

Housing and Property Chamber First-tier Tribunal for Scotland



First-tier Tribunal for Scotland (Housing and Property Chamber)

STATEMENT OF DECISION of the First-tier Tribunal for Scotland (Housing and Property Chamber) under section 48 of the Rent (Scotland) Act 1984

Ref: FTS/HPC/RR/25/3709

The Parties:-

Mr. Peter Large and Ms Maria Lander residing at 0/1, 18 March Street Glasgow G41 2PX (“the Landlords”)

and

Jean Thomson residing at, Flat 1/R, 456 Victoria Road, Glasgow, G42 8YU (“the Tenant”)

Tribunal Members

James Bauld (legal member)

Nick Allan (ordinary member)

Background

1. This is a reference to the First-tier Tribunal in respect of the property at Flat 1/R, 456 Victoria Road, Glasgow, G42 8YU. The Landlords of the property are Mr. Peter Large and Ms Maria Lander residing at 0/1, 18 March Street Glasgow G41 2PX. The Tenant is Mrs Jean Thomson who resides at Flat 1/R, 456 Victoria Road, Glasgow, G42 8YU. The tenancy is a regulated tenancy in terms of the Rent (Scotland) Act 1984.
2. The current rent being paid by the Tenant in respect of the property is £5,088 per year. The Landlord lodged a form RR1 seeking to have a fair rent registered for the property. The Landlord sought a fair rent of £7,124 per year for the property. The Application by the Landlord was dated 1 July 2025.
3. The rent officer determined that the fair rent for the property should be £5851.89 per year and the date of the rent officer’s decision was 19 August 2025. The landlords objected to the registered rent by a letter dated 29 August 2025. The Application was accordingly referred to the Tribunal for determination.

4. An inspection and hearing were set to take place on 10 March 2025. On that date the Tribunal members attended at the property to carry out an inspection. Mrs Jean Thomson was present at the inspection along with her husband. She did not attend the subsequent hearing. Mrs Thomson indicated at the inspection that she had no objection to the rent fixed by the rent officer. The Landlords were not present personally nor represented by any agent at the inspection.
5. The property is contained within a four-storey traditional sandstone tenement building which is approximately 120 years old. The property is a first floor flat and consists of a living room, three bedrooms, kitchen, bathroom and hall. The property has double glazing. It has no central heating system. The only source of heating within the property is a gas fire within the living room which is currently not working. The tenant advised that they had provided all of the kitchen units currently in place. There had been a leak in the hot water storage tank which is on the wall in the corner. This had been replaced but no redecoration of the damp affected area or the new boxing provided has been undertaken. There had also been a leak in the bathroom and in other parts of the flat from the flat above. The bathroom is in a half-finished state as a result of remedial work undertaken. There are several unlined areas of the walls and ceiling. All of the internal decoration has been undertaken by the tenant. The previous landlord provided new double-glazed windows several years ago and installed smoke and heat detectors. There is a secure door entry system. There is a communal back court area which contains the bin storage and drying green. Access to the common back court area was through a staircase and door to the rear of the common close. The property is situated on a main road and has excellent access to public transport links and local shops and services.
6. After the inspection the Tribunal convened for the hearing at the Glasgow Tribunal Centre on 10 March. The landlords both attended the hearing. Accordingly, the Tribunal required to make its determination based on the evidence obtained at the inspection, from evidence at the hearing and from the documents provided by the parties. The Tribunal's decision was based on the inspection of the property, the evidence presented, the available documentation and the Tribunal's own knowledge, expertise and experience.

The Decision

7. The Tribunal had the following documentation before them:
 - a. Copy form RR1 in respect of the property being the Landlord's Application for registration of rent dated 1 July 2025;

- b. Determination by the rent officer dated 19 August 2025;
 - c. Letter from the landlords objecting to the rent increase dated 29 August 2025.
 - d. Written representations from the landlords lodged on 25 February 2026
8. The landlords at the hearing indicated they had looked at properties advertised on various property websites. They suggested that rents in the local area of Queens Park for two-bedroom properties were in the region of £1,000 per month. they also indicated they had looked at the register of fair rents and that there were numerous entries within the local area with registered rent which ranged from £5298 per annum to over £7000 per annum. They referred the tribunal to a registered rent for a two-bedroom property at 92 Cumming Drive which had been set at £7,200. They also indicated that when the rent had last been registered in 2022 (at £5088.60 per annum) that it had increased by approximately 20% from the previous rent that had been fixed in 2018 at (£4260 per annum) . They submitted that the increase from 2022 to 2025 should be at least at that same level given the economic circumstances which had prevailed and the fact that this rent will be fixed for the next three years. With regard to the condition of the property, they indicated that they wish to install central heating and are aware of the impact of the repairing standard contained in the Housing (Scotland) Act 2006. They stated that there are plans to carry out roof repairs to the building. Their share of the cost appears to be just under £600 which they have paid to the Property factors. They accepted that they had previously tried to obtain an eviction order but that had been refused by the tribunal. They now seemed to accept that they had little chance of being able to remove the tenant. They had purchased the property at auction in 2019 and had been misled by the sale information provided. Their position was that their suggested rent of £7200 per annum was fair and should be fixed as the rent by the tribunal.
9. The Tribunal considered all the evidence and documents provided. The Tribunal were mindful of the terms of section 48 (1) of the Rent (Scotland) Act 1984 which requires the Tribunal 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 properties in the area as well as having regard to the age, character and locality of the dwelling house 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.
10. The Tribunal are also required to consider in terms of section 48 (2) of the same Act that “the number of persons seeking to become the Tenant of similar

dwelling houses in the locality under terms (other than those related to rent) of the regulated tenancy is not substantially greater than the number of dwelling houses in the locality which are available for letting on such terms". This is often referred to as "scarcity.

11. The Tribunal noted that there are three accepted methods in Scotland for determining rent. These methods are:-

- a. Determining a rent by having regard to registered rents of comparable houses in the area;
- b. Determining a rent by comparing market rents within the area and then discounting for any scarcity element and making any appropriate disregards as required by section 48 (3) of the 1984 Act "(tenants improvements)" and;
- c. Calculating the appropriate return based on the capital value of the property taking into account any element of scarcity.

None of these methods is regarded as being the primary method and the method to be chosen by the Tribunal will depend on each case upon the evidence available.

12. The calculation of an appropriate return based on the capital value of the Property did not appear appropriate given (1) the imprecision of such a calculation which invariably requires the use of contentious variables (in particular the decapitalisation rate) compared to the relative ease of using comparable rents and (2) the readily available evidence of registered fair rents in the area of the Property

13. The Tribunal considered whether they should use the method of comparing existing registered rents or using the method of taking a market rent and then discounting what scarcity and disregards they considered would be appropriate.

14. With regard to market rents, no actual evidence was provided by any parties with regard to existing market rents.

15. The Tribunal, applying its own knowledge and experience, considered a variety of advertised properties on various internet sites. The property in question is a three-bedroom property and has an extensive floor area of 135 square metres. In general, the adverts available on the internet were for two-bedroom properties. Those three-bedroom flats which were being advertised

were invariably Homes in Multiple Occupation and so not comparable as they require to be licensed. Accordingly, the Tribunal found it difficult to obtain any truly comparable properties currently available for rent on the open market with which to access an appropriate rent. One property was found in Dixon Road at a rental of £900 per month. Three other properties were found in Daisy Street, Boyd Street and Kingarth Street, all in the same general area and all advertised at £1,100 per month. All were two-bedroom properties. The tribunal members viewed the internet adverts for these properties and noted from the posted photographs that they were internally appointed, furnished and decorated to a standard far in excess of the property being inspected.

16. The Tribunal considered the CityLets report for the fourth quarter of 2025 which suggested that the average rent for a two bedroom property in the postcode area of this property was £1,110 per month. (<https://www.citylets.co.uk/research/reports/pdf/Citylets-Quarterly-Report-Q4-2025.pdf?ref=reports>) The Tribunal noted that this quarterly report had no average figure for a three-bedroom property within this particular postcode. Accordingly, the Tribunal took the view that it would be difficult to assess with any degree of precision the rent of this property using comparable market rents even before considering the question of "scarcity". The condition of the subject property is such that it could not be let on the open market without substantial upgrading.
17. The Tribunal had noted that there were a number of registered rents within the Fair Rent register for apparently similar properties. . In particular , the Tribunal noted that within the G42 postcode area, twenty rents had been registered in the period of the second half of the calendar year 2025, including the subject property. These were rents for properties in Allison Street, Boyd Street, Cathcart Road, Govanhill Street, Preston Street, Coplaw Street, Hollybrook Stret and Cumming Drive. All of these properties are in the same G42 postcode. A number of them are very close to the property in question. All are generally in the Crosshill/Queens Park/Govanhill/Mount Florida areas of Glasgow. The Tribunal noted that the registered rents fixed for these properties ranged from £5,298 per annum to £7,920 per annum. The Tribunal noted that the properties were all tenement properties of a similar age to the property in question. The properties are generally two-bedroom properties and thus smaller than the subject property. The Tribunal noted that in respect of all the determined rents, all of the properties had full central heating. The property in question had no central heating. In addition, many of the comparables were owned by a Housing Association and it could reasonably be assumed that they would be in a condition better than the subject property.
18. The Tribunal in particular noted that for the property at flat 1/R, 82 Cumming Drive a registered rent of £7,920 per annum had been fixed. For the property

at flat 2/R, 92 Cumming Drive a registered rent of £7,200 per annum had been fixed. The Tribunal took the view that given both of these properties had full central heating, the property in question should not have a rent which exceeded those levels. In assessing the rent, the Tribunal would normally discount market rents for a variety of items, one of which would be central heating. A general method of calculating such a discount would be to take the approximate cost of the central heating required for the property and take an annual value of that cost spread over a period of an estimated life of 15 years. The Tribunal reasonably estimated that the installation of a central heating system within this property would cost approximately £7,500. It is a large property and would require a significant installation. On an annual basis that would lead to a discount in rent of £500 per annum.

19. In addition to this, the tenant's improvement to the property - the kitchen - needs to be disregarded. Also, the condition of the bathroom needs to be taken into account. The lack of provision by the landlord of white goods also requires to be factored into a rent assessment.
20. Applying the central heating discount and taking into account the condition of the bathroom and lack of white goods, while acknowledging the size of the property, the Tribunal took the view that the appropriate registered rent for this property should be £6,300 per annum or £525 per month. The Tribunal were content that this registered rent would be lower than the other registered rents for properties which contained central heating and were in better condition. Considering all of the circumstances the Tribunal considered that the significant number of recent registered rents available in the close vicinity provided the best evidence and that given the condition and size of the property it would be not just difficult and imprecise but inappropriate to compare the property to open market rentals that were available. Accordingly the Tribunal determined that the appropriate fair rent for this property should be £6,300 per year (£525 per month).
21. Having determined the market rent, the Tribunal 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 Tribunal could find no evidence of any excess demand for properties such as the one under inspection and noted that there appear to be a number of properties available for rent in the locality of the subjects. In the circumstances the Tribunal decided there was no significant scarcity of properties and there should be no amendment to the rent determined.

22. In reaching this Decision the Tribunal have had regard to all the considerations required to be taking into account in terms of section 48 of the Rent (Scotland) Act 1984. This Decision takes effect from 19 August 2025.

Right of Appeal

1. In terms of section 46 of the Tribunals (Scotland) Act 2014, a party aggrieved by the decision of the tribunal may appeal to the Upper Tribunal for Scotland on a point of law only. Before an appeal can be made to the Upper Tribunal, the party must first seek permission to appeal from the First-tier Tribunal. That party must seek permission to appeal within 30 days of the date the decision was sent to them.
2. Where such an appeal is made, the effect of the decision and of any order is suspended until the appeal is abandoned or finally determined by the Upper Tribunal, and where the appeal is abandoned or finally determined by upholding the decision, the decision and any order will be treated as having effect from the day on which the appeal is abandoned or so determined.

J Bauld

Signed

Date.....17 March 2026.....
James Bauld, Chairperson