



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G20/646	26 June 2008	Landlord

ADDRESS OF PREMISES

1/1, 2 Mingarry Street, Glasgow, G20 8NT

TENANT

Mr W Peach

NAME AND ADDRESS OF LANDLORD

Mr ANGUS & Mrs Iris MacLean

AGENT

Hacking & Paterson
1 Newton Terrace
Glasgow
G3 7PL

DESCRIPTION OF PREMISES

First floor traditional tenement flat circa 1900 with gas central heating comprising four rooms, kitchen and bathroom

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
SURVEYOR
HOUSING PANEL MEMBER

Mrs J Docherty BL
Mr M Links FRICS
Mr C Harvey MA

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£5580.00 p.a.	1 September 2008	1 September 2008

J Docherty

Chairman of Private Rented Housing Committee

2. 17. 08.

Date

PRIVATE RENTED HOUSING PANEL OF MONDAY, 1ST SEPTEMBER 2008

STATEMENT OF REASONS

PROPERTIES

(First) First floor left-hand (1/1) house at 2 Mingarry Street, North Kelvinside, Glasgow, G20 8NT (hereinafter referred to as “the first flat”) and

(Second) Third floor right-hand (3/2) house at 2 Mingarry Street, North Kelvinside, Glasgow, G20 8NT (hereinafter referred to as “the second flat”)

INTRODUCTION

These are Applications to a Private Rented Housing Panel (“the Committee”) for the determination of fair rents for both flats under the Rent (Scotland) Act, 1984 (“the 1984 Act”)

The landlords of both flats are Mr. Angus and Mrs Iris Maclean whose Agents are Messrs. Hacking & Paterson, 1 Newton Terrace, Glasgow, G3 7PL.

The tenant of the first flat is Mr. W. G. Peach who with his wife, has lived in the first flat for about 40 years. The annual rent for the first flat was last registered on 23rd June 2005 at the figure of £3000. On 24th March 2008, the landlords applied to have this rent increased to £4500 per annum. On 2nd June 2008, the Rent Officer determined an annual fair rent of £3800 for the first flat with effect from 23rd June, 2008.

The tenant of the second flat is Mr. E. Tettey who has lived in the second flat for about 23 years. The annual rent for the second flat was last registered on 14th June 2005 at the figure of £2800. On 26th March 2008, the landlords applied to have this rent increased to £4500 per annum. On 2nd June 2008, the Rent Officer determined an annual fair rent of £3600 for the second flat with effect from 14th June 2008.

Both Applications have been made by the landlords.

INSPECTION

Both flats lie within the tenement 2 Mingarry Street, North Kelvinside, Glasgow G20 8NT (“the tenement”) which is a traditional four storey buff coloured tenement built probably in the early 1900s. The tenement appears to have been refurbished some time ago when the stonework was cleaned. The roof is tiled. There are eight houses in the tenement. The two ground floor houses have small front gardens. The path leading to the common close is uneven and sunken. There is a solid wooden security door on

the close. The close, stairs and landings are clean and well decorated. The common back green is accessed by a steep stairway entering from the half landing between the ground and first floors. The original wash house and cellars, which are situated in the basement at the back of the tenement, are now boarded up. The garden is attractively maintained and the bin area is tidy. Refuse collection is made via the lane at the back of the tenement. Mingarry Street is a quiet street which runs parallel to Queen Margaret Drive and is convenient for both shopping and transport. It lies near the Botanic Gardens and within walking distance of Byers Road. Parking is on street.

(First Flat) The Committee inspected this flat on the morning of 1st September 2008. The tenant and his wife were present throughout the inspection. The landlords did not attend.

The first flat lies on the left-hand side of the first floor landing of the tenement. The entrance vestibule to the flat has storm doors at the landing entrance and an inner door which gives access to a generous square hall. To the front of the flat, looking onto Mingarry Street, lie three rooms, two used by the tenants as bedrooms and the third as a sitting room. To the back, lie the kitchen, a dining room and the bathroom.

The first of these front bedrooms is a good sized double bedroom with two old wooden single glazed sash windows, a walk in cupboard and a shallow press. There is one central heating radiator.

The sitting room is a large bright room with a three window bay projection. The old sash windows are also wooden framed and single glazed. There is a deep cupboard and two radiators in the room.

The second of the front bedrooms is most unusual in so far as it leads off the sitting room with access through what would appear to be the door of a press. The tenants explained that this bedroom has always been part of the flat and described it as a historic conversion. It actually lies outwith the flat as originally constructed and within the layout of the adjoining flat. The internal wall which separates this bedroom from the sitting room is a thick division wall. Consequently, the room is virtually sound proofed from the rest of the flat. The room is a generous double bedroom with two similar windows fronting Mingarry Street and one radiator.

The kitchen is a large family kitchen with a recessed area and one similar window overlooking the back green. The gas combi boiler in the kitchen heats the radiators throughout the flat as well as the water. The sink and all other units within the kitchen have been fitted by the tenants.

The other room at the back of the flat is used by the tenants as their dining room but could comfortably be used as a double bedroom. It has one similar window and one radiator.

The bathroom has a three piece white suite. The tenants fitted the modern low cistern toilet and the shower in the bath. There is one similar window and a radiator.

The tenants advised that the property had been refurbished in the 1980s when the flat was rewired. There are sufficient modern sockets throughout the flat. The central

heating was installed about four years ago under the Scottish Executive Central Heating programme.

At the time of the inspection, the attractive flat was warm, comfortable and tastefully decorated and maintained.

(Second Flat) The Committee also inspected this flat on the morning of 1st September 2008 and the tenant, but not the landlords, attended throughout the inspection.

This flat lies on the right-hand side of the top floor landing of the tenement. There is an entrance vestibule in the flat which leads on to a good sized L-shaped hall. To the front of the flat lie a bedroom, the bathroom and the sitting room. To the back, lie the kitchen and a second bedroom.

The front double bedroom is a good size with two old wooden single glazed windows. There is a gas fire in this room which was fitted and is maintained by the tenant.

The bathroom has one similar window. The white toilet and basin are in adequate condition. A disabled shower has replaced the bath. At the time of the inspection, the tenant said he was waiting for some repair work to be completed to the shower.

The sitting room is a large room with a three window bay projection. The old windows are single glazed and wooden framed. The room is heated by a gas fire fitted and maintained by the tenant. There is considerable evidence of water penetration in this room and the ceiling is damaged and stained at the window and above the fireplace. The tenant advised that repair work to the roof had recently been carried out by the Factors and the problems with water appear to have been resolved.

The kitchen is a large dining/kitchen with a recess. The one window in the kitchen has been replaced by the landlords with a modern double glazed wooden framed window. There is an old gas fire in the kitchen installed by the landlords. There are no units at all in the kitchen other than the stainless steel sink unit.

The second bedroom lies at the back of the flat and has one similar modern replacement double glazed wooden framed window. The top pane of this window is cracked. The room comfortably accommodates a double bed. There is no heating in the room. The ceiling of this room has been fairly recently replastered. There are still signs of water damage and staining at the cornice of the ceiling above the site of the original fireplace.

The wiring in the house was updated at the time of the refurbishment in the 1980s and there are sufficient power sockets in the flat. The water is heated by an electric immerser installed by the landlords.

At the time of the inspection the poorly decorated flat was rather musty and cold.

HEARING

The tenant of the first flat had requested a Hearing. However, as neither the landlords nor the tenant of the second flat had indicated they wished to attend any Hearing, it was proposed that for convenience the Hearing should be conducted in the first flat. The tenant of this flat courteously agreed to this proposal.

The tenant confirmed he had sight of the documentation relating to the landlords' Application, namely

1. RRI Application for the first flat dated 24th March 2008
2. Landlords' objection letters dated 23rd June and 10th July 2008
3. Rent Register pages for the first flat.

The tenant and his wife, Mr. & Mrs Peach, advised the Committee that they had lived in the first flat throughout the forty years of their married life. They had always occupied the extended flat which included the additional bedroom leading off the sitting room. In the early days of their tenancy, the eight houses in the tenement were all tenanted. Now, six have been sold on but only two of those purchased are owner/occupied. The other four are let out to students. They were unable to advise the Committee of the level of rents being achieved for these flats. They were also unable to give firm rental figures for other flats in the neighbourhood where so many of the tenants are students. The tenants have had no trouble with the conduct of the students in the tenement.

The close and stairs are cleaned by a firm employed by the factors. There is no charge passed on to the tenants for this service.

The back green is maintained and stocked, without recompense, by the tenant who also provides the tubs and pots of flowers which enhance the area.

The tenants told the Committee that last year, they had been approached by the landlords enquiring if they would release the additional bedroom off their living room. It appears the landlords were selling the adjoining flat and would like to have reinstated this room to those premises. The tenants were not prepared to reduce the accommodation within their flat.

The tenants wished to attend a Hearing to voice their concerns at the proposed increase in the rent which they consider excessive and reminded the Committee that they were pensioners on fixed incomes.

The Committee explained to the tenants that the Committee's powers and duties were regulated by the terms of s.48 of the 1984 Act and in determining a fair rent for their flat, the Committee must have regard to the provisions of this Act. For clarification, the Committee read out the terms of this Section of the Act.

The tenants were thanked for allowing their flat to be used for the Hearing.

DETERMINATION

In terms of s. 48 (1) of the 1984 Act, the Committee's duties in determining a fair rent for a regulated tenancy is "to have regard to all the circumstances (other than the 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 and its state of repair....." Para (2) then provides that "For the purpose of the determination it shall be assumed that the number of persons seeking to become tenants of similar dwelling-houses in the locality ... is not substantially greater than the number of such houses in the locality which are available for letting..." This provision is often referred to as "the scarcity deduction".

The Committee has therefore to consider firstly, what is the market level of rents for comparable properties in the area and secondly, is a scarcity deduction to be made.

Neither the tenants nor the landlords had submitted details of any comparable rents for consideration by the Committee.

The Committee had identified from internet sources, local letting agencies and local newspapers a very great number of two and three bedroom flats to let in the West End of Glasgow. It had also looked at some recent Committee decisions of regulated tenancies of flats in the West End.

In the case of three bedroom flats, there was ample evidence that a modernised three bedroom flat in good condition with central heating and double glazing, furnished and with white goods could achieve a monthly rent of at least £700. From this rent, the Committee recognised that various deductions must be made in relation to the first flat. After careful consideration, the Committee agreed that from a monthly rent figure of £700, deductions should be made of £35 for the single glazing, £50 for the white goods and £50 for the furniture, fittings and carpets. In addition, the Committee also considered a further deduction of £30 should be allowed for the inconvenience of having a bedroom directly off a public room and £70 for the likelihood that many of the flats being advertised are in multiple occupancy. These deductions amount to £235 which leaves the monthly rent for the first flat at the sum of £465 or £5580 per annum.

The Committee carefully compared this figure of £5580 per annum for the first flat with two recent Committee decisions. These were flats in Chancellor Street and Meadow Street in the Partick area of Glasgow where in May 2008, rents of £5400 were determined for less commodious flats in noisier localities. The Committee agreed accordingly, that the higher rent of £5580 for the first flat was fully justified.

The Committee then considered the current market rents for two bedroom flats in the G20 area of Glasgow. Again, there was ample evidence that a modernised flat with central heating, double glazing, fully furnished and equipped could achieve a monthly rent of at least £560. Deductions of £160 for central heating (£30), partial double glazing (£30), white goods and furniture and carpets (£100) provide a net monthly rent of £400 or £4800 per annum.

The Committee then looked at the whole matter of scarcity and agreed that it is apparent that at present there are many properties for rent throughout Glasgow and the supply of these properties adequately meets the demand for same. Accordingly, at this time, a scarcity deduction from the market rent is inappropriate.

The Committee agreed that the fixed income of the tenants of the first flat are personal circumstances which cannot be considered in determining the rent of the flat.

In conclusion, the Committee determined that the fair rents for the properties are:-

<u>First flat,</u>	(1/1) 2 Mingarry Street	£5580 per annum
<u>Second flat,</u>	(3/2) 2 Mingarry Street	£4800 per annum

Both rents are effective from 1st September 2008.

In reaching this determination, the Committee has regard to all the circumstances of the 1984 Act.

Chairman **J Docherty**

Date 3. 18. 08