi-detached property of identical size, layout, heating, glazing and level of insulation. The tenant was also responsible for the internal decoration and landlord for external repairs;

Ordie Croft was subject to a short assured tenancy commencing 1st May 2005 at a rental of £350. The property comprised a detached two bedroom property with electric heating and single glazing. It is located less than a mile from number 1 Wester Coull along a long track;

Ivy Cottage, was also subject to a short assured tenancy at a rental of £300 per month and comprised a small detached cottage of 1 bedroom. There are some electrical heaters and an open fire. The property was double glazed and located down an access track similar to that of 3 Wester Coull.

Given the above comparables, the landlord did not consider rent of £250 per month for 3 Wester Coull unreasonable and felt a higher rental could be justified.

The landlord stated the rental had been held at an extremely low level for many years, which he felt more than compensated for any small remedial works carried out by the tenant. Furthermore, the landlord stated that the tenant had in the past failed to report faults to the landlord, undertaking repairs personally.

Committee's Determination

The Committee noted the condition of the property on inspection. Generally the condition of the property was found to be poor. The tenant had installed the limited kitchen facilities. On commencement of the tenancy, the kitchen facilities comprised only a stone sink. The sole form of fixed heating in the property comprised a coal fire in the lounge, with a back boiler. The tenant had installed at her expense an immersion heater and new hot water tank. The availability of electric sockets was sparse, with only one double socket in each room, some of which looked to be in poor order and involved the extensive use of electric extension cables.

The windows were of metal casement design, which resulted in condensation and were in poor order, in particular the windowsills, which the tenant had cemented into place.

It was noted that the tenant had also replaced the exterior front door of the property.

The exterior down pipes and guttering were in poor order and the gutter above the front door was broken and dripping at the time of the inspection.

The Committee noted the remote location of the property along a quarter mile track and the limited facilities resulting from this location involving public transport and shopping facilities.

The Committee considered the tenant's written objections. The level of rental payable for Local Authority housing is not determined by the provisions of the 1984 Act and is not relevant to the Committee's determination. Similarly, the manner in which Council Tax is assessed is not relevant to the Committee in determining a fair rent, but a matter between the landlord/tenant and the appropriate local authority in seeking a re-assessment of the Council Tax band if felt appropriate.

The Committee under the terms of the 1984 Act is not allowed to consider the personal circumstances of the tenant and accordingly the effect the condition of the property has in prioritising the tenant's position on the housing application list is not relevant to the Committee's determination.

The Committee did, however, accept the implications of the high cost of heating the property with regard to rental return.

The Committee considered the landlord's representations and the open market rentals submitted by the landlord in support of the higher level of rental sought by him. Of the three properties specified clearly the nearest comparable was number 4 Wester Coull Cottage, leased at an open market rental of £275 per month. According to the landlord it is identical in size, layout, heating, glazing and level of insulation. This contradicted the tenant's submissions that the property was in a better state of repair and condition and had the addition of a porch, modernised kitchen, adequate heating points, secondary double-glazing and additional insulation.

From the exterior examination of the property by the Committee, the Committee noted that the property did include a porch. External examination also showed the external fabric to be in better condition than that of number 3 Wester Coull. The Committee were inclined to accept the tenant's submissions with regard to the internal condition of this property.

The Committee considered the various methods of determining a fair rent under the terms of the 1984 Act. No registered rents registered under the 1984 Act were found of comparable properties and the Committee therefore elected not to determine rental by this method.

Based on a return on capital, no submissions having been made by the parties regarding the capital value of the property, the Committee elected not to determine rental by way of capital return.

The Committee noted the landlord's submissions on open market rentals received for properties which he deemed similar to that of the subjects. In particular the Committee noted the open market rental of £275 per month for 4 Wester Coull. Bearing in mind that the Committee considered 4 Wester Coull to be in better order than number 3 Wester Coull, they felt an open market value nearer to £250 per month would be payable for 3 Wester Coull. This was supported by the Committee's own personal knowledge of the properties in the area and rents payable for similar properties.

The landlord made no submission regarding the demand for rental properties in the area or the time taken to secure tenants for the various properties leased by him. The Committee considered data available to them from Aberdeen Solicitors' Property Centre, which indicated that generally properties in the area let through the Aberdeen Solicitors' Property Centre were leasing within a matter of weeks. In the Committee's opinion the timescale for leasing properties evidenced a degree of scarcity in the area, which the Committee determined to be in the region of 25%.

Therefore assuming an open market rental of £250 per month, the Committee determined that the monthly rental subject to 25% scarcity should be set at £187.50, i.e. £2,250 per annum.

Accordingly, the Committee having regard to the requirements of Section 48(2) of the Rent (Scotland) Act 1984 determined a rental of £2,250 per annum with effect from 1st March 2006.

C Cooper

.....Chairman

27/3/06

.....Date