



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G11/605	18 October 2007	Landlord

ADDRESS OF PREMISES

1/R, 51 Rose Street, Glasgow, G3 6SF

TENANT

Mrs M Kirkwood

NAME AND ADDRESS OF LANDLORD

Mr & Mrs D Mustarde

AGENT

Hacking & Paterson
1 Newton Terrace
Glasgow
G3 7PL

DESCRIPTION OF PREMISES

First floor traditional tenement flat on corner location circa 1900 with double glazing comprising two rooms, dining kitchen and bathroom

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN
PROFFSSIONAL MEMBER
LAYMEMBER

Mrs J Docherty BL
Mr A English FRICS
Mr S Campbell

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 3600.00 p.a.	5 December 2007	5 December 2007

E J Docherty

Chairman of Privat Rented Housing Committee

5. XII. 07

Date

PRIVATE RENTED HOUSING PANEL OF WEDNESDAY 5TH DECEMBER 2007

STATEMENT OF REASONS

PROPERTIES

(First) First floor righthand (1/2) house at 51 Rose Street, Garnethill, Glasgow, G3 6SF (hereinafter referred to as "the first flat") and

(Second) Third floor lefthand (3/1) house at 57 Rose Street, Garnethill, Glasgow, G3 6SF (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. and Mrs. D. Mustarde whose Agents are Messrs. Hacking & Paterson, 1 Newton Terrace, Glasgow, G3 7PL.

The tenant of the first flat is Mrs. M. Kirkwood who has lived in the first flat for about 40 years. The annual rent for the first flat was last registered on 25th November 2004 at the figure of £2275. On 29th August 2007, the landlords applied to have this rent increased to £3600 per annum. On 2nd October 2007, the Rent Officer determined the annual fair rent for the first flat at the amount of £2575 with effect from 27th November 2007.

The tenant of the second flat is Mr. Thomas Govan who has lived in the second flat for about 30 years. The annual rent for the second flat was last registered on 25th November 2004 at the figure of £2200. On 29th August 2007, the landlords applied to have the rent for this flat increased to £3600 per annum. The Rent Officer on 2nd October 2007 determined an annual fair rent for this flat at the figure of £2500 with effect from 27th November 2007.

Both Applications have been made by the landlords.

INSPECTION

(First flat) The Committee inspected this flat on the morning of 5th December 2007. The tenant was present throughout the inspection. The landlords did not attend.

The flat is situated on the right hand side of the first floor of a traditional red sandstone tenement lying at the top of the hill at the corner of Rose Street and Buccleuch Street, Garnethill. The tenement on the Buccleuch Street frontage is five storeyed with a Property Agents' shop at street level and houses on the four upper floors. On the Rose Street frontage the tenement can best be described as four storeyed with semi basement accommodation. The offices of the Chinese Childrens Group NCH are located at the semi-basement level in Rose Street. There is a steep flight of ten steps leading to the close and four upper floors at 51 Rose Street. The

tenement is a handsome building and appears to have been stone cleaned sometime ago. The roof is tiled. There is a security door on the close and the close and stairs and landings are clean. There are seven houses within the tenement one accessed from the close and two at each of the three upper floors. The common back court is also accessed from the close.

The first flat lies on the right hand side of the first floor landing. A small rectangular hall leading direct from the landing gives access to a bedroom fronting Rose Street, a living room on the corner of both streets and a bathroom and kitchen fronting Buccleuch Street.

The double bedroom is a good size and has a double-glazed modern window installed about twenty years ago. The fitted wardrobes in the room are the property of the tenant.

The generous size living room is a bright room with an attractive corner double-glazed oriel window. The gas fire has been fitted by the tenant who also paid to have gas brought into the flat.

The bathroom has one similar window and a three piece new suite installed by the tenant.

The dining kitchen is also a good size and has two similar windows. Once again all the kitchen units have been fitted by the tenant.

There is no central heating in the flat and all heaters within the flat belong to the tenant. The water is heated by an electric immersion heater which along with the wiring in the flat has not been renewed during the tenancy.

At the time of the inspection the attractive flat was warm, comfortable and tastefully decorated. All the wooden floors throughout the flat have been put in by the tenant.

The back court of the tenement is accessed by a very steep and difficult staircase leading from the close down to the old washhouse of the tenement. The tenant explained that this stairway and washhouse had been blocked for many years with rubbish and it was only recently, after continual requests to the local authority, that she had been instrumental in having the areas cleared and access to the back court made possible. The back court is common to four adjoining tenements and is tidy. The bins for these properties are neatly stored and emptied through the lane at the rear of the premises.

The tenant advised that the landlords provide no services in the property.

Garnethill is a very busy area in the centre of Glasgow with excellent travel and shopping facilities. Parking is difficult.

(Second flat) The Committee also inspected this flat on the morning of 5th December 2007. The tenant but not the landlords attended the inspection.

The flat lies within the tenement 57 Rose Street which adjoins 51 Rose Street. This tenement has also commercial premises at basement level. A steep flight of fifteen

steps leads to the close which gives access to four floors of housing. There is a security door on the close.

The tenement is a traditional red sandstone property cleaned over twenty years ago but now somewhat unsightly with a broken downpipe and water staining at the front of the building. The roof is tiled. There is a security door on the close. The close and stairs are untidy and the decoration of the close, stairs and landing is in poor condition. There are internal cracks in the stairwell walls. There are eight houses in the tenement two on each of the four floors.

The second flat lies on the lefthand side of the top floor of the tenement. The smallish hall which leads direct from the landing gives access to a living room and bedroom at the front of the flat looking onto Rose Street and a bathroom and dining kitchen at the back looking over the backcourt. The living room is a large room with a double-glazed bay window. The modern fire and surround have been installed by the tenant. The windows were fitted about twenty years ago and the tenant pointed out that in this room they were insecure.

The double bedroom is a fair size and has a similar double glazed window.

The bathroom has one window and the suite which has been in the flat since the start of the tenancy is in good condition. The tenant has installed an electric shower over the bath.

The dining kitchen is a generous size and the tenant has partitioned off the recess to provide additional cupboard accommodation. All the units and fittings within the kitchen have been fitted by the tenant.

There is no central heating in the flat and the tenant has provided all the heating therein.

The electric immerser and wiring have not been renewed during the tenancy period. The tenant advised that he does not use the immersion heater as the water in the common storage tank in the loft is filthy. He has an electric shower in the bathroom and boils the kettle for other hot water.

At the time of the inspection, the flat was dry and comfortable and attractively decorated .

The tenant advised that the landlords provide no services and the Factors, Ross & Liddell, are of little help with repairs and maintenance work. The tenant himself has replaced locks on common doors and has dealt with the local authority in resolving problems with choked drains in the back court.

The tenement has the same common back court as 51 Rose Street, the benefits of a city centre location, good shopping and transport facilities and the same difficulties with the on street parking.

HEARING

No Hearing has been requested by the parties.

DECISION

The Committee looked at the documentation before them, namely:-

- 1.R.R.I. Application for the first flat dated 29th August 2007.
- 2.Landlords' objection re both flats dated 11th October2007.
- 3.Rent Register pages foe first flat.
- 4.R.R.I. Application for second flat dated 29th August 2007.
- 5.Rent Register pages for second flat.
- 6.Landlords' representations for both flats dated 24th October 2007.
- 7.Tenant's representations with attachments relating to second flat dated 28th October 2007.

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 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 to 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 landlords in their submissions are of the opinion that the Rent Officer has not taken into account changes in the rental market over the past few years, particularly with regard to scarcity. On that basis they suggest that scarcity should not be taken into account from a market rent of £3600 for each of the properties. The landlords did not submit any evidence of market value rents or capital values of other local properties.

The tenant of the second flat in his submissions gave details of the lack of maintenance mainly of the common parts of the tenement with copy photographs relative thereto. The Committee made a point of identifying and looking at these problem areas and accepted that these are potential repair issues for the landlords who may have difficulty in carrying out the repairs as they are common repairs requiring to be carried out at the joint cost of all the tenemental proprietors. The Committee were of the opinion that these defects had not an immediate or direct impact on the rental value of the second flat.

He referred to the work which he himself has carried out to secure the building and deal with choked drains and rubbish removal.

He also gave to the Committee details of four houses with registered fair rents all below £2600 per annum. From the records of the Committee these houses were identified as Housing Association properties where historically the rents being paid by their tenants to the non profit-making Housing Association landlords are lower than market rents being paid to private landlords.

The tenant did not submit details of other current market rents in the locality.

The Committee in carrying out their statutory duties had therefore to consider not only the level of current rents of comparable properties in the area but also to determine whether any scarcity deduction is now appropriate.

The Clerk had been unable to furnish a list of comparable Registered Rents. The Committee from internet sources, local newspapers and local letting agencies were able to find plenty of evidence of current market rents. After a great deal of discussion and careful consideration, the Committee agreed that the market rent for each of the flats is £3600 per annum being the rents now sought by the landlords. In reaching this decision the Committee has taken into account the fact that both flats are unfurnished and unimproved by the landlords and that all internal improvements and repairs are being carried out by the tenants. The Committee are conscious of the fact that rents have risen in the current financial market.

The Committee then looked at the matter of scarcity. At present, mainly due to the "buy to let" policy of Building Societies, it is apparent from the above sources that there are now very many additional properties available to let in most areas of Glasgow including Garnethill and it would appear that the supply of these properties adequately meets the demand for same. Accordingly after further very careful consideration the Committee took the view that the equilibrium of supply and demand in the current letting market makes a scarcity deduction from the market rent inappropriate in today's climate.

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

(First flat) £3600 per annum with effect from 5th December 2007.
 (Second flat) £3600 per annum with effect from 5th December 2007.

In reaching this decision the Committee has had regard to all the circumstances of the 1984 Act.

Chairman
Date

E J Docherty

12. XII .07