



PRIVATE RENTED HOUSING PANEL

Housing (Scotland) Act 1988

Register Of Rents Determined Under Statutory Assured Tenancies

REFERENCE NO.

PRHP/RA/15/0030

APPLICATION RECEIVED

27 January 2015

ADDRESS OF PREMISES

Oakdene, 4 Whitelees Road, Lanark, ML11 7LD

TENANT

Mr Alan Hutton

NAME AND ADDRESS OF LANDLORD

Mr Chirstopher May
7 Highfield, Livingston, EH54 7BQ

AGENT

Mellicks Solicitors
160 Hope Street, Glasgow, G2 2TL

RENTAL PERIOD

n/a

DATE TENANCY COMMENCED

c. May 2002

DESCRIPTION OF PREMISES two storey semi-detached house. The outer walls are of solid stone construction and the roof is pitched and clad with slates. The property was constructed in or around 1900. Internally the property consists on the ground floor of a vestibule, entrance hall, dining room, living room, kitchen and bathroom. On the first floor there are three bedrooms and a box room. The gross internal floor area amounted to approximately 126 square metres

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRPERSON
SURVEYOR MEMBER
HOUSING MEMBER

James Bauld
Sara Hesp
Scott Campbell

PRESENT RENT

£6,000.00

PROPOSED RENT

£8,400.00

DETERMINED RENT

£ 8,100.00 per annum

DATE OF DECISION

30 April 2015

EFFECTIVE DATE

29 April 2015

J. Bauld

Chairperson of Private Rented Housing Committee

20 May 2015



Determination by Private Rented Housing Committee

Statement of Reasons for Decision of the Private Rented Housing Committee

(Hereinafter referred to as "the Committee")

Under Section 24 of the Housing (Scotland) Act 1988

Case Reference Number: PRHP/RA/15/0030

Introduction:-

1. This is a reference to the Private Rented Housing Committee in respect of the property at Oakdene, 4 Whitelees Road, Lanark, ML11 7LD. The landlord is Mr Christopher May and the tenant is Mr Alan Hutton. The tenancy is a Statutory Assured Tenancy under the Housing (Scotland) Act 1988 ("the Act").
2. On 6th October 2014 the landlord served a notice on the tenant under Section 24(1) of the Act indicating that he intended to increase the rent payable under the tenancy to £700 per month (£8400 per annum) with effect from 28th April 2015. The tenant timeously objected to that proposed increase by referring the proposed increase to the Private Rented Housing Panel by lodging Form AT4 which was dated 24th January 2015.
3. The matter was referred to a Private Rented Housing Committee and both parties were invited to make written representations. Both parties were also notified that an inspection and hearing would take place and were invited to attend the inspection and hearing. The inspection took place at the property on 30th April 2015. Both parties indicated in advance of the inspection that they wished to attend a hearing. The hearing took place after the inspection. The hearing took place in South Lanarkshire Lifestyles in Carluke.

The Inspection

4. The Committee inspected the property on 30th April 2015. The Committee consisted of:-
Mr James Bauld - Chairperson
Mrs Sara Hesp - Surveyor member
Mrs Scott Campbell - Housing member

Findings of Fact

5. The property is two storey semi-detached house. The outer walls are of solid stone construction and the roof is pitched and clad with slates. The property was constructed in or around 1900 and is situated in a mixed residential and commercial area close to the centre of Lanark. It is situated close to the train station and bus station and is convenient for local shopping facilities. The property had very small garden grounds to the front, side and rear which are finished in concrete. Internally the property consists on the ground floor of a vestibule, entrance hall, dining room, living room, kitchen and bathroom. On the first floor there are three bedrooms and a box room. The gross internal floor area amounted to approximately 126 square metres
6. The property is let unfurnished and the present tenant has occupied the property for a significant period of time. It was previously his parent's house. He now occupies the property with his wife.
7. There is a gas fired central heating system within the property.

The Hearing

8. The hearing was attended by the landlord Mr Christopher May who was accompanied by his wife Mrs Helen May. The tenant did not attend but was represented by his wife Mrs Deborah Hutton.
9. At the hearing both parties agreed that the relevant forms AT2 and AT4 had all been properly completed and served in accordance with appropriate time limits. The parties therefore agreed that the Committee had jurisdiction to determine the rent for the subjects by applying the terms of the 1988 Act.
10. The landlord addressed the Committee first. He produced to the Committee copies of two home reports prepared by D M Hall Surveyors. The first report was dated 18th April 2013, the second 15th August 2014. The latter report valued the property at £90,000 and indicated that a reasonable rental value for the property would be £700 per month. The landlord submitted to the Committee that in the absence of any contrary valuation from the tenant the rental value proposed within the home report should be accepted and should be used to set the rent. Reference was then made by the landlord to previous applications to the Private Rented Housing Panel in its jurisdiction as the enforcement agency for the repairing standard under the Housing (Scotland) Act 2006. Both parties accepted that repairing standard enforcement orders had been made but that there were no current repairs outstanding in terms of those orders. The landlord submitted that the property internally had been subject to degradation by the tenant who had stripped wallpaper from the walls and had allowed the property to deteriorate internally. The landlord indicated that since 2002 he had received a total of £48,374.46 in rent and that he had spent £65,691.94 in repairs and upgrading works. He submitted that the rent currently being paid of £500 per month was too low and required to be revised upwards. He noted that the tenant had offered £550 per month and accordingly the dispute that the Committee had to determine related to £150 per month. He submitted that DM Hall were independent and that their valuation could be accepted as reasonable and fair. He submitted to the Committee that in the first three months of 2015 the values of properties in Scotland had increased by 13% on average and that the report from DM Hall was already almost a year out of date. He thought the £700 being sought should actually be higher.
11. The tenant's representative then addressed the Committee. She indicated that her husband had been raised in the house and wished to stay in it. Various comments were made with regard to the state of repair of the property and to the previous referrals to the

PRHP. The tenant's representative indicated that the house had been re-valued for council tax purposes and had been dropped a council tax band. The tenant produced some internet adverts for properties within the Lanark area. She produced copies of an advert for a four bedroom house which was on the market at £795 per month and a three bedroom end terrace at £650 per month. She also produced an advert for a two bedroom flat on the market at £480 per month. She indicated that she and the tenant did not agree with the home report and thought that the person conducting that survey was simply there to check the state of repair of the property. She indicated that her husband was willing to increase the rent to £550 per month and that she thought that would be an appropriate rent.

12. Both parties were then questioned by members of the Committee regarding matters which they had raised and in particular clarification was sought from the landlord with regard to the amount spent on refurbishing the property. He indicated that works had been carried out both prior to 2010 and after 2010 in respect of the installation of kitchen units, installation of central heating, installation of a gas supply pipe, repairs to the roof, double glazing throughout the property and rewiring work. He indicated that the refurbishing of the bathroom had been done prior to 2010.
13. Both parties were allowed to make full submissions to the Committee and to raise matters as they saw fit. The Committee listened carefully to all the information provided by both parties. The landlord asked the Committee to retain the two home reports for reference. Subsequent to the hearing the tenant's representative submitted a copy of a mortgage valuation which had been obtained in October 2006 together with other documents relating to a potential sale of the subjects at that time. Reference had been made to these documents at the hearing. The committee noted the terms of these documents received from the tenant's representative but indicate that they were of no significance in making their decision.

The Law and Decision

14. The Committee is required to determine the rent which, subject to certain assumptions in the Act, the Committee considers that the subjects might reasonably be expected to achieve if they were let on the open market by a willing landlord under an assured tenancy. There is no single preferred method for fixing the market rent. It is for the Committee to determine based on the evidence before it the best method to fix the market rent.
15. The Committee accordingly considered all the information which had been provided by both the landlord and the tenant. The Committee also considered information which it had obtained from various websites which showed properties for rent in the Lanark area.
16. The Committee noted that one of the comparables produced by the tenant was a four bedroom detached house to rent in the Lanark area which was on the market at a rent of £795 per month. The Committee took the view that the subject property would not achieve a similar rental to this modern property in its current state and condition. The Committee also noted another comparable produced by the tenant showing a three bedroom end terraced house to rent. This was an ex-local authority house which had been purchased under the right to buy and which was available for a rent of £650 per month. The Committee took the view that the subject property would be likely to achieve a higher rent than this property given the respective location and room sizes. The Committee took the view that the appropriate market rent for the subject property was £675 per calendar month or £8100 per year. The Committee based this decision on the evidence provided at the hearing and by applying their own skill, knowledge and experience.
17. In view of the foregoing the Committee decided that the open market rent should be £675 per month or £8,100 per annum. The Committee noted that no services are provided by the landlord. In reaching this decision the Committee have had regard to all the

circumstances required to be taken into account in terms of Section 25 of the Housing (Scotland) Act 1988.

18. The Committee decided that the market rent for this property should take effect from 29th April 2015 being the date indicated on the form AT2 submitted by the landlord and served on the tenant.
19. The decision of the Committee was unanimous.

Signed ... **J. Bauld**

James Bauld, Chairperson

Date ... *20 May 2015*

Signature of Witness... **N. Walker**

Date... *20 May 2015*

Name, address and occupation of the witness (please print):-

*NATALIE WALKER
SENIOR COURT ADMINISTRATOR*

7 West George Street
Glasgow, G2 1BA