

RENT ASSESSMENT PANEL FOR SCOTLAND

RENT (SCOTLAND) ACT 1984

NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE

REFERENCE NO.	OBJECTION RECEIVED	OBJECTION
RAC/EH14/591	22 June 2007	Landlord

ADDRESS OF PREMISES

Whelpside Farmhouse, Glenbrook Road, Balerno, Midlothian, EH14 7JF

TENANT

Mr B McColl

NAME AND ADDRESS OF LANDLORD

Mr S Thomson, Cockburnhill House, Balerno, Midlothian, EH14 7JN

DESCRIPTION OF PREMISES

Detached two storey stone and slate built farmhouse circa 1850 on working farm with large garden to front and two outhouses. Ground level comprises living room, dining room one bedroom and kitchen. Upper level comprises three bedrooms and bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN	Mrs J Lea LLB MBA MSc
PROFESSIONAL MEMBER	Mrs S Hesp LLB(Hons) BA(Hons) MRICS
LAY MEMBER	Mr M Innes

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£6900.00 per annum	30 August 2007	30 August 2007

J Lea

Chairman of the Rent Assessment Committee

31/8/07

Date

RENT ASSESSMENT COMMITTEE

STATEMENT OF REASONS

Whelpside Farmhouse, Glenbrook Road, Balerno, Midlothian

Hearing and Inspection held on 30th August 2007

Introduction

This is a reference to the Independent Rent Assessment Committee under the provisions of Schedule 5 to the Rent (Scotland) Act 1984, following an objection by the landlord to the rent registered by the Rent Officer in respect of the property at Whelpside Farmhouse, Glenbrook Road, Balerno, Midlothian. The landlord is Mr S Thomson, Cockburnhill House, Balerno. The tenant is Mr B McColl.

The tenancy constitutes a regulated tenancy for the purposes of the Rent (Scotland) Act 1984. The Rent Officer fixed a rent of £6,000 per annum. The rent requested by the landlord is £7,080 per annum.

Inspection

The Committee carried out an inspection on 30th August 2007. The tenant Mr McColl and the landlord Mr Thomson were both present. The Committee noted that the property was a detached two storey stone and slate built farmhouse circa 1850 on a working farm with a large garden to the front and two outhouses. At ground floor level there is a living room, dining room, one bedroom and kitchen and on the upper floor there are three bedrooms and a bathroom. The rooms in the property are a good size and there are

pleasant views from the upper level. The kitchen is located in a stone built annex to the farmhouse adjacent to the two outhouses. The tenant has installed double glazing, central heating, a new kitchen, a new bathroom, new front and back doors and new flooring in the property. The property is in a good state of repair internally and externally. There is ample parking space to the rear of the property. There are fireplaces in the living rooms and the bedrooms. The property has 13amp wiring but the tenant advised it has not been rewired in the last 30 years. The property is in a rural location, on a working farm and is serviced by a septic tank.

Hearing

The hearing was held in the property immediately after the inspection. Mr Thomson pointed out that when the tenant took on the lease, the property was accepted as being in a good state of repair. In terms of the lease, the tenant is responsible for internal repairs and maintenance. Mr Thomson pointed out that the tenant had carried out a number of alterations and improvements to the property but had not asked for permission to do this. Mr Thomson, however, explained that his father who had previously been the landlord, had had no difficulty with this. Mr Thomson stated that the landlord kept the house in a wind and water tight condition and carried out any repairs when necessary. The property had been re-roofed in 1985. Mr Thomson indicated that the landlord would look at updating the wiring. Mr Thomson explained that he had appealed because he thought that the rent that the tenant was paying for the property was much less than that being paid by tenants in respect of similar properties in the locality. Mr Thomson advised the Committee that he had recently let a property at 2 Cockburnhill Cottages for a rent of

£590 per month which had two bedrooms, two living rooms, a modern kitchen and bathroom and double glazing and gas central heating. Mr Thomson, however, submitted that this property was semi-detached and in a less desirable location than the property under consideration. Mr Thomson advised that in 1992 the property at 2 Cockburnhill Cottages was let for £2,700 per annum. The rent presently paid of £590 per month was 2.62 times the 1992 rent and Mr Thomson suggested that the property under consideration should have its rent increased by a similar multiplier. Mr Thomson advised that the rent of the property under consideration was £3,000 per annum in 1992. Mr Thomson also referred the Committee to a property at Cockalorum, Glenbrook Road being a detached cottage with three bedrooms and central heating which was let at £635 per month. Mr Thomson also referred to some bungalows let by a neighbouring farmer at £620 per month. He also referred to Whelpside Cottage, next door, which is a small bungalow with four rooms, galley kitchen and bathroom and was being let at £525 per month. On the basis of this, Mr Thomson suggested that the rent for the property under consideration was too low.

Mr McColl advised that he just wanted a fair rent to be fixed. He indicated that he had no comment to make with regard to the rental properties referred to by the landlord. Mr McColl stated that he thought that there was a high demand for properties for let in this area. Mr Thomson indicated that it would be very easy to re-let the property under consideration as there is a very high demand for properties like this one and Balerno was a very popular area. Mr Thomson advised that when he had advertised 2 Cockburnhill Cottages for rent there had been numerous people interested. Mr Thomson stated that

there appeared to be no registered rents which were at all comparable with the property under consideration.

The Committee also had the following documents before them:

1. Form RR1 signed by the tenant and the landlord.
2. Letter from the landlord dated 15th June 2007.
3. Scottish Executive feedback form in connection with the property.
4. Representations from the tenant dated 23rd June 2007.
5. Letter from the landlord dated 5th July 2007.

Decision

The Committee took account of all the documentation before them and the submissions made by the parties at the hearing. There was no evidence before the Committee in connection with registered rents of comparable properties. The Committee did, however, have evidence provided by the landlord in connection with market rents for other properties in the locality. The evidence provided by the landlord in connection with the markets rents for the properties at 2 Cockburnhill Cottages, Cockalorum and Whelpside Cottage were not challenged by the tenant and are in line with the Committee's view of market rents in the area based on their own knowledge and experience.

The property under consideration is a large detached four bedroom house and the Committee consider that if it was fully modernised with central heating and double glazing, it would command a market rent of £750 per month. The Committee however,

have to consider the property as unmodernised with no central heating or double glazing or kitchen improvements because the Committee has to disregard any improvements to the property which were carried out by the tenant. The Committee accordingly consider that the market rent would require to be reduced by 15% to take account of this which would give a rent of £637.50 per month.

The Committee considered whether or not there was any scarcity of properties in the locality. Both the landlord and the tenant indicated that there is a high demand for properties such as the one under consideration and the landlord indicated that he had had no difficulty in letting other properties in the area. Given the unusual nature of this property and the high demand for properties in this area, the Committee considered that the market rent as adjusted above should be discounted by approaching 10% to take account of scarcity. This gives a fair rent of £6,900 per annum.

In making this determination, the Committee had regard to all the documentation provided and also the considerations required by Section 48 of the Rent (Scotland) Act 1984.

J Lea

.....Chairman

14/9/07

.....Date