

## RENT ASSESSMENT PANEL FOR SCOTLAND

### RENT (SCOTLAND) ACT 1984

### NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE

<b>-REFERENCE NO.</b>	<b>OBJECTION RECEIVED</b>	<b>OBJECTION</b>
RAC/G42/458	18 December 2006	Landlord

#### ADDRESS OF PREMISES

1/L, 27 Daisy Street, Glasgow, G42 8JN

#### TENANT

Mr A Brown

#### NAME AND ADDRESS OF LANDLORD

Lanero Property Co. Ltd.

#### AGENT

Hacking & Paterson  
1 Newton Terrace  
Glasgow  
G3 7PL

#### DESCRIPTION OF PREMISES

First floor traditional tenement flat circa 1880 with double glazing and gas central heating comprising two rooms, dark kitchenette and bathroom.

#### SERVICES PROVIDED

None

#### COMMITTEE MEMBERS

##### CHAIRMAN

Mrs J Docherty BL

##### PROFESSIONAL MEMBER

Mr A English FRICS

##### LAY MEMBER

Mrs T Ahmed

#### FAIR RENT

£ 3300.00 per annum

#### DATE OF DECISION

19 February 2007

#### EFFECTIVE DATE

19 February 2007

**J Docherty**

Chairman of the Rent Assessment Committee

*19 February 2007*  
Date

## RENT ASSESSMENT PANEL FOR SCOTLAND

### RENT (SCOTLAND) ACT 1984

### NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE

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**-REFERENCE NO.**

RAC/G42/459

**OBJECTION RECEIVED**

18 December 2006

**OBJECTION**

Landlord

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**ADDRESS OF PREMISES**

2R, 71 Inglefield Street, Glasgow, G42 7AN

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**TENANT**

Ms J McLaughlin

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**NAME AND ADDRESS OF LANDLORD**

JF Gillies

**AGENT**

Hacking & Paterson

1 Newton Terrace

Glasgow

G3 7PL

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**DESCRIPTION OF PREMISES**

Second floor traditional tenement flat circa 1880 with modern single glazing and gas central heating comprising two rooms, dining kitchen and bathroom.

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**SERVICES PROVIDED**

None

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**COMMITTEE MEMBERS****CHAIRMAN**

Mrs J Docherty BL

**PROFESSIONAL MEMBER**

Mr A English FRICS

**LAY MEMBER**

Mrs T Ahmed

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**FAIR RENT**

£ 3500.00 per annum

**DATE OF DECISION**

19 February 2007

**EFFECTIVE  
DATE**

19 February 2007

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**J Docherty**

Chairman of the Rent Assessment Committee

2012 February 2007  
Date

RENT ASSESSMENT COMMITTEE OF MONDAY, 19<sup>TH</sup> FEBRUARY 2007

STATEMENT OF REASONS

PROPERTY

(One) First floor left hand house **(1/L) at 27 Daisy Street, Govanhill,** Glasgow, G42 8JN (hereinafter referred to as "the first flat") and

(Two) Second floor right hand house **(2/R) at 71 Inglefield Street, Govanhill,** Glasgow, G42 7AN (hereinafter referred to as "the second flat")

INTRODUCTION

These are applications to a Rent Assessment Committee for the determination of the fair rents of the first and second flats under the Rent (Scotland) Act, 1984 ("the 1984 Act").

The landlords of the first flat are Lanero Property Co. Ltd whose Agents are Messrs. Hacking & Paterson, 1 Newton Terrace, Glasgow, G3 7PL. The tenant of this flat is Mr. Arthur M. Brown who has lived in the flat for 72 years. The annual rent for the first flat was last registered on December 2003 at the figure of £2450. On 29<sup>th</sup> September 2006, the landlords applied to have this rent increased to £3500. The Rent Officer determined the rent for the first flat at the figure of £2745 with effect from 16<sup>th</sup> December 2006.

The landlord of the second flat is Mrs. Johanna F. Gillies whose Agents are also Messrs. Hacking & Paterson. The tenant of this flat is Ms. Jean McLaughlin who has lived in the flat for 73 years. The annual rent of the second flat was last registered on December 2003 at the figure of £2700. On 29<sup>th</sup> September 2006, the landlord applied to have this rent increased to £3700. The Rent Officer determined the rent for the second flat at the figure of £3025 with effect from 16<sup>th</sup> December 2006

Both applications have been submitted by the landlords.

INSPECTION

**(First flat)** The Committee inspected this flat on the morning of 19<sup>th</sup> February, 2007. The tenant was present throughout the inspection. No representative of the landlords attended. This flat is located on the first floor of a traditional four storey grey coloured sandstone tenement. The roof is tiled and the tenement would appear to have been cleaned sometime ago. There are two houses on each of the ground, second and third floors. On the first floor, where this flat lies, there are three houses. There is a security door on the close and the close, stairs and landings are freshly decorated and well

maintained. However, on the half-landing between the ground and first floors, the refurbished floor covering is broken and could be hazardous.

The flat lies on the left hand side of the first floor landing. The L shaped hall which is quite narrow leads direct from the common landing. The tenant advised that the whole building had been refurbished in 1994 and at that time there were installed throughout the flat, new wooden framed double-glazed windows, stout self-closing wooden fire doors and modern bathroom and kitchen fittings. The flat was also rewired and a smoke alarm connected to the mains electricity was fitted.

The accommodation of the flat comprises a living room to the front, an internal kitchenette with electric ventilation and a bedroom and bathroom to the back. The living room with a gas fire is a comfortable size and has two windows looking onto Daisy Street.. The kitchenette is narrow and all the fittings, other than the cooker, have been provided by the landlords. The bedroom which could accommodate a double bed is fairly small with a single window. There is a walk-in cupboard off the bedroom in which the combi boiler is located. A large white flu pipe leads from the boiler and is suspended from the bedroom ceiling to the outside wall of the flat and is somewhat obtrusive. The bathroom which has a single window has a modern three piece white suite. The tenant advised that the gas central heating system was installed in 2002 under the Scottish Executive Central Heating programme at no expense to the landlords or the tenant. There are radiators throughout the flat. At the time of the inspection the flat was warm, dry and comfortable.

The common back green is small and at the time of the inspection was quite untidy. The corrugated roof of the bin shelter has been damaged. The tenant advised that the occupiers of the houses in the tenement are responsible for the stair cleaning and the garden maintenance.

Parking for the flat is on-street and at the time of the inspection there was no parking space available adjacent to the property. The locality is mainly residential with good shopping and travel facilities.

(Second flat) The Committee also inspected this flat on the morning of 19<sup>th</sup> February, 2007. The tenant was in attendance throughout the inspection. No representative of the landlord attended. This flat lies on the second floor of a similar traditional four storey grey sandstone tenement. In this property there are two houses on each of the four floors. The property, which has been refurbished, has a tiled roof and has a security door. The close, stairway and landings are well decorated and in good repair but at the time of the inspection were untidy and unswept.

The flat lies on the right hand side of the second floor landing. A good sized square hall leading direct from the common landing gives access to a living room and kitchen to the front of the flat and a bedroom and bathroom to the back of the flat. There is a large walk-in cupboard off the hall.

The tenant advised that the property was refurbished in 1987 when new wooden framed single-glazed windows and wooden fire doors were fitted throughout the flat. At that time, the flat was rewired and new bathroom and kitchen fittings were

installed. She also advised that about three or four years ago, gas central heating was installed under the Scottish Executive scheme mentioned above and this system also provides the hot water in the flat.

The living room is a good size with a recessed area. It has two windows looking onto Inglefield Street. In this room, there is a gas fire which has been fitted and is checked annually by the landlord. Despite having central heating in the flat, the tenant has chosen not to have a radiator in this room. The kitchen is a dining/kitchen with a single window and the combi boiler of the central heating system is fitted on the front wall of the kitchen. The tenant explained that as a consequence of a fire in the kitchen two years ago, all the kitchen units have subsequently been replaced. The double bedroom with a walk-in cupboard has a single window. This is a good sized room. The bathroom has a modern three piece white suite and has a single window.

Other than in the living room, there are radiators throughout the flat and at the time of the inspection the flat was warm, dry and comfortable.

The tenant said that the cleaning of the stairs is the responsibility of the occupiers of the flats in the tenement.

The back court of the tenement is hard-scaped and fairly tidy and the tenant explained that it is maintained by the Housing Association who own the majority of the houses. The bin shelter is untidy. Beyond the back court, there is an attractive landscaped garden area. This area is used in common by the five or six tenements which surround it and it too, is maintained by the Housing Association at no cost to the tenant.

At the front of the tenement there are small shrubbed garden areas with decorative railings which are well maintained. On-street parking bays have been laid out. At the time of the inspection, parking spaces were available.

The locality is residential and in close proximity to a small park. Shopping and travel facilities are good.

### HEARING

As no Hearing had been requested, the Committee considered most carefully the written documentation before it, viz:-

1. RRI Application for first flat dated 29<sup>th</sup> September 2006.
2. Landlords' objection for first flat dated 8<sup>th</sup> December 2006.
3. Rent Register pages for first flat.
4. RRI Application for second flat dated 29<sup>th</sup> September 2006
5. Landlord's objections for second flat dated 8<sup>th</sup> December 2006.
6. Rent Register pages for second flat.
7. Landlords' representations for both flats dated 22<sup>nd</sup> December 2006 and
8. Clerk's lists of Comparables for both flats with relative reports.

The Committee's duties in terms of s.48 of the 1984 Act in determining a fair rent for the regulated tenancy of a flat 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 to its state of repair....” Para (2) then provides that “For the purposes 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 sometimes known as “the scarcity deduction”.

In their submissions the landlords’ agents stated that they considered that as the current letting market is at present in balance, no scarcity deduction is now appropriate and therefore the Committee must determine a fair rent by reference to the current market rent of similar properties in the locality. However, no submissions with regard to current market rents have been put forward by either the landlords or the tenants.

Accordingly, the Committee had to consider firstly, what is the level of current rents of comparable properties in the area having regard to age, character, locality and state of repair of the flats and secondly, is a scarcity deduction indeed appropriate.

The Committee first considered the market rent of the first flat which has two rooms, kitchenette and bathroom. From Internet sources and newspaper adverts, the Committee identified a considerable number of similar flats in the Govanhill area. These flats were located in Calder Street, Allison Street and Annette Street. After careful consideration the Committee determined that the mean market rent for a furnished upgraded flat of this size with central heating was £380 per month. The Committee then took the view that deductions from this monthly rent were appropriate in respect of furniture and white goods and proposed the sums of £50 for furniture and £25 for white goods, giving a balance of £305 per month. In addition, the Committee considered that a further deduction of approximately 10% should be made in respect of market resistance to a completely bare flat giving a final balance of £275 per month or £3300 per annum which the Committee agreed was a fair rent for the first flat.

The Committee then looked at the second flat which has the advantage of a dining/kitchen, a larger bedroom and more spacious hall. Again, referring to information from the Internet and newspaper adverts, the Committee considered a number of similar flats in Calder Street and Allison Street and, after careful consideration, agreed that an average market rent for an upgraded furnished flat of this size with central heating is £400 per month. After making similar allowances of £75 for furniture and white goods and a further 10% deduction for market resistance, the Committee agreed the final balance of approximately £290 per month or £3500 per annum is a fair rent for the second flat.

In respect that the landlords have responsibility for the maintenance and inspection of the central heating systems in the flats, it is confirmed that the Committee in determining the fair rents for both flats have included the central heating in their assessments.

The Committee also looked at the rents of the houses on the Clerk’s lists of comparables. There are two houses listed as comparables for the first flat. The first

house is (1/3) 54 Albert Road which is a recent decision of a Rent Assessment Committee where an annual rent of £3150 was determined. The Committee accepted that this rent sits comfortably with the rent of £3300 determined by them for the first flat as the Albert Road flat is located above a public house and merits a lower rent. The rent for the second house in Bowman Street had not been appealed to a Committee.

In the case of the second flat where there are also two houses listed as comparables it was noted that neither of the rents of the two listed flats had been appealed to Committee.

The Committee then considered most carefully the whole question of scarcity and agreed that in the present climate of the private letting market there is a strong argument that in many areas of Glasgow, the demand for rented accommodation is adequately met by the supply of same. The Committee accepted that there is equilibrium of supply and demand at this time and no scarcity deduction is therefore appropriate.

In conclusion, the Committee determined that the fair rent for the first flat is £3300 per annum and for the second flat is £3500 per annum.

In reaching this decision, the Committee has had regard to all the requirements of s.48 of the 1984 Act.

The Committee's decision takes effect from 19<sup>th</sup> February 2007.

Chairman

J Docherty

Date

14th March 2007.