



**PRIVATE RENTED HOUSING PANEL**

**RENT (SCOTLAND) ACT 1984**

**Notification Of Decision By The Private Rented Housing Committee**

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<b>REFERENCE NO:</b>	<b>OBJECTION RECEIVED</b>	<b>OBJECTION</b>
RAC/G12/662	14 November 2008	Landlord

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**ADDRESS OF PREMISES**

Basement, 168 Great George Street, Glasgow, G12 8AJ

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**TENANT**

Mrs H Berry

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**NAME AND ADDRESS OF LANDLORD**

Mr Angus & Mrs Iris Maclean

**AGENT**

Hacking & Paterson  
1 Newton Terrace  
Glasgow  
G3 7PL

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**DESCRIPTION OF PREMISES**

Traditional basement tenement flat circa 1900 with gas central heating comprising three rooms, kitchenette and dark bathroom.

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**SERVICES PROVIDED**

None

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**COMMITTEE MEMBERS**

**CHAIRMAN**  
**SURVEYOR**  
**HOUSING MEMBER**

Mrs J Taylor LLB Dip LP NP  
Mrs S Hesp LLB(Hons) BA(Hons) MRICS  
Mr C Harvey

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<b>FAIR RENT</b>	<b>DATE OF DECISION</b>	<b>EFFECTIVE DATE</b>
£ 3900.00 p.a.	29 January 2009	29 January 2009

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**J Taylor**

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Chairman of Private Rented Housing Committee

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Date

*8th February 2009*

## **STATEMENT OF REASONS**

*in connection with*

**INSPECTION HELD ON 29<sup>th</sup> January 2009**

*of the property*

*Basement Flat, 168 Great George Street, Glasgow*

### **1. THE PARTIES**

The landlords are Angus and Iris Maclean and they are represented by Hacking and Paterson, 1 Newton Terrace, Glasgow, G3 7PL.

The tenant is Mrs H Berry. Her tenancy commenced 32 years ago and it 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 £4400. The Rent Officer registered a rent of £3300 per annum with effect from 24<sup>th</sup> November 2008. The Landlord referred the determination to the Private Rented Housing Panel ('PRHP').

### **3. THE INSPECTION**

The committee inspected the property, which is a basement flat in a four storey, plus basement, traditional blonde sandstone tenement. The tenement has a tiled roof.

The accommodation comprises three rooms, kitchenette and internal dark bathroom. The kitchen and bathroom fittings had been supplied by the tenant.

The windows in the property are single pane, sash and case windows. Central heating had been installed in the property approximately six years ago. This had been funded by a grant the tenant had received from the Scottish Executive.

In December 2008 the landlords had renewed the damp proof course in the external walls of the property. The property had been redecorated by the landlords after the works had been completed. The tenant had contributed towards redecoration by supplying the wall paper.

The tenement was refurbished in the 1980's and a communal door entry system was installed at that time.

There is a communal area at the rear of the tenement and the bin storage area is located here. The property is located in the heart of the west end of Glasgow and is conveniently situated for public transport and local services.

No services are provided.

#### **4. THE HEARING**

No hearing had been requested by the parties.

#### **5. THE DECISION**

The committee had the following documents before them:-

- A copy of form RR1, the landlord's application for registration of the rent.
- Written Representations from the landlord's agents dated 20<sup>th</sup> November 2008, which state:-

*'As part of the Committee's consideration we would ask that they acknowledge that there is no scarcity of similar properties to let in Glasgow generally at the present time which has been acknowledged by many recent Committee decisions. With the absence of scarcity we believe that there is equilibrium in the market and that the fair rent in each case should be reflective of the present market rent for similar properties. In this respect we believe that a rent of at least £4000 for the basement flat and £4250 for the first floor flat should be registered to more accurately reflect the present market rent for properties of this condition in the area concerned.'*

- Written Representations from the landlords' agents dated 20<sup>th</sup> January 2009, which state:-

*'We still believe that there is no scarcity of properties to rent and believe that this can be evidenced by visiting the website of S1 Homes on the internet.*

*Our search for properties to rent in 'Glasgow West' produced 434 results, 98 of which were for unfurnished properties. We have attached the particulars of 4 flats taken from this website which range from a rent of £360 per calendar month for a one bedroom unfurnished tenement flat in Dumbarton Road, Whiteinch to £1050 per calendar month for a three bedroom unfurnished property in Havelock Street, Hillhead. Additionally, there is a one bedroom flat in Yorkhill Street for £410 per calendar month and a two bedroom flat in Crow Road at £625 per calendar month. We do not dispute that these properties, although unfurnished are 'improved' and therefore of a better standard than the properties which you are considering, however, we would suggest that the rents requested in each case more than reflects this in comparison to the rents requested for 168 Great George Street.*

We have also enclosed particulars downloaded from Clyde Property website for a two bedroom flat in Crow Road, unfurnished at £550 per calendar month and a two bedroom flat in Whittingham Drive, Jordanhill, also unfurnished at £575 per calendar month. Clyde Lettings West End office presently has 51 properties to let on their books.'

- List of comparable rents, provided by the clerk:-

Address	Accommodation	Description	Effective date	Registered Rent
2/2, 689 Great Western Road, Glasgow	5 rooms, kitchen and bathroom	Traditional Tenement Flat C 1900	5 <sup>th</sup> September 2008	£3105
2/1, 13 Willowbank Street, Glasgow	3 rooms, kitchen and dark bathroom	Traditional Tenement Flat C 1900	12 <sup>th</sup> November 2008	£3600

The committee considered the documents provided. 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 landlords' written submission dated 20<sup>th</sup> November 2008 to the effect there is no evidence of scarcity in the rental market. The committee also considered the terms of the Landlords letter dated 20<sup>th</sup> January 2009 which detailed the large number of properties available to rent in Glasgow, as stated. The committee acknowledged the level of advertised flats available to rent, but considered that this is inconclusive evidence of an absence of scarcity of properties to rent in Glasgow as no evidence was provided as to the level of demand for rented properties.

They agreed that as a result of the current '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 the evidence of market rents provided by the landlords' agents to the effect that the rents of improved two bed room flats in the Glasgow west area range from £625 to £550 per month. The committee had obtained evidence of two bedroom properties available to rent through the GSPC which ranged from £650 for a two bed room flat in Hyndland to £500 for a two bedroom flat in Whiteinch. The committee recognised that these properties are improved properties, with modern bathrooms and kitchens, central heating, double glazing and that appliances and floor coverings will be provided by the landlords.

From this market evidence they considered that the market rent of an improved two bedroom property in the same location as 168 Great George Street, Glasgow was £525 per month.

The committee acknowledged that an adjustment was required to reflect the fact that the property under consideration, the basement flat 168 Great George Street, Glasgow, is unimproved, with no modern bathroom or kitchen fittings, and no appliances or floor coverings supplied by the landlords. The committee recognised that the central heating in the property had been installed with the benefit of a grant secured by the tenant. However, as the landlords are responsible for the maintenance of the central heating system the rent is assessed on the basis that the property has the benefit of central heating.

Therefore the committee determined that a deduction of £119 per month was reasonable to reflect these differences and further deduction for the scarcity pertaining at 20% (£80 per month) was necessary.

After consideration of all these factors the committee decided that the fair rent for the property was £325 per month (£3900 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 January Two thousand and nine.

**J Taylor** .....

Chairperson, 8th February 2009