### RENT ASSESSMENT PANEL FOR SCOTLAND

RENT DETERMINED BY RAC £3000.00 p.a.

DATE CONSIDERED

30 July 2007

HOUSING (SCOTLAND) ACT 1988 SECTION 25 (1) REGISTER OF RENTS DETERMINED UNDER STATUTORY ASSURED TENANCIES

APPLICATION RECEIVED REFERENCE NO. RAC/G31/A43 23 April 2007 ADDRESS OF PREMISES 0/1, 6 Circus Drive, Glasgow, G31 2JH **TENANT** Miss J Proctor LANDLORD AGENT Angus & Iris Maclean Hacking & Paterson, 1 Newton Terrace, Glasgow, G3 7PL DATE TENANCY COMMENCED RENTAL PERIOD Quarterly **DESCRIPTION OF PREMISES** Ground floor main door tenement flat circa 1890 comprising living room, small bedroom, kitchen and bathroom. Unimproved, no central heating or double glazing. Small area of exclusive garden to front and common drying green to rear. **SERVICES PROVIDED:** None COMMITTEE MEMBERS **CHAIRMAN** Mrs I Montgomery BA(Hons)NP PROFESSIONAL MEMBER Mr A English FRICS Mr C Harvey MA LAYMEMBER £425.00 per quarter (£1700.00 p.a.) PRESENT RENT

I Montgomery

30 July 2007

DATE DETERMINATION TAKES EFFECT

Chairman of Rent Assessment Committee

30h July 2007

# `RENT ASSESSMENT COMMITTEE STATEMENT OF REASONS INSPECTION AND HEARING: 30<sup>TH</sup> JULY 2007

Property: -

Ground floor flat, 0/1, 6 Circus Drive,

Dennistoun, Glasgow, G31 2JH.

# **INTRODUCTION**

- The Committee comprised Mrs I.R. Montgomery (Chairman), Mr A. English (Surveyor) and Mr C. Harvey (lay member). The landlords are Mr Angus and Ms Iris MacLean, who are represented by agents Hacking & Paterson, 1 Newton Terrace, Glasgow G3 7PL. The tenant is Miss Jean Proctor.
- 2. The tenancy is a statutory assured tenancy as defined in section 32 of the Housing (Scotland) Act 1988. Miss Proctor took over the tenancy following the death of her brother, who had been a regulated tenant of the property. A copy of the Tenancy Lease Agreement was produced, in terms of which the tenant is required to pay the rent quarterly in advance. The lease is therefore a quarterly tenancy.
- 3. In terms of section 24(2) of the Housing (Scotland) Act 1988, the landlord requires to serve the tenant with a correctly completed form AT2, giving at least three months notice of an increase in rent. The landlords' agents, Hacking and Paterson, had correctly served the tenant with a notice of rent increase on form AT2. The form was dated 4<sup>th</sup> April 2007 and the new rent of £3,000 was to take effect from 4<sup>th</sup> July 2007. The Committee was satisfied that it had jurisdiction to deal with the application.
- 4. The previous rent was £1,700.00 per annum. This rent was determined by a Rent Assessment Committee effective from 28<sup>th</sup> November 2001.

# DESCRIPTION OF THE PROPERTY

- 5. On the morning of the 30<sup>th</sup> July 2007, the Committee, accompanied by the clerk, inspected the ground floor flat at 0/1, 6 Circus Drive, Glasgow G31 2JH. The property is situated in the Dennistoun area of Glasgow, in a residential location. The property overlooks Golfhill Primary School. The nearest shops and public transport are located at Alexandra Parade, which is approximately a ten minute walk from for the property assuming a normal walking pace.
- 6. The property is situated within a four storey traditional sand stone tenement built around 1891. The roof has been tiled. The tenement has been refurbished and the stone cleaned approximately thirty years ago. The tenant confirmed that the renovation work had included renovating and tiling the roof, upgrading and tiling the close, installing a communal door entry system, landscaping the communal area at the rear of the property and constructing a communal bin area. Within the past twelve months, two defective stone mullions at the bay window had been replaced under the Landlords' subsidence insurance. Externally, the property appeared to be in a reasonable state of repair. There was a door entry system in operation at the date of the inspection. The dwelling house was wind and watertight on the date of the inspection, albeit that the tenant complained of draughts around the windows. The Committee considered that such draughts as existed fell within normal functional limits of traditional sash and case windows. There is a drying green area to the rear of the building made up of a grassed area, with clothes posts and lines. The communal bin area is located to the rear of this drying green. Access to the drying green was via a lockable rear door and the back court was tidy on the day of inspection.
- 7. The property is single-glazed throughout. The windows are of traditional style and appear to be functional, although they are of poor appearance. The tenant indicated that the property had been rewired during the refurbishment approximately thirty years ago. There is no central heating system and the tenant uses her own small electric heaters to provide

heating. She confirmed that the landlords had offered to install central heating, but she had declined this offer as she could not cope with the upheaval.

- 8. The accommodation extends to a lounge (with bed recess), one narrow double bedroom, a living kitchen (with bed recess) and a bathroom. There is evidence in several rooms of previous subsidence. Large cracks have appeared in the corners of the lounge and bedroom, and in the ceilings of the lounge and kitchen. These cracks do not appear to be recent, judging by the discolouration of the wall paper disturbed by the movement. These cracks require cosmetic repair in the form of re-plastering and internally the property is generally in need of re-decoration. The lounge is of good size with the original ceiling rose still in place. There is a fireplace, but this is not fit for use. The bedroom is of rectangular shape and is long and narrow. The bed can only be placed on one side of the room due to this. However, despite this, the bedroom is large enough to be considered as an acceptable double bedroom. The kitchen is of good size and contains a bed recess. It still contains the original black range, although this is not in working order. Hot water is provided by immersion heater. The landlords replaced the previous sink with a stainless steel kitchen sink approximately thirty years ago and it remains fully functional. In the bathroom the landlords installed a new bath in 2006 and the WC and wash hand basin are in reasonable condition and functional, although much older.
- 9. The landlords were not represented at the inspection.

### DOCUMENTATION

- 10. The Committee considered:
  - Decision Notice dated 15<sup>th</sup> November 2001;
  - Form AT4;
  - Form AT2;
  - Tenancy Lease Agreement;
  - Written representations from the tenant;

• Written representations from the landlord.

### **HEARING**

- 11. Both parties requested a hearing. By letter dated 26<sup>th</sup> July 2007, the landlords' agents indicated that they no longer intended to attend the hearing. In view of this, the tenant was given the option of the hearing being held at her home as opposed to in the Panel's offices in central Glasgow. She indicated that she would prefer to have the hearing within her home and accordingly the hearing took place there.
- 12. The tenant objected to the proposed increase in rent. She argued that the property was not convenient for shops or transport and explained that it takes her 15 to 20 minutes to walk there now. She complained also that her neighbours do not share the onerous task of cleaning the close. This chore is repeatedly left for her to do. The tenant was provided with a copy of the written representations lodged on behalf of the landlords. She stated that these were mainly red sandstone properties in better condition and in nicer areas than the property she occupies. She complained that tenants in "corporation" houses had the benefit of houses in far better condition than hers, for low rents. She advised the Committee of similar properties being valued at £20,000 and referred to one sold for £28,000 but readily acknowledged that these figures did not relate to recent transactions. She complained that no internal plaster repairs had been carried out to her flat following the structural repairs to the main walls, even although other residents within the close had had such work done for them.
- 13. The landlords' representations are set out in their letter of 26<sup>th</sup> July 2007. They acknowledged that the flat remains in a generally poor and unimproved condition but argued that an annual rent of £3,000 was appropriate in the current market conditions. They argued that this figure could be supported using either a comparable market rent approach, or a calculation based on capital value.

# THE DECISION

- 14. The Committee considered carefully the available evidence in this case. Having inspected the property, we found it to be badly in need of internal redecoration but generally sound and wind and watertight. There was no evidence to suggest that the building was not structurally sound following the recent structural work carried out to the exterior. While there is evidence of subsidence, this appears to have been occurred some considerable time ago. There are cracks in the ceiling and walls which require replastering and redecoration, but these are cosmetic rather than structural issues. There is a functional kitchen, albeit with the unusual feature of an original but non-functional range. The bathroom has appropriate fixtures and fittings and a new bath was fitted one year ago. The property to be valued is an unfurnished property which is structurally sound, with traditional single glazed windows, and no central heating.
- 15. The Committee noted that a neighbouring similar flat, albeit with a slightly bigger bedroom, located in the close next door, was being advertised for let and established from the letting agents that it had very recently been let for £450 per month. The board had simply not yet been taken down. This property was also single glazed but had the benefit of central heating. Internal decoration is a matter which falls within the responsibility of the tenant and is not therefore a factor for a Committee to take account of when assessing a market rent. However, the Committee accepted that the neighbouring property was likely to have the benefit of more modern fixtures and fittings internally. We considered that an appropriate level of rent for the property now under consideration would be lower. The landlords' agents produced evidence of unfurnished one bedroom properties being offered for rent at between £325 and £375 per calendar month. Such evidence is less persuasive than evidence of rents actually passing in the market. Furthermore, the landlords agents' acknowledged that these properties were likely to be generally improved and in better condition than the property now under consideration. The landlords' agents argued that an annual rent of £3,000 was appropriate for the property under consideration.

- 16. Looking at all the evidence, the Committee considered that, even taking account of the fact that the property requires some cosmetic internal repairs, and has kitchen and bathroom fixtures and fittings of some age, (with the exception of the bath), the market rent for the property could not reasonably be valued at less than £3,000 per annum. The capital value calculation produced by the landlords' agents is not inconsistent with a figure of £3,000 per annum. On the basis of the available evidence, the Committee was satisfied that the rent sought by the landlords was a reasonable market rent for the property given its present condition. We found accordingly.
- 17. No services are provided by the landlords.
- 18. Having taken all relevant factors into account, the Committee determined the market rent for the property at £3,000.00 per annum.
- 19. The Committee decided that the increase in rent should take effect from the date of the hearing, i.e. 30<sup>th</sup> July 2007 as the Committee was satisfied that to find otherwise would cause undue hardship to the tenant.

Signed. I Montgomery (Chairman)

Date. 6th August 2007.