

**RENT ASSESSMENT PANEL FOR SCOTLAND**

**RENT (SCOTLAND) ACT 1984**

**NOTIFICATION OF DECISION BY THE RENT ASSESSMENT COMMITTEE**

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<b>REFERENCE NO.</b>	<b>OBJECTION RECEIVED</b>	<b>OBJECTION</b>
RAC/G20/453	17 October 2006	Landlord

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**ADDRESS OF PREMISES**  
Flat 3/2, 74 Sanda Street, Glasgow G20 8PS

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**TENANT**  
Mr F McDermott

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<b>NAME AND ADDRESS OF LANDLORD</b>	<b>AGENT</b>
Scottish Prudential Investment Assoc.	Hacking & Paterson 1 Newton Terrace Glasgow G3 7PL

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**DESCRIPTION OF PREMISES**  
Third floor flat in four storey sandstone and slate tenement circa 1890 with gas central heating and double glazing, comprising 3 rooms, kitchen, scullery and dark shower room

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**SERVICES PROVIDED** None

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**COMMITTEE MEMBERS**

<b>CHAIRMAN</b>	Mrs A McCamley BA LLB NP
<b>PROFESSIONAL MEMBER</b>	Mr A English FRICS
<b>LAY MEMBER</b>	Mr J Riach

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<b>FAIR RENT</b>	<b>DATE OF DECISION</b>	<b>EFFECTIVE DATE</b>
£3500.00 per annum	5 December 2006	5 December 2006

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**A McCamley**

Chairman of the Rent Assessment Committee

5/12/06.  
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**Date**

## RENT ASSESSMENT COMMITTEE

### STATEMENT OF REASONS

Held On: 5th December 2006

Property: 3rd Floor Flat, 74 Sanda Street, Glasgow (hereinafter referred to as "the Flat")

#### 1.0 Introduction

The Committee comprised Mrs. A. McCamley (Chairman), Mr. A. English (Surveyor) and Mr. J. Riach (Lay Member). Mrs. Isabel Montgomery accompanied the Committee as an observer on this occasion. The Landlord is the Scottish Prudential Investment Association represented by Hacking & Paterson. The Tenant is a Mr. McDermott. This reference to the Rent Assessment Committee for determination of a fair rent under the Rent (Scotland) Act 1984 is in respect of the top floor flat known as 74 Sanda Street, Glasgow and arises from dissatisfaction on the part of the Landlord.

The previous rent was £2,400 per annum. The Landlord applied for £3,500 per annum and the rent determined by the Rent Officer was £2,900 per annum.

#### 2.0 Inspection

The flat was inspected by the Committee on 5th December 2006 in the presence of the Tenant and the Landlord's agent.

- (1) The Situation - the flat is situated in a pleasant street in the popular area of North Kelvinside. There is easy access to local and supermarket shopping, good transport links to and through Glasgow and excellent leisure facilities all within walking distance of the flat.

(2) /

- (2) The Exterior - the property forms the top floor flat of a traditional grey sandstone and tile tenement. It benefits from a door entry phone system. The internal close is clean and tidy. There is a shared drying area to the rear. This is also in good order. On the date of inspection the property was wind and watertight and the structural condition of the whole building was good.
- (3) The Interior - this is a traditional Glasgow tenement with three rooms with a scullery kitchen and a shower room.

The sitting room is to the front of the property, it is a comfortable room generously proportioned with good cupboard space.

The two bedrooms are also generously proportioned both capable of housing a double bed with chest of drawers and wardrobe space.

The kitchen/living room is to the rear of the property. The scullery is off the living area. The living area is large enough to hold a dining table and other occasional furniture.

The shower room comprises an electric shower unit, wc and wash hand basin. It is large enough to house a bath but only a shower is fitted.

There are two large and useful cupboards in the hall.

The property benefits from gas central heating, it is double glazed and has been rewired in recent years.

The Tenant has attractively decorated and maintained the property.

### 3.0 Documentation

The Committee considered the undernoted documents:

RRI Application

Landlord Representations

Rent Register Pages

### 4.0 The Hearing

A Hearing was held at the request of the Tenant. The Landlord did not wish to attend. By courtesy of the Tenant the Hearing took place in the reference property at the conclusion of the inspection.

Mr. McDermott the Tenant was of the view that the increase in rent was excessive. About ten years ago the kitchen ceiling had come down twice and had been replastered by the Tenant. The bedroom ceiling had also come down and again been replastered by Mr. McDermott. At that time the Landlord made him an ex gratia payment in the region of £200.

Mr. McDermott felt the stairs were unsafe as they were resurfaced stone steps but they were not adequately nosed.

He confirmed the windows had been renovated ten years ago and a shower room installed six years ago.

The rent register comparable rents had previously been intimated to the Tenant but he was unable to comment on the properties contained therein.

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## 5.0 The Decision

The Rent Assessment Committee do not accept the determination of the fair rent by the Rent Officer. The Rent Assessment Committee determines that a fair rent for the subjects is £3,500 per annum with effect from 5th December 2006.

### Reasons for the Decision

The Committee carefully considered all the written evidence together with observations made by Committee members at the inspection, the points raised by the Landlord in his written representations and the oral evidence of the Tenant at the Hearing.

In particular the Committee considered which of the alternative methods of ascertaining a fair rent was most appropriate in this case. It is settled law that the three main guidelines are:-

- (a) To compare registered rents for similar protected tenancy properties.
- (b) To ascertain what would be a fair return to the Landlord on the capital value of his house.
- (c) To have regard to free market rents for similar properties.

In this case the clerk had prepared a schedule containing four comparable registered rents. The properties are all situated within close proximity to the reference property. Initially the Committee was attracted by these comparators and made investigation regarding the nature of the registration. We discovered that these determinations had been made by the Rent Officer and not by Rent Assessment Committee. The Committee cannot speculate as to how the Rent Officer reached his determination. We have no knowledge as to whether these properties have been modernised nor are we aware of the proportions of the rooms. We are also concerned that the Rent Officer may have perpetuated a deduction for scarcity when determining these rents.

These concerns having been raised regarding the method by which the Rent Officer determined his figures for the comparable properties we concluded that direct interpolation from the Rent Register would not provide the best way of arriving at a fair rent for the reference property.

Neither party addressed the Committee on the capital value of the property and Committee had no information thereon.

Committee resolved to proceed by having regard to market rents for similar properties. The Committee is aware through its own market knowledge reinforced by the advice of its professional member who produced a list of current lettings from the local press that market rents for flats of the same size and the same locality of there reference property are around £500 to £550 per month fully furnished with central heating and all modern conveniences. The agents acting on behalf of the Landlord intended that a fair rent for the property should be at least £3,500 per annum and while the market rent evidence might suggest a higher rental figure we take the view that the Landlord can reasonable be assumed to know the potential of his own property and we are content to set the market rent at £3,500 per annum.

Having determined the market rent the Committee considered whether there should be any scarcity deduction in terms of Section 48(2) of the 1984 Act. The Committee, applying its skill, knowledge and experience and taking advice from its professional member takes the view that there is a fair equilibrium in the market.

Accordingly, the market rent is the fair rent in this case. Thus the decision of the Rent Officer is revised upwards with effect from 5th December 2006.

A McCamley

Chairman

5/1/07.