



PRIVATE RENTED HOUSING PANEL

HOUSING (SCOTLAND) ACT 1988 SECTION 25(1)

Register Of Rents Determined Under Statutory Assured Tenancies

REFERENCE NO.

RAC/G42/A74

APPLICATION RECEIVED

14 January 2011

ADDRESS OF PREMISES

0/1, 60 Fergus Drive, Glasgow, G20 6AW

TENANT

Mr A Campbell

NAME AND ADDRESS OF LANDLORD

Ms G McGonigal
1/R
47 Otago Street
Glasgow
G12 8PQ

AGENT

RENTAL PERIOD

Yearly

DATE TENANCY COMMENCED

unknown

DESCRIPTION OF PREMISES

Ground floor tenement flat within 4 storey buff sandstone tenement comprising living room, 2 bedrooms, kitchen, bathroom and hall. Gross floor area is approximately 66 sq. m.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
PROFESSIONAL MEMBER
LAYMEMBER

J Bauld LLB(Hons) DIP LP
G Campbell FRICS
C Harvey

PRESENT RENT

£ 4,000.00 per annum

RENT DETERMINED

£ 5,000.00 per annum

DATE CONSIDERED

28 February 2011

DATE DETERMINATION TAKES EFFECT

28 February 2011

J Bauld

Chairman of Private Rented Housing Committee

28 March 2011

Date

Determination by Private Rented Housing Committee

Statement of Reasons for Decision of the Private Rented Housing Committee

(Hereinafter referred to as "the Committee")

Under Section 24 of the Housing (Scotland) Act 1988

Case Reference Number: RAC/G20/A74

Re:- Property at Flat G/L, 60 Fergus Drive, Glasgow, G20 6AW ("the property")

Introduction:-

1. This is a reference to the Private Rented Housing Committee in respect of the property at Flat G/L, 60 Fergus Drive, Glasgow, G20 6AW. The landlord is Ms Gabrielle McGonigal who resides at Flat 1/R, 57 Otago Street, Glasgow, G12 8PQ. The tenant is Mr Andrew Campbell who resides at the property address. The tenancy is a Statutory Assured Tenancy under the Housing (Scotland) Act 1988 ("the Act").
2. On 19th July 2010, the landlord served a notice on the tenant under Section 24(1) of the Act indicating that she intended to increase the rent in respect of the property from £333 per calendar month to £400 per calendar month with effect from 28th January 2011. The tenant timeously objected to that proposed increase by referring the proposed increase to the Private Rented Housing Panel.
3. The matter was referred to a Private Rented Housing Committee and both parties were invited to make written representations. Both parties were also notified that an inspection and hearing would take place and were invited to attend the inspection and hearing. The inspection took place at the property on 28th March 2011. Both parties indicated they did not wish to attend a hearing and were happy to allow the Committee to rely upon the evidence gained at the inspection and from the various written representations which had been made.

Findings of Fact

4. The property is a ground floor flat in a 4 storey sandstone tenement building. The building is of traditional stone and slate construction and is understood to have been built in or around 1880. The flat itself consists of a living room, kitchen, bathroom, hall and 2 bedrooms, one double and one single. It has a total floor area of approximately 66 sq. m. The flat has exclusive use of a small garden to the front of the property and has shared use of a rear garden. Externally the building is consistent with its age and type of construction and is generally sound. The windows within the property are wooden framed, single glazed traditional sash and case windows. The property is situated in Fergus Drive which is in the North Kelvinside area of Glasgow. The general area has excellent local amenities including easy access to shops, schools and medical facilities. There are good public transport links. The area is very close to the west end of Glasgow and the University of Glasgow.
5. Internally the flat has many fine period features typical of its age but is generally in need of modernisation. The windows are single glazed and of traditional sash and case design. The kitchen units are in need of upgrading. The electrical wiring has been previously upgraded but is still dated and limited by modern standards.

6. The subjects are let unfurnished and the present tenant has occupied the property for almost 50 years. It was previously his parents' house and he now occupies the property on his own.
7. There is no central heating system within the property. Heating is obtained by means of various gas and electric fires throughout the property and by some electric storage heaters and some electric convector heaters. The property is in a reasonable state of decoration.

The Law

8. The Committee is bound to fix a market rent for the subjects by applying the terms of the Act and in particular Section 25. The Committee is required to determine the rent at which, subject to certain assumptions in the Act, the Committee considers that the subjects might reasonably be expected to achieve if they were let on the open market by a willing landlord under an assured tenancy. There is no single or preferred method for fixing the market rent. It is for the Committee to determine based on the evidence before it, the best method to fix the market rent.
9. The Committee accordingly considered a variety of properties which are available for let in the area and which are advertised on various property websites. In particular the Committee noted that on Lettingweb.com, there was a comparable sized flat to rent in Fergus Drive which was advertised at a rate of £575 per calendar month. Another flat in Garioch Road in North Kelvinside was advertised at £600 per calendar month. Various other properties were available in the general area of the flat. The Committee took the view that the range of rents for 2 bedroom properties in similar tenements in the general area range from £475 per month to £600 per calendar month. The Committee noted that these rents were for properties which were fully modernised with modern double glazing, modern central heating, modern electrical goods and with modern kitchen and bathroom fittings. The Committee took the view that the appropriate market rent for such a 2 bedroom property would be £550 per calendar month taking into account the evidence obtained of the general properties available in the vicinity.
10. The Committee, however, took the view that the present property is not modernised and is not exactly comparable with the general rent which they believed would be achieved for a 2 bedroom flat in the area. The Committee took the view that the property required some work to bring it up to that standard. The work involved would be the replacement of the windows, the installation of a central heating system, the provision of appropriate electrical white goods, replacement of the current flooring and refurbishment work to the kitchen and bathroom. Assessing these matters as best as it could and using its knowledge and experience of these matters, the Committee estimated that such work might cost in the region of £18,000. The Committee took the view that the cost of these renovations could be written down over a period of years of between 10 and 15 years depending on the particular works. Accordingly the Committee took the view that the appropriate write down element of about £1,600 per annum should be applied to the general rent level which the Committee believed was the market rent.
11. Accordingly the Committee believed that market rent for this property would be £6,600 per annum from which they would deduct the figure of £1,600 per annum to reflect the renovation works which would be required. Accordingly the Committee determined that the market rent for this property would be £5,000 per annum or £416.66 per month.
12. The Committee determined that the rent would take effect from the date of the Committee's decision, namely 28th March 2011. This is because the Committee was satisfied that fixing the rent to apply from the date specified in the landlord's notice would cause undue hardship to the tenant. The tenant is presently unemployed, in receipt of benefits including housing benefits and is without any substantial means. Applying an earlier date would put him immediately in rent arrears which he would have substantial difficulty in paying.

13. Accordingly the Committee determined that the market rent for this property should be £5,000 per annum with effect from 28th March 2011.
14. The decision of the Committee was unanimous.

J Bauld

Signed ...

Date 26 April 2011

James Bauld, Chairperson

Signature of Witness **R Johnston**

Date... 26 April 2011

Name, address and occupation of the witness (please print):-

RUTH JOHNSTON
SOLICITOR
7 West George Street
Glasgow, G2 1BA