



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/EH8/794	21 March 2011	Landlord

ADDRESS OF PREMISES

1F1, 13 Rankeillor Street, Edinburgh, EH8 9JA

TENANT

Mrs Hogarth

NAME AND ADDRESS OF LANDLORD

University of Edinburgh

AGENT

James Gibb
4 Atholl Place
Edinburgh
EH3 8HT

DESCRIPTION OF PREMISES

First floor flat in pre-1919 traditional tenement building, comprising 3 rooms, kitchen-diner and bathroom. Modernised.

The gross internal floor area is 110 sq. m.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
SURVEYOR
HOUSING PANEL MEMBER

A McCamley BA LLP NP
G Wooley MRICS
L Nicholson

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 6,700.00 p.a.	3 May 2011	3 May 2011

A McCamley

Chairman of Private Rented Housing Committee

3/5/11

Date

STATEMENT OF REASONS
PRIVATE RENTED HOUSING COMMITTEE

INSPECTION : 3rd MAY 2011

PROPERTY : 13 Rankeillor Street, Edinburgh

Introduction

1. The Committee comprised Mrs. Anne McCamley, Chairman, Mrs. G. Wooley, Surveyor and Mrs. L. Nicholson (Housing Member).
2. The Landlord is Edinburgh University. The Tenant is Mrs. J. Hogarth. This reference for a Determination of a fair rent under the Rent (Scotland) Act 1984 is in respect of a first floor flat at 13 Rankeillor Street, Edinburgh and arises from dissatisfaction on the part of the Landlord.
3. The previous rent was £3,900.00 per annum. The Landlord applied for a rental figure of £6,000.00 per annum. The rent determined by the Rent Officer was £4,680.00 per annum.

Inspection

4. The property was inspected by the Committee on the morning of the 3rd of May 2011 in the presence of the Tenant. The Landlord did not attend the inspection.
5. The flat is situated in the university area of Edinburgh. Rankeillor Street is a quiet residential street within walking distance of all amenities and close to the heart of the various faculties, research laboratories, lecture theatres and libraries of Edinburgh University. It is in the heart of a lively multi-cultural student district however maintains a peaceful residential character.
6. The reference property is on the first floor of a tenement block. There is an outdoor drying area.

7. The flat comprises a large sitting room, two generous double bedrooms one of which has a single room off it. There is a newly refurbished shower room and extensive useful storage space. The sash and case windows have been carefully renovated and retain their original specifications.
8. Neither party requested a Hearing.

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. 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 or market rents. No evidence was provided of registered rents which could have been used as comparables.

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 for rent in the area the Committee considered that a market rent for a large unfurnished two and a half bedded flat with extensive storage, large sitting room, kitchen and renovated shower room would be around £7,200.00 per annum. We arrived at this figure after researching the rental market through newspaper advertisements, the internet and having made enquiries with letting agents. To achieve this rental the reference property would require to be brought up to a slightly higher standard than that at which it is currently let. We took the view the kitchen required to be fitted and the central heating system replaced and extended. Having regard to the foregoing matters we felt that a deduction of 7% in the annual rent would be appropriate. Thus we felt the annual figure should decrease to £6,700.00 per annum and we determined this as a fair rent.

12. We then proceeded 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 £6,700.00 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. The effective date is the 3rd of May 2011.

A McCamley

Chairman panel.