Statement of Decision of the First-tier Tribunal for Scotland (Housing and Property Chamber) (Hereinafter referred to as "the Tribunal" Under Section 28 of the Private Housing (Tenancies) (Scotland) Act 2016

Case Reference number:

FTS/HPC/RN/25/5385

Re: Property at Flat G, 7 Crichton Street, Dundee, DD1 3AP ("the Property")

The Parties:

Harland Property Investments Ltd, Premier Property Management, 12 Langlands Street, Dundee, DD1 4AY

("the Applicant")

Mr Serhan Yazicilar, Ms Burcu Yazicilar, Flat G, 7 Crichton Street, Dundee, DD1 3AP

("the Respondent")

Tribunal Members
Iain MacRae (Legal Member)
David Godfrey (Ordinary (Surveyor) Member)

Representation
Applicant: Orhan Yazicilar
Respondent: Chris Harland and Karina Harland

Decision

1. The Tribunal orders in terms of Section 29(1) and (2)(b) of the Private Housing (Tenancies) (Scotland) Act 2016 that from the effective date of 27 August 2026 the rent payable under the tenancy is £750.00 per calendar month.
2. The decision of the Tribunal is unanimous.
3. In terms of Section 31 of the Private Housing (Tenancies) (Scotland) Act 2016 (the 2016 Act) the applicant is liable to pay the landlord the difference between
   (a) the amount that would have been payable in rent between the originally proposed effective date and the actual effective date had the new rent been the rent payable from the originally proposed effective date, and
   (b) the amount that should have been paid in rent during the same period (whether or not it was actually paid).
4. In terms of Section 30 of the Private Housing (Tenancies) (Scotland) Act 2016 (the 2016 Act) the Tribunal's decision is final and cannot be appealed.

Background

5. An application to the Tribunal was received on 12 December 2025. The applicant is the landlord. The respondents are the tenants. The tenancy is a private residential tenancy (**PRT**) under the Private Housing (Tenancies) (Scotland) Act 2016 ("**the 2016 Act**").

6. The applicant appeals the final determination of Rent Service Scotland dated 12 December 2025 and lodged Form H. The matter was referred to the First-tier Tribunal. Both parties were invited to make written representations.

7. By letter dated 18 June 2026 both parties were notified that an inspection then hearing would take place at 10.30 am then 11.30 am respectively on 29 July 2026. They were invited to attend both the inspection and the hearing. They were advised that any further written representations should be lodged by 9 July 2026. The respondent was represented at the inspection and the hearing by Orhan Yazicilar. The appellant was represented by Mr Chris Harland, Director, accompanied by fellow Director Katrina Harland. They attended the inspection but remained at the front door. They attended the hearing.

The Inspection

8. The inspection took place at 10.30am. The tenant's son allowed access. It was explained that the members would simply inspect the premises and any discussion would take place at the hearing later.

The hearing

9. The procedure to be adopted at the hearing was explained. Both parties would be able to present their case and ask the other questions. The Tribunal may also have questions. The Tribunal confirmed that it was required to fix the rent based on the concept of open market rent and explained the legal definition.

The appellant.

10. The rent sought was in in accordance with rents achievable in the area. The appellant adopted the submissions set out in the letter to Rent Service Scotland dated 28 November 2025 and the letter to the tribunal dated 15 December 2025. The best evidence was that of other flats which were at the same tenement let at £750 after the proposed rent increase was intimated. Mr Harland sought to refer to other properties but he had not lodged the list of these before the hearing and the respondent's had been unable to consider these in advance. He said the rent officer's comparables were of little assistance as no addresses had been provided so it was impossible to know what was being put forward and be certain that they were truly comparable.

The respondent

11. They did not have any comparable properties and relied on those put forward by the rent officer. There was staining on the ceiling and the bathroom panel heater was loose from the wall. It was thought that the proposed increase of 25% was high and that is why it was referred to Rent Service Scotland.

Findings in Fact

12. The applicant is the landlord and the respondents the tenants in respect of a private residential tenancy Agreement in respect of flat G, 7 Crichton Street, Dundee, DD1 3AP (**the property**)

13. The parties entered into the tenancy on 27 September 2019 at a rent of £525 per calendar month. The rent was increased to £540 on 27 August 2023, then to £600 on 27 November 2024.

14. The appellant served a Rent-Increase Notice, dated 8 October 2025, on the tenants under Section 22(1) of the 2016 Act, indicating that they intended to increase the rent on the property from £600 per calendar month to £750 with effect from 11 January 2026;

15. The tenant referred the proposed increase to Rent Service Scotland

16. By provisional order dated 27 November 2025 the rent officer proposed to set the rent at £700.00 per calendar month. The provisional order referred to two comparable properties. Both were two apartment flats, one in Union Street, with a monthly rent of £700 and one in Exchange Street with a monthly rent of £695.

17. The landlord appealed the provisional order by letter dated 28 November 2025. The rent officer issued a Final Order, dated 12 December 2025 determining that the rent should be £700.00 per calendar month with effect from 11 January 2026. The final order referred to two comparable properties. Both were two apartment flats, one in King Street with a monthly rent of £680 and one in Roseangle with a monthly rent of £700.

18. The property is a third-floor, self-contained two apartment tenement flat within "Crichton Buildings" a traditional four storey and attic building in Crichton Street, Dundee. The ground floor is occupied by commercial premises. The building is estimated to be in excess of 120 years old. It is of stone construction under a pitched roof clad with slates. Access is taken from a common entry close, protected by a security entry system, shared with the other occupiers in the building.

19. The property's accommodation comprises hall, living room, bedroom, bathroom with bath and electric shower over, and kitchen. There were fitted cupboards in the hallway and bedroom.

20. The property is fitted with double-glazed wooden framed windows and floor coverings throughout. Background heating is provided by electric storage and panel heaters. Hot water is provided by an emersion heater. The kitchen is fitted with modern fittings. The washing machine and fridge are provided by the appellant. Fire and smoke alarms are fitted. The gross internal floor area of the entire flat is 46 square metres.

21. There is a stain on the living room ceiling (following on from water ingress about 4 years ago) and the panel heater in the bathroom is detached from the wall. That apart the decoration is satisfactory for the type and age of the property

22. The property is located in Dundee city centre. It has a good level of local services and transport links. The property does not have allocated parking but there is parking nearby.

23. The rent falls due on the twenty-seventh day of each calendar month.

24. The open market rent for the property as at the 11 January 2026 was £750.00.

The law

25. Section 32 of the 2016 Act states that the determination is to be made on the basis that the property in question would be let by a willing landlord to a hypothetical willing tenant under a new tenancy which would: (a) be a Private Residential Tenancy, (b) begin on the date on which the rent would have been increased in accordance with the rent increase notice, had a referral to a rent officer not been made, and (c) have the same terms as the tenancy to which the referral or (as the case may be) appeal relates.

26. The provisions set out in section 31A of the Act were repealed on 30 March 2025. This was before the rent increase notice was served on the Respondents on 23 May 2025.Section 31A does not therefore apply in this case.

27. Section 29 of the 2016 Act provides that, where an appeal is made to the Tribunal under Section 28(1) of the 2016 Act, the Tribunal must make an order stating that from the effective date the rent payable under the tenancy is the rent determined by the Tribunal in accordance with Section 32 of the Act. Under Section 29(2)(b) of the Act, the effective date in the present application is the first payment date falling on or after the day on which the Tribunal makes its Order. Although the effective date is 27 August 2026 Section 31 of the 2016 Act makes provision for liability for over or under paid rent where the rent payable has been changed by an order made under section 29 as has occurred

here. As the new rent is more than the old rent, on the date this order is made the tenant becomes liable to pay the landlord the difference between the amount actually paid and what would have been payable in rent between the originally proposed effective date on 11 January 2026 and the actual effective date of 27 August 2026 had the new rent been the rent payable from the originally proposed effective date.

Reasons for decision

28. There are two primary methods of assessing the open market rent in Scotland are:

    (a) determining the open market rent by reference to market rents of comparable properties or

    (b) determining the open market rent by reference to the anticipated annual return based on the capital value of the property.

29. Neither of these methods is the primary method. The appropriate method depends on the facts and circumstances of each case. The Tribunal also considered the observations of the Lord President in *Western Heritable Investment Co Ltd v Hunter* (2004) and also the case of *Wright v Elderpark Housing Association* (2017), which requires the Tribunal to proceed on the best available evidence and use the other evidence as a cross check, where possible.

30. There is no public register of Market Rents in Scotland and valuation is largely by evidence of advertised rentals in the area and the application of the knowledge and experience of the Tribunal Members. The rent officer only provides the briefest of detail of comparisons used in their assessment with no specific address, style, floor area or rationale as to how their valuation is arrived at. Accordingly, the Tribunal cannot analyse the rent officer's assessment.

31. The assessment by the Tribunal is necessarily based on taking what evidence is available and adjusting for the differences in age, style, accommodation, floor area and any other relevant factors, such as location, condition, garden, garage, amenity etc, to arrive at a valuation.

32. The respondent did not provide any evidence of rental values in the area in opposition to the claimed rent. The tribunal thought that the rent for a one bedroom city centre flat would have been a figure of between £700 and £750. However, it was difficult to attach too much weight to the rent officer's comparables as, other than the street name, there was no indication of the flat number so the size of the property could not be ascertained from the Energy Performance Certificate register. Nor was there any indication of when the rent was agreed.

33. The best evidence is of recent lets of comparable properties in the same location. Where such evidece exists it is preferable to use this rather than determining the open market rent by reference to the anticipated annual return based on the capital value of the property. Neither party suggested we should do so. The tribunal had no evidence of the capital value of the subjects.

34. The landlord owns all ten one-bedroom flats within the same block. These are directly comparable in size, layout and condition (having all been fully refurbished in 2019); and all are let on open-market private residential tenancies. There is evidence of six lets of directly comparable properties in the same location where the rent for one was £795 and the other five was £750. Given the similarity in location, presentation, specification and condition to the subject property, the tribunal considered these to be the best comparables available. This evidece was indicate of an open marked rent of £750 for the property.

35. The work required to cover the stain on the celling and attach the heater were of such a minor nature and the fact they could be fixed without much difficulty meant that the tribunal did not think these would have any effect on the open market rent. The tribunal noted the appellant's concern over the fact that the proposed increase was at 25% of the rent. However there are no caps or restrictions on the amount that rents can be increased by. The tribunal is only able to consider what the open market rent would have been for a tenancy commencing on 11 January 2026, the date the rent would have increased had

a referral to a rent officer not been made (S32(1)(b) of the 2016 Act). The size of the percentage increase could well be explained by the £600 rent having been less than the open market rent when it was set or by rents in that area having increased more than inflation or a combination of both. Whatever the reason the Tribunal is required to determine what the open market rent is at 11 January 2026.

Valuation

36. Having considered all of the available rental evidence, adjusted to reflect the circumstances of the property, the tribunal assess the rental at £750pcm.

37. In accordance with section 29 of the 2016 Act where the tribunal's determination is made after the date on which the rent would have been increased had a referral to the rent officer not been made (11 January 2026) then the effective date of the new rent is the first payment date falling on or after the date of this order. However section 31 of the 2016 Act makes provision for liability for over or under paid rent where the rent payable has been changed by an order made under section 29 as has occurred here. As the new rent is more than the old rent, on the date this order is made the tenant becomes liable to pay the landlord the difference between the amount actually paid and that would have been payable in rent between the originally proposed effective date on 11 January 2026 and the actual effective date of 27 August 2026 had the new rent been the rent payable from the originally proposed effective date. In short, had the Applicant is required to pay £750 a month from 11 January and is required to make up any shortfall in the rent actually paid by him.

I MacRae

29 July 2026

Iain MacRae Legal Member **Date**