



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G12/785	10 November 2010	Tenant

ADDRESS OF PREMISES

G/F, 16 Ruskin Terrace, Glasgow, G12 8DY

TENANT

Mr O'Reilly Lyons

NAME AND ADDRESS OF LANDLORD	AGENT
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Alexander McCallum
Eastbank
Langbank
PA14 6XT

DESCRIPTION OF PREMISES

Ground floor conversion in 2 storey and attic over basement intermediate terrace house C.1860 comprising living room, 2 bedrooms, galley kitchen and dark bathroom.

Floor area is approximately 65 sq. m.

SERVICES PROVIDED

None

COMMITTEE MEMBERS

CHAIRMAN	J Bauld LLB(Hons) DIP LP
SURVEYOR	M Links FRICS
HOUSING PANEL MEMBER	S Brown

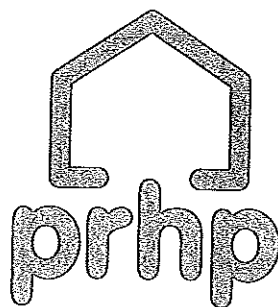
FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 5,300.00 p.a.	17 January 2011	17 January 2011

J Bauld

Chairman of Private Rented Housing Committee

Date

17 January 2011



DETERMINATION BY PRIVATE RENTED HOUSING COMMITTEE

STATEMENT OF REASONS FOR DECISION OF PRIVATE RENTED HOUSING COMMITTEE (Hereinafter referred to as "the Committee")

Under Section 48 (1) of the Rent (Scotland) Act 1984

Case Ref Number: RAC/G12/785

In connection with the inspection held on 17th January 2011 of the property at
Flat G/F, 16 Ruskin Terrace, Glasgow, G12 8DY ("the Property"),

The Parties

1. The Landlord of the property is Alexander McCallum, residing at Eastbank, Langbank, Renfrewshire, PA14 6XT. The Tenant is Mr Rex O'Reilly Lyons, who resides at the property. The tenancy is a regulated tenancy in terms of the Rent (Scotland) Act 1984.

Background

2. The original rent of the property is £4,550 per annum (£379.16 per month). The Landlord proposed an increased rent to £5,360 per annum (£446.66 per month). The Rent Officer determined a rent of £5,220 per annum

(£435 per month) with effect from 13th July 2010. The Tenant appealed that determination to the Private Rented Housing Panel (PRHP).

The Inspection

3. The Private Rented Housing Committee consisted of James Bauld, Chairman, Michael Links, Surveyor and Susan Brown, Housing Member. The Committee inspected the property on 17th January 2011.

4. The property comprises a ground floor flat conversion contained within a two storey and attic over basement intermediate terrace house. There are four flats within the building. The outer walls are solid grey sandstone and the roof is pitched and slated. The property is situated on the ground floor. The property consisted of living room, 2 bedrooms, hall, galley kitchen and dark bathroom. The gross internal floor area amounted to 65 sq. m. or thereby. The windows were wooden sash and case with single glazing. There was no central heating system within the property. There was a communal back garden area which had been converted to a car parking area and which also contained the bin storage area. The Tenant had no direct access from the building to that area and could only access it by leaving through the front of the property and walking round the building to the rear. The property is situated on a service road fronting Great Western Road, Glasgow and is exceptionally conveniently located for public transport links, local shops and services.

5. During the inspection the committee noted that one of the bedrooms was affected by dampness which appeared to be caused by a leak from a water tank. Both parties agreed that this dampness had occurred recently and would be remedied. Both parties agreed that the dampness should be ignored by the committee in their deliberations.

The Hearing

6. After the inspection a hearing took place which was conducted within the offices of the PRHP in Glasgow. The Landlord and the Tenant both attended the hearing.
7. Both parties were agreed that the tenancy started in or around 1980 and that it had continued since that time.
8. The Landlord was questioned by the Committee on various aspects of his application form to the Rent Registration Office. He conceded that the services provided were very occasional stair cleaning and that he estimated the value of those services to be about £10 per quarter. The Landlord indicated that furniture had originally been provided when the tenancy started but that the Tenant had provided some furniture of his own over the period. The Landlord indicated that he thought an appropriate charge for the furniture and carpets provided within the property would be about £5 per month. The Landlord indicated that both of the charges mentioned in respect of services and furnishings were to be included within the rent that he was seeking.
9. There was then some discussion as to whether the Tenant uses the property as an office for his business but it was agreed between the parties that the Tenant no longer used the property as an office and it is now used solely as a residential unit.
10. The Tenant then addressed the Committee and indicated he did not see any reason for the proposed increase in rent. His position was that rental levels generally had dropped over the last year and that he believed he could get a modern flat in the Glasgow Harbour Project at a rental level lower than that being proposed by his Landlord. He believed that as a long term sitting tenant of over 30 years that he should obtain a reduced

rent on the basis that there was a guaranteed rental income and no gaps in the income for the Landlord. He was not aware of any comparable rents in the area.

11. The Landlord was then asked to set out his position with regard to the proposed increase. He indicated that the original rent had been set in June 2007 and the increase which he was seeking was the first that he had sought since that time. The Landlord indicated that he was also the owner and proprietor of a two bedroom flat in the property next door at 17 Ruskin Terrace and that the rent for that was £600 per month. He conceded that that was let on an assured tenancy. He also indicated that he was the proprietor of a flat on the second floor at number 16 Ruskin Terrace which was a larger flat containing 3 bedrooms. However the rental achieved for that flat was £700 per month. Both of these rentals had been set within the last year. The Landlord conceded the flat at number 17 was larger than the property in question but it seemed to be agreed by both parties that the flat at 17 Ruskin Terrace was almost identical to the flat at number 16.

12. The Tenant was then questioned with regard to the comparable properties being suggested by the Landlord. The Tenant's position was that the rents being paid for the other properties would be subject to a deduction for commission to the managing agent being employed by the Landlord. The Tenant also pointed to the lack of maintenance within the property in question and the fact it had not been modernised. He again indicated that he believed there should be some recognition of his continuing tenancy and the fact there was guaranteed ongoing rent to the Landlord and that there would be no gaps when the property was empty between tenancies. In response to that point, the Landlord indicated that flats in this particular location do not lie empty. They are exceptionally close to Glasgow University and to Gartnavel Hospital and there are always tenants looking for flats in the area.

The Decision

13. The Committee had the following documentation before them:-
- Copy Form RR1 in respect of the property being the Landlord's application for registration of rent dated 1st June 2010;
 - Determination by the Rent Officer dated 13th July 2010;
 - List of comparable registered rents provided by the Clerk to the Committee containing copies of Judgments relating to properties at Flat M/D, 1 Great George Street, Glasgow, G12 8PD, Flat 1/2, 5 Great George Street, Glasgow, G12 8PD, Flat 2/1, 166 Great George Street, Glasgow, G12 8PD and Flat 3/1, 166 Great George Street, G12 8PD.
14. The Committee considered all the documents provided. The Committee also obtained details of other properties available for leasing in the area from various sources including internet advertisements. The Committee also considered the representations provided by both the Tenant and the Landlord at the Hearing.
15. 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 for comparable properties in the area, as well as having regard for 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.
16. 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".

17. No capital valuations for the property were produced to the Committee. The Committee determined, from their own knowledge and expertise that many flats were available within the general area of the property for let. The rentals being sought for these properties varied. These rents related to properties in Great George Street, Great Western Road and Byres Road. The Committee, exercising its knowledge and expertise took the view that a fair market rent for a fully modernized flat in this locality and of a similar size and location to the subject property would be £600 per month or £7,200 per annum.
18. The Committee further determined that the subject property was let as furnished but did not benefit from any great degree of modernisation. The Committee 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 G/F, 16 Ruskin Terrace, Glasgow and the market rent for a modern flat of the same size and in the same location. The Committee considered that the cost of providing appropriate carpeting and appliances, providing modern kitchen and bathroom fittings, installing double glazing and generally attending to wiring and decoration would justify a reduction in annual rent of £1,900 per annum. On a monthly basis the Committee determined that the total monthly deduction would be £158.33.
19. The Committee therefore determined that the appropriate fair rent for the property would be £5,300 per annum (£441.67 per month) being the market rental level for a fully modernized flat under deduction of the work required to reflect the difference between such a modern flat and the property under inspection.

- 20. Having determined the market rent the Committee then considered whether there should be any scarcity deduction in terms of Section 48(2) 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 property 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.
- 21. Having considered all the relevant factors the Committee decided that a fair rent for the property at Flat G/F, 16 Ruskin Terrace, Glasgow should be £5,300 per annum.
- 22. 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.
- 23. The decision of the Committee was unanimous. This decision takes effect from 17th January 2011.

Signed **J Bauld** Date *8 February 2011*

James Bauld, Chairperson

Signature of Witness... **G Williams** Date *8/2/11*

Name:

Address: 7 West George Street, Glasgow, G2 1BA

Designation: SENIOR COURT ADMINISTRATOR

certified a true copy
James Bauld Legal Member
 Private Rented Housing Panel
 Date: *8 February 2011*