



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G3/638	2 May 2008	Landlord

ADDRESS OF PREMISES

1/1, 32 Minerva Street, Glasgow, G3 8LD

TENANT

Miss A Whitehead

NAME AND ADDRESS OF LANDLORD

Cromdale Investments Ltd.

AGENT

Hacking & Paterson
1 Newton Terrace
Glasgow
G3 7PL

DESCRIPTION OF PREMISES

First floor tenement flat circa 1890 comprising three rooms, living kitchen and bathroom.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN

SURVEYOR

HOUSING PANEL MEMBER

Mrs J Taylor LLB Dip LP NP

Mr G Campbell FRICS

Mrs T Ahmed

FAIR RENT

£ 4500.00 p.a.

DATE OF DECISION

1 July 2008

EFFECTIVE DATE

1 July 2008

J Taylor

Chairman of Private Rented Housing Committee

7th July 2008

Date

STATEMENT OF REASONS

in connection with

INSPECTION HELD ON 1st JULY 2008

of the property

Flat 1/1, 32 Minerva Street, Glasgow, G3 8LD

1. THE PARTIES

The landlords are Cromdale Investments Limited and they are represented by Hacking and Paterson, 1 Newton Terrace, Glasgow, G3 7PL.

The tenant is Miss A Whitehead. She has resided in the property all of her life and her grandparents resided in the property before her. The tenancy commenced before 1957 and it is a registered tenancy in terms of the Rent (Scotland) Act 1984.

2. BACKGROUND

The current rent is £2750 per annum. The landlords applied for the rent to be increased to £5500. The Rent Officer registered a rent of £3150 per annum with effect from 31st March 2008. The Landlord referred the determination to the Private Rented Housing Panel ('PRHP').

3. THE INSPECTION

The committee inspected the property, which is a first floor flat in a four storey, traditional blonde sandstone tenement. The tenant advised the committee that the property is a listed building. The accommodation comprises three rooms, living kitchen and bathroom. The tenement was refurbished in the 1980's and the windows of the property were replaced at that time and a communal door entry system installed. The tenant had installed white meter heating in the property.

There is a communal area at the rear of the tenement and the bin storage area is located here. There is a communal close entry system.

The property is conveniently located for public transport and local services.

No services are provided.

4. THE HEARING

No hearing was requested.

5. THE DECISION

The committee had the following documents before them:-

- A copy of form RR1, the landlord's application for registration of the rent.
- Written Representations from the landlord's agents which state:-

'We feel the amount registered by The Rent Officer does not take account changes in the rental market over the last few years, particularly with regard to scarcity.'

- List of comparable rents, provided by the clerk:-

Address	Accommodation	Description	Effective date	Registered Rent
1/R, 51 Rose Street, Glasgow	2 rooms, dining kitchen and bathroom.	Traditional tenement flat with double glazing	5/12/07	£3600
2/2, 3 Benalder Street, Glasgow	2 rooms, dining kitchen and w.c.	Traditional tenement flat with double glazing	19/3/08	£3100
13/1, 70 White Street, Glasgow, G11 5Ed	2 rooms, living kitchen and bathroom.	Traditional tenement flat	19/3/08	£3600
0/2, 4 White Street, Glasgow	1 room, living kitchen and dark bathroom.	Traditional tenement flat with double glazing and central heating	19/3/08	£2400

The committee had obtained details of many properties available to lease in the area, from news paper advertisements and the internet. They had observed a number of 'For Let' signs in the vicinity of the property. In particular, the following properties were available for lease:-

➤ Argyle Street, Anderston

The accommodation comprises 2 double bedrooms, lounge, dining/kitchen, bathroom and shower. The property has gas central heating. The Advertised rent was £ 545 per month.

➤ Argyle Street, Kelvingrove, G3

The property is advertised as a two bedroom furnished flat. The Advertised rent was £550 per month.

➤ Minerva Way, Kelvingrove, G3

The accommodation comprises lounge, two double bedrooms with master having en suite, kitchen and bathroom. The property has gas central heating. The Advertised rent was £ 600 per month. All appliances were provided.

The committee considered the documents provided and the evidence mentioned. 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 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'. Also section 48(2) which requires them to 'assume that the number of persons seeking to become tenants of similar dwelling- houses in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of such dwelling- houses which are available to let on such terms.'

The committee carefully considered the most appropriate method of determining the fair rent of the property. 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.

As there are many similar properties available for lease in the vicinity, the committee accepted that there is no scarcity in supply and that therefore the market rent is the fair rent.

The committee reviewed the evidence of the market rents and determined that the market rent of improved similar properties provided with fitted kitchen, appliances, and upgraded bathroom ('similar improved properties') was £550 per month, £6600 per annum.

They recognised that the property 1/1, 32 Minerva Street, Glasgow was in a poorer condition than the similar improved properties and therefore a reasonable deduction was required to reflect the differences in the properties. They considered that the cost of supplying furniture and appliances, installing central heating, rewiring the property, replacing the bathroom and kitchen fittings, decorating and replacing the flooring would be in the region of approximately £21000.

They considered that this capital expenditure would have a reasonable average life expectancy of 10 years which justified a reduction of £2100 from the rent of the similar improved properties of £6600.

They also acknowledged that the property Flat 1/1, 32 Minerva Street is closely comparable with the property 1/1, 51, Rose Street, Glasgow referred to in the list of comparable rents, albeit that the rent of £3600 was determined in December 2007 and the property 1/1, 51, Rose Street has one less room than 1/1, 32 Minerva Street.

After consideration of all these factors the committee decided that the fair rent for the property was £4500 per annum.

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 the First day of July Two thousand and eight.

..... **J Taylor**

Chairperson, 7th July 2008