

## RENT ASSESSMENT PANEL FOR SCOTLAND

### RENT (SCOTLAND) ACT 1984

### NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE

REFERENCE NO.	OBJECTION RECEIVED	OBJECTION
RAC/G51/580	29 March 2007	Landlord

#### ADDRESS OF PREMISES

2/1, 5 Skipness Drive, Glasgow, G51 4RS

#### TENANT

Mr A McKinnon

#### NAME AND ADDRESS OF LANDLORD/AGENT

Lanero Property Co., per Hacking & Paterson, 1 Newton Terrace, Glasgow, G3 7PL

#### DESCRIPTION OF PREMISES

Traditional tenement flat on the second floor comprising entrance hall, living room, two bedrooms, small kitchenette and dark bathroom. With electric central heating.

#### SERVICES PROVIDED

None

#### COMMITTEE MEMBERS

CHAIRMAN	Mrs E J Docherty BL
PROFESSIONAL MEMBER	Mr D Marshall FRICS
LAY MEMBER	Mrs T Ahmed

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 3,000.00 per annum	14 May 2007	14 May 2007

**J Docherty**

Chairman of the Rent Assessment Committee

14.15 May 2007  
Date

**RENT ASSESSMENT COMMITTEE OF MONDAY 14<sup>TH</sup> MAY 2007****STATEMENT OF REASONS**

**PROPERTY** Second floor left hand house (2/1) at 5 Skipness Drive, Glasgow, G51 4RS (hereinafter referred to as “the flat”)

**INTRODUCTION**

This is an application to a Rent Assessment Committee for the determination of the fair rent of the flat under the Rent (Scotland) Act 1984 (“the 1984 Act”). The landlords are Lanero Property Company Ltd. whose Agents are Hacking and Paterson, Management Services, 1 Newton Terrace, Glasgow, G3 7PL. The tenant of the flat is Mr. Angus McKinnon who has lived in the flat for more than thirty five years. The annual rent of the flat was last registered on 30<sup>th</sup> April 2004 at the figure of £2200. On 1<sup>st</sup> February 2007, the landlords applied to have this rent increased to £3000. The Rent Officer determined the rent for the flat at the figure of £2640 per annum with effect from 30<sup>th</sup> April 2007. The landlords have made the reference to the Committee.

**INSPECTION**

The Committee inspected the flat on the morning of Monday 14<sup>th</sup> May 2007. The tenant and his wife were present throughout the inspection but there was no representative of the landlords in attendance

The flat lies on the second floor of a four storey red sandstone tenement built about 1900. There are three houses on each of four floors making a total of twelve houses within the tenement.

The building appears to have been cleaned and refurbished some time ago and from an external inspection there is evidence that the refurbishment included some form of stabilizing of the building, the re-roofing of the property with tiles and the enclosing of the small front gardens with railings. These gardens are paved and without any greenery.

There is a security door on the close. The floors of the close, stairs and landings have been resurfaced and are in good repair. Although the close was untidy at the time of the inspection, the upper stairs and landings and also the close and stair walls were clean and fresh.

The flat lies on the left hand side of the second floor landing. The hall of the flat is L-shaped with a narrow hallway from the front door leading to a larger reasonably sized square hall area. At the front of the flat lie the lounge and larger bedroom with a second bedroom lying at the back of the flat. An internal kitchenette and internal bathroom are both also accessed from the hall. There is also a walk-in cupboard off the hall where the controls for the electric central heating system and tank are housed.

The lounge is a comfortable size and has a bay projection with three windows. These are wooden framed single-glazed sash windows and the tenant advised they have been repaired from time to time and, although difficult to open for cleaning, they are sound enough and cause no problems. The tenant has fitted an electric fire in the fireplace. The wiring was modernised about 20 years ago and there are adequate power points in the room. At the door there is one central heating radiator.

The front bedroom can comfortably hold a double bed. Fitted wardrobes have been installed by the tenant. There are two windows similar to those in the lounge. The tenant advised that one of the windows was faulty and did not open. There is a radiator and sufficient power points

The back bedroom is smaller but could accommodate a double bed. There is a large walk-in cupboard off this room. There are two windows similar to the others, one radiator and adequate power points.

Accessing from the hall, there is a small kitchenette in the area that was once the recess area of the lounge. The cramped kitchenette is partitioned from the lounge and has been fitted with units including a sink. Part of the dividing partition has been left as an open serving hatch. The tenant's own cooker and washing machine are in the kitchenette but his fridge freezer and drying pulley are in the hall.

The narrow triangular bathroom is also very cramped and has a white three-piece suite. There is an extractor fan in the internal bathroom.

The tenant explained that the flat was originally designed as a traditional two room and living/kitchen flat. Prior to his tenancy, the layout had been altered and the living/kitchen had been converted to the second bedroom and the kitchenette created from the lounge recess. The internal bathroom was probably adapted from the original lavatory of the flat. The fittings in the kitchenette and bathroom date from this time. A later refurbishment was carried out about the eighties when the flat was rewired and outside works were effected at the property.

The tenant also explained that the central heating system had been installed about five years ago under the Scottish Executive Central Heating programme at no expense to the tenant or landlords.

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

The small back court of the tenement is mainly paved and is neat and tidy. The bin area is tidy. Evidently, there has been a common back court improvement scheme at some time and the railings and the washing poles remain in good repair. Steel ties to stabilise the tenement can be clearly seen at the back of the tenement but these would appear to have been effective as there is no evidence of cracking within the flat.

Although the tenement lies on a stretch of road adjacent to the busy A739 Clyde Tunnel Road it is fairly quiet and has little through traffic. The area is very mixed with a large number of semi derelict Council houses to the west of the property and also some well maintained traditional tenement and terrace housing to the east and south of the property

The shopping and transport facilities are good. At the time of the inspection there was no problem at all with street parking.

### **DECISION**

No Hearing had been requested and the Committee had very little by way of documentation before it, simply,

1. RRI Application of 1<sup>st</sup> February 2007.
2. Landlords' objection dated 20<sup>th</sup> March 2007.
3. Rent Register pages.
4. Landlords' letter of 30<sup>th</sup> March 2007.

The landlords in their letter considered that the amount registered by the Rent Officer does not take into account changes in the rental market over the last few years, particularly with regard to scarcity.

Neither the landlords nor the tenant provided any evidence at all of current market rents in the area. The Clerk had been unable to provide from his records any other comparable registered rents in the Linthouse or Govan areas but to help with their deliberations he gave the Committee details of registered rents in two fairly recent cases in the Ibrox area. The first was a case in Percy Street effective from 18<sup>th</sup> August 2006 with a registered rent of £2640. The second is a very recent case in May 2007 of a flat in Paisley Road West where a Committee had determined a registered rent of £3000.

The Committee aware of its duties under s.48 (1) and (2) of the 1984 Act, is required to consider 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 flat and also to consider if a deduction for scarcity from such rent is appropriate.

The Committee had found very little evidence from local papers of flats to let in the Govan area. However, Internet sources had thrown up a considerable number of flats of various sizes in Govan and other south side areas. After much discussion, the Committee agreed that it considered as a reasonable comparison, the two bedroom flat to rent in the neighbouring Kennedar Drive described as comprising 2 double bedrooms, lounge, kitchen, bathroom with shower heated by gas and electric fires. The rent being sought by the letting Agents is £325 per month. The Committee had made a point of viewing externally this flat. The majority of the other flats taken from the Internet were furnished and modernised.

The Committee also agreed that the two flats in the Ibrox area detailed above could be considered as possible comparables.

The Committee took the view that the Kennedar Drive flat is likely to have been fitted with modern kitchen and bathroom units and the accommodation would appear to include a living/kitchen as well as two double bedrooms and lounge and the rent for the flat should be determined therefore at a lower rate than £325 per month.

It then looked at the two Ibrox houses. Both are traditional three apartments and bathroom flats each having living/kitchens and light bathrooms. The floor areas of these two flats are similar to the floor area of the flat. Although the flat may now have the benefit of a second bedroom, it is considerably disadvantaged by the loss of the original living/ kitchen . Now, the flat has a tiny kitchenette with outdated fittings and a sink looking onto a blank wall. There is no dining area and the pulley, of necessity, is installed in the hall. The bathroom too is particularly small and the fittings outdated.

The committee considered carefully the relative merits of the neighbourhoods of Ibrox and Linthouse and agreed that the rent of a flat in the fairly quiet part of Linthouse in which the flat is located can sit comfortably with the rent of a flat in the slightly better but busier and noisier area of Ibrox.

The rent of the Percy Street flat is registered at £220 per month but the Inspection Report in the relative Statement of Reasons of this flat describes it as being in poor repair. The Committee agreed that the flat although not modernised is in a reasonable state of repair and therefore merits a higher rent.

The rent of the flat in Paisley Road West is registered at £250 per month and this flat would appear to be in the same state of repair as the flat. The Committee took the view that both flats have approximately the same floor area and the alteration of the accommodation within the flat has created the advantages and disadvantages mentioned above. After much discussion and serious consideration the Committee agreed that the rent for the flat should be at the same rate as the rent for the Paisley Road flat, namely £250 per month.

The Committee then considered carefully the whole question of scarcity. It agreed that although they had little evidence of comparable flats to let in the Linthouse area, in many areas of Glasgow there are plenty of comparable flats to rent and the demand for these flats is met by the supply of same. Accordingly, the Committee took the view that there is equilibrium of supply and demand and therefore it is inappropriate at this time to allow any scarcity deduction from the market rent of the flat.

In conclusion, the Committee determined the fair rent of the flat at the figure of £250 per month or £3000 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 14<sup>th</sup> May 2007.

Chairman

**J Docherty**

Date

17<sup>th</sup> May 2007.