



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G42/653	15 September 2008	Landlord

ADDRESS OF PREMISES

2/1, 272 Allison Street, Glasgow, G42 8HD

TENANT

Mr S Cohen

NAME AND ADDRESS OF LANDLORD

Lanero Property Co Ltd.

AGENT

Hacking & Paterson
1 Newton Terrace
Glasgow
G3 7PL

DESCRIPTION OF PREMISES

Traditional Second floor tenement flat circa 1900 comprising two rooms, living kitchen and bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
SURVEYOR
HOUSING MEMBER

Mrs J Taylor LLB Dip LP NP
Mr G Campbell FRICS
Mr S Campbell

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 2840.00 p.a.	1 December 2008	1 December 2008

J Taylor

Chairman of Private Rented Housing Committee

1/12/08

Date

STATEMENT OF REASONS

in connection with

INSPECTION HELD on 1st December 2008

of the property

Flat 2/L, 272 Allison Street, Glasgow

1. THE PARTIES

The landlords are Lanero Property Co Limited and they are represented by Hacking and Paterson, 1 Newton Terrace, Glasgow, G3 7PL.

The tenant is Mr Stanley M Cohen. His tenancy, which commenced before 1957, is a registered tenancy in terms of the Rent (Scotland) Act 1984.

2. BACKGROUND

The current rent is £2600 per annum. The landlords applied for the rent to be increased to £4000. The Rent Officer registered a rent of £3050 per annum with effect from 24th September 2008. The Landlord referred the determination to the Private Rented Housing Panel ('PRHP').

3. THE INSPECTION

The committee inspected the property, which is a second floor unimproved flat in a four storey, traditional buff sandstone tenement.

The accommodation comprises two rooms, kitchen and bathroom.

The windows are the original sash and case windows. There is no central heating in the property. Hot water in the property is provided by an immersion heater, installed by the tenant.

The property is conveniently located for public transport and local services.

No services are provided.

4. THE HEARING

No hearing was requested.

5. THE DECISION

The committee had the following documents before them:-

- Written Representations from the tenant which states:- *'I was born in this house in September 1938 and this has been my only house. The house has not been upgraded and remains substantially the same since that date. No repairs have been carried out for many years and therefore the overall condition is regarded as very poor. I have not decorated for many years as I have been in poor health and accept that this is my responsibility. I believe that the rent increase requested is 'excessive' and that of the Rent Officer is 'fair' given the above. Unfurnished renovated and decorated 2 bedroom flat in the same area is advertised at £350 per month. I can find no comparison for my flat in its current condition.'*
- List of comparable rents, provided by the clerk:-

Address	Accommodation	Description	Effective date	Registered Rent
0/1, 67 Daisy Street, Glasgow	2 rooms, living kitchen and bathroom, Gas Central Heating.	Tenement flat	14 th February 2008	£3300
0/1, 12 Annette Street, Glasgow	Living room, box bedroom, dining kitchen and bathroom, Gas Central Heating.	Tenement flat	23 rd November 2007	£3300

The committee considered the documents provided. The committee had obtained details of other properties available to lease in the area, from newspaper advertisements and the internet. The rents of these properties ranged from £350 to £450 per month. These properties were improved properties, with central heating and double glazing and included appliances and floor coverings. The committee considered this evidence of market rents of properties in the area and decided that the market rent of a property comparable to 2/L, 272 Allison Street, Glasgow was £375 per month (£4500 per annum). They acknowledged that 2/L, 272 Allison Street,

Glasgow was in a poorer condition than these improved properties and therefore a reasonable deduction was required to reflect the differences. They considered that the cost of supplying flooring and appliances, installing full double glazing, replacing the bathroom and kitchen fittings and decorating the property would be in the region of approximately £9500. They considered that this capital expenditure would have a reasonable average life expectancy of 10 years which justified a reduction of £950 from the annual rent of the comparable market resulting in a net market rent of £3550, before any adjustment is made for scarcity.

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 are aware that the 'credit crunch' started almost a year ago and has had a significant effect on the market. They agreed that as a result of the 'credit crunch' scarcity has returned to the rental market. They referred to the recent PRHP decisions in relation to the properties 1/R, 7 Fairlie Park Drive, Glasgow, 2/1, 13 Willowbank Crescent, Glasgow and 2/2, 14 Somerville Drive Glasgow which stated that there is now scarcity of supply, and that a deduction of 20% from market rents was reasonable to reflect the current level of scarcity in Glasgow. The committee agreed with these decisions and this level of scarcity.

The committee considered that a deduction of 20% from the net market rent was required to reflect the element of scarcity now pertaining.

Therefore the committee decided that the fair rent for the property is £2840 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 First day of December Two thousand and eight.

J Taylor.....

Chairperson, 7th December 2008