

**PRIVATE RENTED HOUSING PANEL****RENT (SCOTLAND) ACT 1984****Notification Of Decision By The Private Rented Housing Committee**

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/PA16/769	14 July 2010	Landlord

**ADDRESS OF PREMISES**

1/2, 30 Newton Street, Greenock, PA16 8SL

**TENANT**

Mrs Forbes

**NAME AND ADDRESS OF LANDLORD**

Talpa Investment Co Ltd

**AGENT**

Inverclyde Letting Agency  
120 West Blackhall Street  
Greenock  
PA15 1XR

**DESCRIPTION OF PREMISES**

First floor tenement flat C.1900 with partial central heating comprising 2 public rooms, 1 bedroom, scullery kitchen and bathroom.

Gross internal floor area is approximately 70 sq. m.

**SERVICES PROVIDED**

None

**COMMITTEE MEMBERS**

**CHAIRMAN**  
**SURVEYOR**  
**HOUSING PANEL MEMBER**

J Bauld LLB(Hons) DIP LP  
G Campbell FRICS  
S Brown

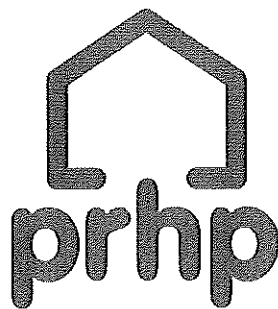
FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£4,100.00 p.a.	21 September 2010	21 September 2010

**J Bauld**

Chairman of Private Rented Housing Committee

21/9/10.

Date



STATEMENT OF REASONS  
BY PRIVATE RENTED HOUSING COMMITTEE

In connection with  
INSPECTION HELD ON 20 SEPTEMBER 2010  
Of the property at  
Flat 1/2, 30 Newton Street, Greenock PA16 8SL

**PRHP Ref. No. RAC/PA16/769**

**1. The Parties**

The Landlords of the property are Talpha Investment Company Ltd per their agent Inverclyde Letting Agency, 120 West Blackhall Street, Greenock, PA15 1XR.

The tenant is Mrs C Forbes who resides at the property. The tenancy is a regulated tenancy in terms of the Rent (Scotland) Act 1984.

**2. Background**

The current rent of the property is £2,500 per annum (£208.33 per month). The Landlords propose an increased rent to £4,100 per annum (£341.66

per month). The rent officer determined a rent of £3,025 per annum (£252.08 per month) with effect from 30 June 2010. The Landlords appealed that determination to the Private Rented Housing Panel ("PRHP").

### **3. The Inspection**

The Private Rented Housing Committee consisting of James Bauld, Chairman, George Campbell, Surveyor, and Susan Brown, Housing Member inspected the property on 20 September 2010.

The property is contained within a three storey buff sandstone tenement block with a tiled roof. The property is situated on the 1<sup>st</sup> floor. The property consisted of three rooms, bathroom, hall and scullery kitchen. One of the three main rooms is used as a bedroom and the other two are used as public rooms by the Tenant. The gross internal floor area amounted to 70 sq m or thereby. The property had a partial electric central heating system which had been installed with the benefit of a grant from the Scottish Government programme and was therefore treated as having been adopted by the Landlords as a Landlords' fixture. There was a secure door entry system. There was a communal back court area which is in very good condition and contained the bin storage area. The property is very conveniently located for public transport links, local shops and services. The property had single glazed wooden framed sash and case windows. The property is almost immediately adjacent to the James Watt College Campus in Greenock.

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#### 4. The Hearing

After the inspection, a Hearing took place which was conducted within a conference room at the Tontine Hotel, Greenock. The Landlords' representative, Ms Alison Hatrick attended the hearing. The Tenant did not attend the hearing but provided a note of written comments for consideration by the Committee.

The Landlords' agent indicated that the rent proposed of £4,100 was intended to reflect an equitable situation in relation to the two other flats at 26 Newton Street where a determination had been made of a fair rent on 25 November 2009 by another committee. The Landlords' agent indicated that in her view there were many comparable properties within the Greenock area at significantly higher rents. She drew the Committee's attention to three other properties within the block at 26 Newton Street, being Flats G/R, Flat 2/1 and Flat 2/2 which were all being rented at £475 per month on short assured tenancies. She drew the Committee's attention to a flat at 1/R at 21 Newton Street which was being rented at £515 per month. She also indicated it would be reasonable to look at the level of local housing allowance being paid by Inverclyde Council in the area for two bedroom flats which amounted to £450 per month. The Landlords' representative was then questioned by Committee Members with regard to other comparable advertised rents which were available on certain websites. Her attention was drawn to flats in Dempster Street and Brymner Street in Greenock advertised at £400 per month. The Landlords' representative's position was that these flats were in different areas of Greenock and would be regarded as poorer areas and would attract lower rents. She was also questioned with regard to available flats for rent in Nicolson Street and in Gateside Grove. Again she indicated that Nicolson Street would be regarded as town centre and Gateside Grove was further out from the town centre and neither would be proper comparables. The Landlords' representative was also questioned with regard to the written representations made by the Tenant. In particular she accepted that a Government grant was used to install white meter central heating and she accepted the Tenant had carried out certain improvements to the property

including the installation of bathroom and kitchen fittings. The Landlords' representative agreed that the Tenant did pay additional sums in respect of window cleaning, stair and close cleaning and gardening to the common rear garden. However the Landlords' representative indicated this was not part of the rental charge and that the same situation applied at other blocks within the same street.

## **5. The Decision**

The Committee had the following documentation before them:-

- Copy form RR1 in respect of the property being the Landlords' application for registration of rent dated 10 May 2010;
- Determination by the rent officer dated 30 June 2010;
- List of comparable registered rents provided by the Clerk to the Committee containing copies of judgments relating to two properties at Flats 1/1 and 1/2 at 26 Newton Street, Greenock.

The Committee considered all the documents provided. The Committee also obtained details of other properties available for leasing in the area from internet advertisements. The Committee also considered the written representations provided by the Tenant.

The Committee were mindful 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 expertise of current rents with comparable property in the area, as well as having regard to the age, character and locality of the dwellinghouse 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.

The Committee are also required to assume that in terms of Section 48 (2) of the same Act that "the number of persons seeking to become the tenant of similar dwellinghouses in the locality on the terms (other than those relating to rent) of a regulated tenancy is not substantially greater than the number of dwellinghouses in the locality which are available for letting on such terms".

No Capital valuations of the property were produced to the Committee. The Committee were provided by the Landlords with copies of relevant extracts from leases of other flats let in the area. The Committee considered these examples together with other examples of comparable rents provided by the Clerk to the Committee. The Committee also exercised their own knowledge and experience and considered information which was available to the Committee via other sources. The Committee, from their own knowledge and experience were aware that the range of rents for flats within the general area of the property ranged from £400 to £475 per month. These rents related to flats in Newton Street and in other streets close to Newton Street including Robertson Street and Kelly Street. The Committee, exercising its knowledge and expertise, took the view that a fair market rent for a fully modernised flat in this locality and of a similar size and location to the subject property, would be £450 per month or £5,400 per annum.

The Committee further determined that the subject property was let as unfurnished and did not benefit from any white goods or carpets supplied by the Landlords. The Committee also determined that in the property the kitchen and bathroom fittings were not of a modern standard. The Committee also determined that the property was not provided with double glazing. The Committee therefore considered that a reasonable deduction was required to reflect the difference between the property at Flat 1/2, 30 Newton Street, Greenock and the market rent for a modern flat of the same size and in the same location.

The Committee considered the costs of providing appropriate carpeting and appliances, and modern bathroom and kitchen fittings and installing double glazing would justify a reduction in the annual rent of £1,300 per annum. On a monthly basis the Committee determined that the total monthly deduction would be £108.33. The Committee therefore determined that the appropriate fair rent for the property would be £4,100 per annum (£341.66 per month) being the market rental level for a fully modernised flat under deduction of the work required to reflect the difference between such a modern flat and the property under inspection.

Having determined the market rent, the Committee then considered whether there should be any scarcity deduction in terms of Section 48 (2) of the of the 1984 Act. Applying their own skill, knowledge and experience, the members of the Committee could find no evidence of excess demand for properties such as the properties under inspection and noted also that there appeared to be a large number of similar sized properties available for rent in the locality of the subjects. The Committee accordingly determined that there was no significant scarcity of properties.

Having considered all the relevant factors the Committee decided that the fair rent for the property at Flat 1/2, 30 Newton Street, Greenock should be £4,100 per annum.

In reaching this decision the Committee have had regard to all the considerations required to be taken into account in term of Section 48 of the Rent (Scotland) Act 1984.

This decision of the Committee was unanimous. This decision takes effect from 20 September 2010.

**J Bauld**

Signed ..  
.....

Date *30 September 2010*

James Bauld, Chairperson

Signature of Witness **L McManus**

Date *30 September 2010*

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

*LAURA MC MANUS*

*SECRETARY*

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7 West George Street  
Glasgow, G2 1BA