



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/KA9/600	12 September 2007	Landlord

ADDRESS OF PREMISES

26 Sherwood Road, Prestwick, KA9 1EY

TENANT

Mrs L Laytham

NAME AND ADDRESS OF LANDLORD

Buchanan Heritable Ltd
187a Stonelaw Road
Glasgow
G73 3PD

AGENT

Hacking & Paterson
1 Newton Terrace
Glasgow
G3 7PL

DESCRIPTION OF PREMISES

Lower villa house circa 1950 with gas central heating and gardens to front and rear comprising living room, two bedrooms, kitchen and bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
PROFFFESSIONAL MEMBER
LAYMEMBER

Mrs J Taylor LLB Dip LP NP
Mr G Campbell FRICS
Mr T Keenan

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 2880.00 p.a.	29 November 2007	29 November 2007

J Taylor

Chairman of Private Rented Housing Committee

10/12/07

Date

STATEMENT OF REASONS

in connection with

INSPECTION HELD ON 27th November 2007

of the properties

26 and 30 Sherwood Road, Prestwick, KA9 1EY.

1. THE PARTIES

The landlord of both properties is Buchanan Heritable Limited, 187A Stonelaw Road, Glasgow and they are represented by Hacking & Paterson, 1 Newton Terrace, Glasgow, G3 7PL. The tenant of 26 Sherwood Road, Prestwick (hereinafter referred to as 'Number 26') is Mrs L Laytham and the tenant of 30 Sherwood Road, Prestwick (hereinafter referred to as 'Number 30') is Miss E Reid.

2. BACK GROUND

Mrs Laytham became tenant of Number 26 in 1977 and Miss Reid became the tenant of Number 30 in 1983. However both Mrs Laytham and Miss Reid have resided in their respective properties all of their lives as their parents were the original tenants of the properties. The tenancies are therefore regulated tenancies.

The current rent of both properties is £2236 per annum (£186.33 per week). The landlords applied for the rents to be increased to £3465.80 per annum (£288.82 per week). The Rent Officer registered rents of £2636 per annum (£219.67 per week) with effect from 3rd September 2007. The Landlords referred the determinations to the Private Rented Housing Panel (hereinafter referred to as 'PRHP').

3. THE INSPECTION

The committee inspected the properties. The properties are largely identical. They are situated adjacent to each other and are separated by a communal driveway. They are both lower villa houses, which were originally built for the Coal Board pre war. The accommodation comprises living room, two bedrooms, kitchen and bathroom.

Whilst the kitchens in both properties are approximately the same size the kitchen of Number 30 appears larger than the kitchen of Number 26 as the integral store cupboard has been opened up and incorporated into the kitchen area.

Central Heating has been installed in both properties with the benefit of Scottish Executive grants made available to the tenants.

The windows in both properties are original case and sash windows. It was noted that the windows require painting, general overhaul and maintenance.

There is garden ground at both the front and rear of the properties.

The properties are located close to the local schools and they are conveniently located for public transport and local services.

4. THE HEARING

The hearing was carried out in Number 30 immediately following the inspections.

Mrs Laytham and Miss Reid were present at the hearing. Neither the landlords nor their agents attended the hearing.

Miss Reid advised the committee that she had recently received a letter from Hacking and Paterson advising that her rent was being increased to £2636 with effect from 28th October 2007. Mrs Laytham advised that she had not received such a letter. The clerk telephoned Hacking and Paterson and they confirmed that they required the PRHP to continue with their determination, notwithstanding the terms of their letter to Miss Reid.

Miss Reid and Mrs Laytham advised the panel that they did not have knowledge of the rents of any other properties in the area or of the estimated capital value of the properties.

The committee advised them that they had found details of properties being advertised for rent in Prestwick as follows:-

Address	Accommodation	Rent
3, Boydfield, Prestwick	One bedroom, living room, kitchen and bathroom. Furnished	£380 per month
Ladykirk Road, Prestwick	One bedroom, living room, kitchen and bathroom. Gas Central Heating and double glazing. Furnished	£375 per month
Midton Road, Prestwick	Two bedrooms, living room, kitchen and bathroom. Furnished	£450 per month

Miss Reid and Mrs Laytham advised the committee that they did not know these properties. However they considered these properties to be located in slightly better areas than Sherwood Road.

The committee asked both parties whether they considered there was scarcity of supply of rented properties in the area in relation to the demand for these properties. They advised that they thought there was some scarcity of supply as they did not think that there were many properties available to rent in the area

5. WRITTEN DOCUMENTS SUBMITTED BY THE PARTIES

The committee had the following documents before them:-

- The form RR1, completed by the landlord.
- Letter from Hacking and Paterson to the Rent Registration Service dated 7th September 2007 explaining that 'the amounts registered do not take into account recent changes in the rental market, particularly with respect to scarcity. Consequently they wish to object to the decisions and refer the matter to the Rent Assessment Committee.'

6. THE DECISION

The committee considered the submissions of Miss Reid and Mrs Laytham and the documents submitted.

The committee were mindful of the terms of section 48(1) of The Rent (Scotland) Act 1984, which requires the committee 'to have regard to all of the circumstances (other than personal circumstances) and in particular to apply their knowledge and experience of current rents of comparable property in the area, as well as having regard to the age, character and locality of the dwelling house in question and to its state of repair and, if any furniture is provided for use under the tenancy, and to the quantity, quality and condition of the furniture'. Also section 48(2) which requires them to 'assume that the number of persons seeking to become tenants of similar dwelling- houses in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of such dwelling- houses which are available to let on such terms.'

The committee carefully considered the most appropriate method of determining the fair rent of the property. The committee were also mindful of the observations of the Lord President in **Western Heritable Investment Co Ltd v Hunter (2004)** which requires the committee to proceed on the best available evidence and use the other evidence as a cross check where possible.

The committee had been unable to find evidence of other regulated rents in the area. They had found details of some capital valuations but as they did not have information on the size of these properties they did not find this

information to be of assistance. They had found evidence of the three flats advertised as available to lease in the area, as detailed above, and therefore considered that the evidence of these market rents was the best evidence available.

The committee acknowledged that there is no scarcity of supply of leased property in the Glasgow area. However they considered that there is some scarcity of supply of leased properties in the South Ayrshire area, which they reasonably assessed at 20%.

The committee acknowledged that the properties at Boydfield, Ladykirk and Midton Road (hereinafter referred to as 'the comparable properties') are renovated properties, they are differing sizes and are fully carpeted and supplied with furniture and white goods in the kitchen.

Therefore adjustments were required to reflect the different sizes of the comparable properties.

Also deductions were required for:-

- The fact that the comparable properties are located in slightly better areas.
- The fact that the comparable properties are modernised properties.
- The fact that the comparable properties have double glazing.
- The landlords of the comparable properties supply furniture and white goods.
- Scarcity at 20%

The committee, after considering the whole facts and applying their knowledge and experience decided that the fair rent for the properties is £ 2880 per annum.

In reaching this decision the committee have had regard to all the considerations required to be taken into account in terms of Section 48 of the Rent (Scotland) Act 1984.

This decision takes effect from the Twenty Ninth day of November Two thousand and seven.

... **J Taylor**

Chairperson, 10th December 2007