

RENT ASSESSMENT PANEL FOR SCOTLAND

RENT (SCOTLAND) ACT 1984

NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE

REFERENCE NO.

RAC/G41/460

OBJECTION RECEIVED

19 December 2006

OBJECTION

Landlord

ADDRESS OF PREMISES

½, 118 Deanston Drive, Glasgow, G41 3LQ

TENANT

Mrs S Moore

NAME AND ADDRESS OF LANDLORD

Mr I Hart

AGENT

Hacking & Paterson
1 Newton Terrace
Glasgow
G3 7PL

DESCRIPTION OF PREMISES

First floor traditional tenement flat circa 1900, comprising three rooms, scullery kitchen and non ventilated bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN

Mrs J Taylor LLB Dip LP NP

PROFESSIONAL MEMBER

Mr G Campbell FRICS

LAY MEMBER

Mr J Riach

FAIR RENT

£3156.00 per annum

DATE OF DECISION

5 February 2007

**EFFECTIVE
DATE**

5 February 2007

J Taylor

Chairman of the Rent Assessment Committee

5th February 2007.
Date

STATEMENT OF REASONS

in connection with

INSPECTION HELD ON 2nd February 2007

of the property

Flat 1/2, 118 Deanston Drive, Glasgow.

1. THE PARTIES

The landlord is I Hart esq per Hacking and Paterson, 1, Newton Terrace, Glasgow, G3 7PL.

The tenant is Mrs S Moore, who has been a tenant of the property since 28th May 1946.

2. BACK GROUND

The current rent is £2550 per annum. This was effective from 30th December 2003. The landlords applied for the rent to be increased to £3000 and the Rent Officer registered a rent of £2900 per annum with effect from 30th December 2006. The Landlords referred the determination to the Rent Assessment Committee and in their letter to the Rent Assessment Committee dated 9th January 2007 requested that the registered rent be increased to £3600. .

3. THE INSPECTION

The committee inspected the property, which is a first floor flat in a four storey traditional blonde, stone cleaned tenement which was constructed circa 1900. The tenement has tile roof. There is door entry system to the tenement and a communal area at the rear, which is partly grassed and partly laid with slabs. The communal bin storage area is located here.

The accommodation comprises living room, one bedroom, dining room with scullery kitchen off and small internal non ventilated bathroom. The bathroom exhibited significant dampness on both walls and ceiling that may be the result of condensation due to lack of proper ventilation. Central heating had been installed in the property with the

benefit of the Scottish Executive grant scheme which was available to the tenant. The windows in the property are single glazed, traditional and probably original timber sash windows. The property is conveniently located for public transport and local services.

4. THE HEARING

Alan Gifford of Hacking and Paterson represented the Landlord at the hearing. The tenant did not attend.

Alan Gifford advised the committee as follows:-

- He confirmed the landlord considered the fair rent of the property to be £3600, which, in the landlord's opinion reflected the comparable market rent of the property.
- He considered that there was no scarcity of demand for rented properties in Glasgow and in support of this quoted evidence from the Scottish Executive Housing Report and the Report of The Association of Residential Letting Agents which confirm *inter alia* that the residential letting market is buoyant, there are significantly more properties available to rent and that the 'buy to let' market is considered to be long term.
- He urged the committee to follow previous decisions of the Rent Assessment Panel which had accepted that there is no scarcity of demand for rented properties in Glasgow.
- He had contacted six letting agents and obtained details of thirteen one bedroom traditional tenement flats available to lease in the area. The rents of these properties ranged from £310 for a flat in Chaplins Street to £450 for a flat in Kilmarnock Road.
- He considered that the best evidence available was this evidence of the market rents of similar properties and therefore he had not considered the capital value of the property and was unable to comment on this.
- In connection with the list of comparable registered rents prepared by the clerk, he confirmed that the property at 1/2, 8, Strathyre Street was very similar to the property at 118, Deanston Drive, Glasgow and in close proximity to the property.

5. THE DECISION

The committee had the following documents before them:-

- The list of comparable properties prepared by the clerk, which stated as follows:-

Address	Accommodation	Effective Date	Registered Rent
2/2,80 Camphill Avenue, Glasgow	3 rooms scullery- kitchen and bathroom	21 st October 2006	£2950
1/2, 8 Strathyre Street, Glasgow	3 rooms scullery- kitchen and bathroom	6 th March 2006	£2850
G/L, 63, Woodford Street, Glasgow	3 rooms scullery- kitchen and bathroom	20 th May 2006	£2950

- Letter from the landlords dated 12th December 2006, which stated as follows:-

'...We understand that as a result of a decision of The Rent Assessment Committee, scarcity is no longer to be taken into consideration. Consequently we wish to object to your decision in the above case and ask that the matter be referred to the Rent Assessment Committee.'

- Letter from the landlords dated 9th January 2007, which stated as follows:-

'...our appeal is based on the recent decision of the Rent Assessment Committee that 'in the climate of the current property market...there is at this time equilibrium of supply and demand for properties of this type in this locality' and in view of this, that scarcity no longer need be taken into account. On that basis we suggest that scarcity should not be taken into account with respect to the above property and consequently a rent of £3600 per annum should be registered.'

The committee considered these documents and Mr Gifford's submissions. They acknowledged that no capital valuations had been produced and that there was significantly more evidence of the market rents of comparable properties than evidence of comparable registered rents. The committee accepted that the best evidence available was the evidence of market rents provided by Mr Gifford. They accepted Mr Gifford's evidence that there is no scarcity of demand for rented properties in Glasgow at present. Indeed the committee had noticed that there were many signs advertising properties to let in the Shawlands area.

They considered Mr Gifford's evidence of market rents. They acknowledged that the property 1/2, 118 Deanston Drive had a small scullery kitchen and small unventilated bathroom and therefore they considered that the market rent of a comparable property would be in the lower half of the range of market rents of £310 to £450. They also acknowledged that the comparable market rents were for improved, furnished properties and it was necessary to

make a reasonable deduction to reflect the fact that 1/2, 118, Deanston Drive is an unimproved, unfurnished property.

The committee were mindful of the terms of section 48 of The Rent (Scotland) Act 1984, which states, inter alia :-
"The committee shall 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".

The committee were also mindful of the observations of the Lord President in **Western Heritable Investment Co Ltd v Hunter (2004)** which requires the committee to proceed on the best available evidence and use the other evidence as a cross check where possible.

The Committee, after considering these matters decided that the fair rent for the property was £3156 per annum.

This decision takes effect from the Fifth day of February Two thousand and Seven.

..... J Taylor

Chairperson, 22nd February 2007