

**RENT ASSESSMENT PANEL FOR SCOTLAND**

**HOUSING (SCOTLAND) ACT 1988 SECTION 25 (1)  
REGISTER OF RENTS DETERMINED UNDER  
STATUTORY ASSURED TENANCIES**

**REFERENCE NO.**  
RAC/EH3/A38

**APPLICATION RECEIVED**  
25 October 2006

**ADDRESS OF PREMISES**  
3F2, 50 Hamilton Place, Edinburgh, EH3 5AX

**TENANT**  
Mr D MacFarlane

**LANDLORD**  
Scotmid Property, Hillwood House, 2 Harvest Drive, Newbridge, EH28 8QJ

**RENTAL PERIOD**  
Monthly

**DATE TENANCY COMMENCED**  
28 October 1996

**DESCRIPTION OF PREMISES**

Top floor tenement flat circa 1890 with rear drying area at first floor level comprising entrance hall, living room/ kitchen, one double bedroom, bathroom and walk in storage.

**SERVICES PROVIDED**  
None

**COMMITTEE MEMBERS**

<b>CHAIRMAN</b>	Mr D O'Carroll LLB(Hons) Dip LP
<b>PROFESSIONAL MEMBER</b>	Mr D Marshall FRICS
<b>LAYMEMBER</b>	Ms L Nicholson

**PRESENT RENT** £ 415.00 p.c.m.

**RENT DETERMINED BY RAC** £ 465.00 p.c.m.

**DATE CONSIDERED**  
15 December 2006

**DATE DETERMINATION TAKES EFFECT**  
15 December 2006

**D O'Carroll**

Chairman of Rent Assessment Committee

15 December 2006  
Date

## RENT ASSESSMENT COMMITTEE

### **STATEMENT OF REASONS IN RESPECT OF AN APPLICATION BY DOUGLAS MacFARLANE UNDER SECTION 24 OF THE HOUSING (SCOTLAND) ACT 1988 FOR A DETERMINATION OF A RENT IN RESPECT OF 50 HAMILTON PLACE (3F2), EDINBURGH**

1. This is an application by Mr MacFarlane (the tenant) following a decision by his landlord to increase the rent payable for the subjects from £415 per month to £475 per month as of 28 November 2006. The landlord is the Scottish Midland Co-operative Society Ltd. The application to this Committee was done by way of application by the tenant on the form AT4, dated 24 October 2006. On 15 December 2006, the Committee inspected the subjects. Both parties attended the inspection. A hearing was held at the subjects following the inspection and both parties attended that hearing. The tenancy held by the tenant is a statutory assured tenancy. During the course of the hearing, the landlord's representative advised the Committee that an error had been made in calculation of the increased rent sought. The landlord sought only an increase to £465 per month. The Committee treated the application as being amended in that way.
2. The subjects are located in Stockbridge. That area is high amenity, has excellent transport links and is close to the centre of Edinburgh. Residential properties in this locality are generally sought after with corresponding high levels of market value and demand from tenants. The subjects comprise a purpose built, one-bedroom flat on the top floor of a traditional tenemental building constructed of stone around 1890. Externally the block appeared to be in good condition, although the Committee could not view the roof. There is a door entry system. The common stair is clean and tidy and well-lit.

3. Internally, the flat has a hall, combined living room/kitchen, two large walk-in storage cupboards, bathroom (with bath, WC and washhand basin) and one double bedroom. The flat is well-proportioned and all the rooms are of a good size. All windows are the original sash and case type and are single glazed. They are generally in reasonable condition. The kitchen is basic with a sink unit, food preparation area and microwave and fridge. There is no central heating. There is a gas fire in the livingroom/kitchen. There is a stand alone electric heater in the bedroom and a coal fireplace in the bedroom (which did not appear to be used by the tenant). Water is heated by an immersion heater. The flat is in good decorative order. The floor coverings, with the exception of the hall carpet, are provided by the landlord. There is a large drying area accessed from the common stair at first floor level. No services are provided with the rent. There is no off-street parking provided.
4. The task of the Committee is to set a rent for the flat, applying the statutory criteria contained in section 25 of the Housing (Scotland) Act 1988. In essence, the Committee is required to determine what is the market rent for the flat subject to the statutory constraints in section 25.
5. The Committee was considerably assisted by the written representations made by the landlord dated 13 November 2006 and those of the tenant dated 9 November 2006 as well as by the oral representations made by each at the hearing. In those representations, the landlord provided clear evidence that the going market rent for modernised one-bedroomed flats, identical or very similar to the subjects, located in the same or adjacent buildings, was £550 per month. The Committee accepted the landlord's evidence that the landlord had little difficulty in letting those flats at that level within the past six months or so. The Committee also accepted the landlord's evidence that rent reviews of such flats applicable to existing tenants had been carried out within that period with the same resultant

rent level. That figure was also consistent with the Committee's own knowledge and experience of rents for comparable properties in the area.

6. The tenant did not dispute this evidence. While in his written representations he claimed that one of his neighbours was paying a lower rent, it transpired during the hearing that he could not be sure of the rent presently being paid by this person. Moreover, it appeared that a different type of tenancy was involved. Accordingly, the Committee finds as a fact that the market rent for the subjects, had it been in a modernised condition, would have been £550 per month.
7. The landlord accepts that the flat is not modernised. That is, the flat does not have central heating, does not have a modern bathroom, does not have a modern kitchen and appliances and does not have modern floor coverings. Therefore, the landlord submits that the rent should be lower than the baseline figure of £550. The landlord submits that the appropriate deduction should be £75 per month. Although that would produce a figure of £475 per month, the landlord seeks to restrict the increase to £465.
8. The Committee agrees that £465 is a reasonable market rent for the subjects in their present condition. The Committee reached this conclusion by calculating the likely approximate cost of said improvements (applying its knowledge and experience in this area that sum is around £8,250) and then assuming that that cost would require a payback period of 10 years. Roughly speaking, that would equate to an increase of rent in the order of £825 per year or a little under £70 per month. Since that is significantly less than the £85 deduction applied in this case, it follows that the rent sought for the subjects in their present condition is well within a reasonable market rent range. There was no evidence led by the tenant to counter this view. Accordingly, the Committee approves a rent of £465 per month as sought by the landlord.

9. The increase in rent determined by the Committee represents an increase of £50 per month. The tenant appeared to be a man of modest means. The Committee considers that the increase fixed by the Committee is therefore likely to cause a certain amount of hardship to the tenant. For that reason, in terms of section 25(6) of the 1988 Act, the effective date of the increase in rent is the date of the decision of the Committee, being 15 December 2006.

**D O'Carroll**

**Derek O'Carroll, Advocate**  
**Chairman of the Rent Assessment Committee**  
**15 December 2006.**