



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G42/687	20 April 2009	Landlord

ADDRESS OF PREMISES
2/1, 10 Overdale Gardens, Glasgow, G42 9QQ

TENANT
Mrs M Craigie

NAME AND ADDRESS OF LANDLORD	AGENT
Mrs M K Well & Others	Hacking & Paterson 1 Newton Terrace Glasgow G3 7PL

DESCRIPTION OF PREMISES
4 storey grey sandstone tenement C.1890, with internal floor space of 61 sq. m., comprising 2 rooms, living kitchen and bathroom.

SERVICES PROVIDED
None

COMMITTEE MEMBERS

CHAIRMAN	J Bauld LLB(Hons) DIP LP
SURVEYOR	M Links FRICS
HOUSING PANEL MEMBER	T Keenan

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 3,750.00 p.a.	3 July 2009	3 July 2009

J Bauld

Chairman of Private Rented Housing Committee

3 July 2009

Date

STATEMENT OF REASONS

BY PRIVATE RENTED HOUSING COMMITTEE

In connection with

INSPECTION HELD ON 3RD JULY 2009

Of the properties at

**Flat 1/1, 10 Overdale Gardens, Glasgow, G42 9QQ
and
Flat 2/1, 10 Overdale Gardens, Glasgow, G42 9QQ**

1. THE PARTIES

The landlord of each flat is Mrs M K Wells and others per Hacking and Paterson, 1 Newton Terrace, Glasgow, G3 7PL.

The tenant of Flat 1/1, 10 Overdale Gardens, Glasgow, G42 9QQ is Mr William Lockerby. The tenant of Flat 2/1, 10 Overdale Gardens, Glasgow, G42 9QQ is Mrs Mary Craigie. The tenancies are each regulated tenancies in terms of The Rent (Scotland) Act 1984.

2. BACKGROUND

The current rental for each property is £2675 per annum. The landlord proposed an increased rent for each property of £4200 per annum. The rent officer determined a rent for each property of £3275 per annum with effect from 19th April 2009. The landlord appealed that determination to the Private Rented Housing Panel ("PRHP").

3. THE INSPECTION

The Private Rented Housing Committee consisting of James Bauld, Chairman, Mike Links, Surveyor and Tom Keenan, Housing Member inspected the properties on 3rd July 2009. Each of the properties is contained within a four storey buff sandstone tenement block with a tiled roof. One property is a first floor flat, the other is a second floor flat. Each property consisted of two rooms, living/kitchen, bathroom and hall. Neither property has double glazing. Each property has a gas central heating system. In each case the central heating system had been installed with the benefit of a grant from a Scottish Government programme and was consequently treated as having been adopted by the landlord as a landlord's fixture. There is a secure door entry system. There is a communal back court which contains the bin storage area. The communal back court area was substantially overgrown and difficult to access. The property is conveniently located for public transport links and local shops and services.

4. THE HEARING

No hearing was arranged after the inspection. Neither the landlord nor either of the tenants indicated that they wished to attend a hearing. However the members of the Committee convened at the Private Rented Housing Panel's offices after the inspections to consider their decision. The decision was based on the inspection of the property, the available documentation and their own knowledge and experience.

5. THE DECISION

The Committee had the following documentation before them.

- Copy Form RR1 in respect of each property being the landlord's application for registration of a rent dated 30th January 2009.
- Letter from the landlord's agents in respect of each property dated 16th April 2009.
- Determination by the Rent Officer dated 17th April 2009.
- List of comparable registered rents provided by the Clerk containing reference to three properties at Flat 2/2, 1 Somerville Drive, Glasgow, G42 9BQ, Flat 0/2, 37 Cartside Street, Glasgow, G42 9TN and Flat 1/2, 157 Stanmore Road, Glasgow, G42 9AN.

The Committee considered the documents provided. The Committee also obtained details of other properties available for leasing in the area from newspaper advertisements and the internet. The Committee had also noted during their inspection a number of agency boards in Overdale Gardens indicating other properties to let in the area.

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 dwellinghouses in question and to the state of repair and, if any furniture is provided for use under the tenancy, the quantity, quality and condition of the furniture.

The committee are also required to assume in terms of Section 48(2) of the same Act that "the number of persons seeking to become the tenant of similar dwellinghouses in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of dwellinghouses in the locality which are available for letting on such terms".

No capital valuations were produced and the Committee were not provided by either the landlord of the properties or either tenant of the properties of any evidence of either market value rents or capital values in the locality of the subject property. The Committee considered the three examples of comparable rents provided by the Clerk to the Committee. The Committee, in exercising their own knowledge and experience determined that the three properties were not true comparables. The property at 1 Somerville Drive was a property with fewer rooms than the properties under inspection. Similarly the property at Flat 0/1, 37 Cartside Street was also smaller than the properties under

consideration. The property at 157 Stanmore Road was a much larger property and again was not properly comparable to the properties which were inspected. The Committee thereafter noted that in respect of properties at 100 Deanston Drive and 106 Deanston Drive, both Shawlands, Glasgow that registered rents of £3600 per annum had been registered in 2007. Each of these properties was of a similar size to the properties under consideration. The Committee thereafter considered the general rents currently available for similar properties in the area. The Committee noted that these rents ranged from £425 to £550 per month. The Committee determined, that a market rent in respect of a modern furnished property in the area which was of a similar size to the properties at Flat 1/1 and 2/1, 10 Overdale Gardens, Glasgow would be £450 per month or £5400 per annum.

The Committee further determined that the subject properties were each let as unfurnished and in each of the properties the tenant did not benefit from any white goods or carpets supplied by the landlord. The Committee determined that in each property the kitchen and bathroom fittings were not of a modern standard. The Committee also determined that the property was not provided with double glazing. The Committee also noted that each of the properties had wiring which was generally old. The Committee therefore considered that a reasonable reduction was required to reflect the differences between the properties at 10 Overdale Gardens and market rent for a modern furnished flat of the same size and in the same location.

The Committee considered that the cost of supplying appropriate carpeting and appliances, replacing the bathroom and kitchen fittings with modern equivalents, replacing the floor coverings, upgrading the wiring and installing double glazing would cost in the region of approximately £16500. The Committee considered this capital expenditure would have a reasonable average life expectancy of ten years. The Committee therefore considered that this justified a reduction of £1650 per annum from the assessed market rent for a modern furnished flat of the same size and location as the subject properties. On a monthly basis the Committee determined that the total monthly deduction would be £137.50 per month. Therefore the Committee decided the appropriate market rent for each of the two properties at 10 Overdale Gardens would be £306.25 per month (£3750 per annum) being the market rental level for the modern furnished flat under deduction of the work required to reflect the differences between such a modern flat and the properties under inspection.

Having determined the market rent, the Committee then considered whether there should be any scarcity deduction in terms of Section 48(2) of the 1984 Act. Applying its own skill knowledge and experience, the Committee could find no evidence of excess demand for properties such as the properties under inspection and noted also that there appeared to be a large number of similar sized properties available for rent in the locality of the subjects. The Committee were also aware of a recent report (January 2009) from the RICS which indicated that there continued to be an excess of supply of properties in the private rented sector in Scotland. In the circumstances the Committee decided that there was no significant scarcity of properties.

Having considered all the relevant factors the Committee decided that the fair rent for the properties at 10 Overdale Gardens should be £3,750 in respect of each of the properties.

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 3rd July 2009.

J Bauld

James Bauld, Chairman /

Date

15 July 2009