



PRIVATE RENTED HOUSING PANEL

HOUSING (SCOTLAND) ACT 1988 SECTION 25(1)

Register Of Rents Determined Under Statutory Assured Tenancies

REFERENCE NO. RAC/IV63/A51	APPLICATION RECEIVED 30 April 2008
ADDRESS OF PREMISES Bunloinn, Glenmoriston, Inverness-shire, IV63 7YN	
TENANT Mr C Bennett	
NAME AND ADDRESS OF LANDLORD Abbey Commercial Investments Ltd	AGENT Gillespie MacAndrew 5 Atholl Crescent Edinburgh EH3 8EJ
RENTAL PERIOD Yearly	DATE TENANCY COMMENCED 1 November 1999
DESCRIPTION OF PREMISES 2 storey detached dwellinghouse built C.1880 comprising entrance hall, 3 bedrooms, living room, kitchen and bathroom.	
SERVICES PROVIDED None	
COMMITTEE MEMBERS	
CHAIRMAN SURVEYOR HOUSING MEMBER	Ron Handley Robert Buchan Andy McKay
PRESENT RENT	£546.76 per quarter
PROPOSED RENT	£1,200.00 per quarter
RENT DETERMINED	£675.00 per quarter
DATE CONSIDERED 30 October 2008	DATE DETERMINATION TAKES EFFECT 1 May 2008

..... **R Handley**

Chairman of Private Rented Housing Committee

..... 17/11/2008

Date

PRIVATE RENTED HOUSING COMMITTEE

HELD ON: 30 OCTOBER 2008

PROPERTY: BUNLOINN, GLENMORISTON, INVERNESS-SHIRE, IV63 7YN

STATEMENT OF REASONS

Introduction

This is an application by Mr C Bennett (the Tenant) to the Private Rented Housing Panel for the determination of a rent under the Housing (Scotland) Act 1988 ("the Act"). The Landlord is Abbey Commercial Investments Ltd. The original rent paid by Mr Bennett was £546.76 per quarter. The rent applied for was £1,200 per quarter.

A Hearing was held immediately after the inspection.

The Documentation

The Committee had the following documents before it: Form AT4, Form AT2, details regarding the Tenancy, the Landlord's representations and the Tenant's representation.

The Inspection

Mr Handley, Chairman of the Committee, introduced the Committee to Mr Bennett who was present at the inspection as was Mr J MacFie on behalf of the Landlord. Both Mr Bennett and Mr MacFie attended the Hearing held in the Property immediately after the inspection.

The Property

The Property is a two storey detached dwellinghouse traditionally built circa 1880 and comprises an entrance hall (with a stair leading to a landing), three bedrooms, a living-room, a kitchen and a bathroom. Access is via a shared track.

The external walls are roughcast and the roof is slated. The windows were replaced in or around 1990.

There is a largely undefined and informal garden area surrounding the dwellinghouse. The tenant has the use of various outbuildings. There is no central heating (although Mr Bennett has provided night storage heaters). The electrical wiring system is dated.

The entrance hall

A front door leads to a hall way off which is the living-room, kitchen and bathroom. A stairway leads to the first floor.

The kitchen

The kitchen contains storage units, a sink, a cooker and a Raeburn stove. The kitchen has two windows. Mr Bennett advised the Committee that the Raeburn stove was not functional. A small pantry is situated off the kitchen to the rear of the Property.

The living room

The living-room is off the hallway, has two windows and is heated by a coal fire. Mr Bennett advised the Committee that on occasions rain water comes down the chimney.

The bathroom

The bathroom is off the hall and contains a bath, WC and wash hand basin. The bath and the wash hand basin have been supplied by Mr Bennett.

The main bedroom

A double bedroom is off the landing and has two windows.

Bedroom (2)

The second bedroom is also off the landing and has two windows.

Bedroom (3)

The third bedroom is off the landing. Mr Bennett described the room as a "box room" but the Committee considered that its dimensions were such that it could be used as a bedroom.

Outside

The Committee noted that the Property was surrounded by a garden area which did not appear to be well maintained.

The water supply is private and pumped directly from a nearby river without filtration.

The drainage is private, to what the committee was advised is a septic tank located beyond the garden area in what appeared to be a poorly drained area. The tank was not inspected.

The access track is in relatively poor condition and can only be negotiated with care. It was clear that it would be unusable at times during the winter.

The Hearing

As indicated, Mr Bennett and Mr MacFie attended the Hearing. The Committee asked Mr Bennett if he had any submissions to make. He referred the Committee to his Written Submissions and told the Committee of the difficulties he had experienced with the supply of water to the Property. He referred the Committee to the report from T D Lynn (Environmental Health, the Highland Council) dated 18th June 2008 advising that the water supply had been tested and found to be at risk from bacteriological contamination. The report advised that the water was not suitable for

drinking (without being boiled). Mr Bennett advised that there were times throughout the year when no water was available for a variety of reasons. On such occasions he had to carry water from the nearby river. He suggested that the water system was wholly inadequate. Mr Bennett also advised that there were occasions when the septic tank filled up quickly and did not function properly. Consequently he had to use the bath, washing machine and toilets in a manner which ensured that the septic tank did not overflow. Mr Bennett also advised the Committee of the difficulties he had experienced with the Raeburn stove in the kitchen, with the windows and problems with the hot water system.

Mr MacFie reminded the Committee that Mr Bennett had the use of various outbuildings. He referred the Committee to the terms of the lease and reminded the Committee of the obligations incumbent on Mr Bennett including the responsibility for all external decoration. He accepted that the system for the supply of water was inadequate. He advised the Committee that there had been times when it had been difficult for the Landlord to communicate with Mr Bennett. In relation to the issue of an appropriate rent for the Property, Mr MacFie was unable to comment on the comparables produced by Mr Bennett. He drew the Committee's attention to a two apartment house at South Laggan. The rent of this dwellinghouse (determined by the Rent Assessment Committee in March 2006) was £3,600 per annum. He suggested that the Property was larger than this comparable and consequently a rental of less than £300 per month would not be appropriate.

Decisions and Reasons

In determining a rent the Committee took full account of the documents previously referred to.

The Committee concluded that the Property had significant drainage problems and a wholly inadequate system for the supply of water. The roof appeared to be in reasonable condition. The electrical system was dated.

The Committee had some difficulty in deciding what a reasonable open market rent for a similar dwellinghouse in this area would be (in terms of section 25 of the Act). The Property is located in an isolated area. The nearest neighbour is some miles away and schools, hospitals, shops and churches are all located significant distances from the Property. This is an area of low population density and accordingly there is a low level of market activity. Indeed, there are few property sales or lets anywhere in the surrounding area at any one time.

The Written Submissions from the Tenant made reference to a two bed roomed cottage at Torgyle Bridge. There was little information about the size, age or condition of this property. It was not stated if this cottage was centrally heated. The Committee had no way of knowing how the rent for this cottage had been determined. The Committee concluded that it was of limited value as a comparable.

The comparable at South Laggan referred to by Mr Macfie was known to two members of The Committee. It was known to be in much better condition than Bunloinn as well as being in a small community with much easier access to services.

There is no single or preferred method for the fixing of a market rent. While various methods are used to reach a final figure, it is for the Committee to determine the best method to fix the market rent based on the evidence before it.

The Committee had before it details of a three bed roomed detached cottage in Strachur. This dwellinghouse is available to let at £650 per month. Whilst the Committee was unable to inspect this dwellinghouse, it appeared to the Committee that this property was situated near the village of Strachur which had a shop, a public house and a church. It had electric central heating and appeared to be in a reasonable state of repair.

The Committee also had details of a three bed roomed mid terraced dwellinghouse at Roy Bridge. This dwellinghouse was leased on a fully furnished basis and was a new property having been recently completed. It too had central heating. It appeared that it was close to the village of Roy Bridge (which has a school and a shop) and had recently let at £650 per month.

The Committee also had details of a three bed roomed detached cottage in Invermoriston. This dwelling was leased on a fully furnished basis and benefited from a conservatory, double glazing, modern kitchen and bathroom and electric heating. This had let recently at £600 per month. Invermoriston is at the bottom of the Glen and has a Post Office and shop.

The Committee was of the view that these were good comparables to enable a rental value to be assessed.

Having regard to all the circumstances (including those required to be taken into account in terms of section 25 of the Act), and applying its own knowledge and experience and having considered the information contained in the publications from local estate agents, the Committee decided that the rent which would reasonably be expected for the Property in the open market would be £600 per month.

However the Committee considered that a number of deductions should be made to take account of various factors.

Thus:

Market rent (per month)		£600
Less allowance *	£100	
Less allowance**	£125	
Less allowance***	£75	
Less allowance ****	£50	
Less allowance*****	£25	
		<u>£375</u>
		<u>£225</u>

The Committee determined a rent of £675 per quarter.

* The Committee recognised the Property was in an isolated location where there was a lack of local amenities, schools and public transport. For these reasons combined with those below, it was unlikely that this dwelling house would appeal

to or would be suitable for those with a family and would generally limit the demand for the Property. The Committee considered it appropriate to make a deduction to take account of this.

** The Committee noted the terms of the Report from T D Lynn (Environmental Health, the Highland Council). As indicated, it is clear that the water supply was found to be at risk from bacteriological contamination. It was suggested in the Report that water should be boiled before drinking and if used for preparing food. It is not disputed that the water supply system is wholly inadequate and appropriate action requires to be taken without delay. The inadequacy of the water supply affects the quality of life of the Tenant. Consequently the Committee considered it appropriate to take account of this factor.

*** The system for waste disposal is also considered to be inadequate and also adversely impacts on the Tenant. The Committee made a deduction to reflect this.

**** The Committee considered that a dwelling house with central heating would be more desirable than one without central heating particularly in this location. Consequently the Committee considered it appropriate to take account of this factor.

***** The Committee considered that the general condition of the kitchen and the bathroom was such that it would be less desirable than a dwellinghouse which had a modern kitchen and bathroom. In addition the Tenant had provided the bath and wash hand basin. Consequently the Committee considered it appropriate to take account of this factor.

The Committee decided that the increase in rent should take effect from 1 May 2008, being the date indicated in the AT2 Form which had been served on the Tenant.

..... R Handley Chairman

..... (7/11/2008) Date