



PRIVATE RENTED HOUSING PANEL

RENT (SCOTLAND) ACT 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO:	OBJECTION RECEIVED	OBJECTION
RAC/G3/592	26 June 2007	Landlord

ADDRESS OF PREMISES
2/3, 8 Claremont Street, Glasgow, G3 7HA

TENANT
Mr S Thomson & Ms M McDougall

NAME AND ADDRESS OF LANDLORD	AGENT
Glasgow West HA Ltd 5 Royal Crescent Glasgow G3 7SL	

DESCRIPTION OF PREMISES
Second floor traditional tenement flat C.1900 with gas central heating and partial double glazing comprising 4 rooms, kitchen and dark bathroom.

SERVICES PROVIDED
Door entry system, communal electricity, TV Aerial, garden maintenance and associated admin costs.

COMMITTEE MEMBERS

CHAIRMAN	Mrs J Taylor LLB Dip LP NP
PROFESSIONAL MEMBER	Mr R Buchan BSc FRICS
LAYMEMBER	Mrs T Ahmed

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 2,870.00 p.a.	25 September 2007	24 July 2007

(inclusive of variable services less than 5%)

J Taylor

Chairman of Private Rented Housing Committee

13th October 2007

Date

STATEMENT OF REASONS

in connection with

INSPECTION HELD ON 25th September 2007

of the property

2/3, 8 Claremont Street, Glasgow, G14 0NJ

1. THE PARTIES

The landlords are Glasgow West Housing Association, 5 Royal Crescent, Glasgow, G3 7SL.

The tenants are Mr S Thomson and Ms M McDougall. Their tenancy commenced on 28th January 1997 and it is a regulated tenancy in terms of the Rent (Scotland) Act 1984.

2. BACKGROUND

The current rent is £2421.08 per annum. The rent includes a charge of £11.64 per annum for the services provided by the landlords. The landlords applied for the rent to be increased to £2801.12.

The Rent Officer registered a rent of £2700.04 per annum with effect from 24th July 2007 and the Landlord referred the determination to the Rent Assessment Committee.

3. THE INSPECTION

The committee inspected the property, a second floor flat in a traditional blonde sandstone four storey tenement. The accommodation comprises living room, three bedrooms, kitchen and internal bathroom.

The property is partially double glazed and central heating has been installed..

The tenement building was refurbished some time ago. The roof of the tenement is tiled and the communal ground to the rear of the property is laid with slabs.

The property is located above commercial properties on the ground floor, on a busy main road. It is conveniently located for public transport, the local secondary school and local services.

The landlord provides the services of door entry system, communal electricity supply, TV Aerial, Garden Maintenance and associated administration.

4. THE HEARING

The hearing was held in the property immediately after the inspection.

Ms McDougall, one of the tenants was present at the hearing. Glasgow West Housing Association was represented by Jenny Dunk, Tenancy Services Officer, Tony Smith, Property Services Manager and Richard O' Brien, Maintenance Officer.

Jenny Dunk advised the committee that the Housing Association had referred the rent determination to the Rent Assessment Committee as previously the Rent Officer had confirmed the rents sought by the Housing Association. She advised the committee that the Housing Association's rent setting policy was based on the floor areas of the properties. Base rents are adjusted to reflect various factors such as additional accommodation, windowless bathrooms etc.

She also advised the committee that she was aware of similar properties where the rent officer had accepted the rents applied for. These properties are 7, Brechin Street, 8 Claremont Street, 1381 Argyle Street and 9 Dover Street. She considered flat 2/3, 8 Claremont Street to be virtually identical to 9 Dover Street (which is a four apartment property) and the Rent Officer had fixed a rent of £2782 for that property on 24th March 2006. Therefore she asked the committee to determine that the fair rent for flat 2/3, 8 Claremont Street is the rent applied the Housing Association had applied for, namely £2801.12 per annum.

Ms McDougall advised the committee that she was concerned that the bath in the property had not been replaced for over ten years and it was badly stained. Richard O Brien advised the committee that it is the Housing Association's policy to replace baths every fifteen years. The bath in the property had not yet been replaced as it had not yet been installed in the property for fifteen years and in this case the bath is only ten years old.

5. THE DECISION

The committee had the following documents before them:-

- A copy of form RR1, the landlord's application for registration of the rent.
- The letter from the landlord's agents dated 21st June 2007, which stated that they objected to the rent set by the Rent Officer.

- A copy of the Tenancy Agreement and letter from the landlords to the tenants dated 22nd February 2007, regarding the service charges for 2007/2008, effective from 28th March 2007.

- Statement by the landlords, which advised:-

'We would ask the panel to consider rents previously set at the following addresses:-

25 Brechin Street, 2/2- 4 apt rent registered at £2902 on 11th September 2005.

645 Argyle Street 3/2, 4 apt rent registered at £2828 on 12th March 2007.

76 Elderslie Street, 1/2, 4 apt rent registered at £3026.84 on 23rd October 2005.

- List of rents of comparable properties, provided by the clerk:-

<i>Address</i>	<i>Accommodation</i>	<i>Effective date</i>	<i>Registered rent</i>	<i>Remarks</i>
1/2, 8, Claremont Street, Glasgow	3 rooms, kitchen and bathroom	24 th July 2007	£2616.88	
3/1, 1381 Argyle Street, Glasgow	3 rooms, kitchen and bathroom	1 st May 2007	£2667.94	

The committee considered the documents provided. They were mindful of the terms of section 48(1) of the Rent (Scotland) Act 1984 which requires the committee *'to have regard to all the circumstances and to apply their knowledge and experience of current rents of comparable property in the area, as well as having regard to the age, character and locality of the dwelling house in question and to its state of repair and, if any furniture is provided for use under the tenancy, to the quantity, quality and condition of the furniture'* and also the terms of section 48(2) which requires them to assume that *'the number of persons seeking to become tenants of similar dwelling-houses in the locality on the terms (other than those relating to rent) of the regulated tenancy is not substantially greater than the number of such dwelling-houses which are available to let on such terms.'*

The three methods used to determine fair rents in Scotland are:-

- (1) Comparable regulated rents.
- (2) Comparable Market rents, making allowances for scarcity and insurance costs and statutory disregards.
- (3) Calculating the appropriate return on capital and making an allowance for scarcity.

The committee is required to consider the best evidence available to them and to use the other available evidence as a cross check. (Western Heritable Investment Co. Ltd v Hunter (2004))

The landlords' had not provided evidence of market rents or capital valuations of comparable properties. Whilst the committee found many properties available to lease in the area they did not consider these properties to be comparable with 2/3, 8 Claremont Street. The properties available for lease were modern flats, they had private parking available and carpets, floor coverings and appliances were supplied. Consequently they gained no assistance from the evidence of market rents.

The committee considered the evidence of comparable regulated rents stated. They accepted Jenny Dunk's submission that the most comparable property is 9 Dover Street. They recognised that an adjustment was required to reflect the age of the rent determination for that property. Consequently, they decided that the fair rent for the property was £ 2870 per annum.

The committee considered that the landlords charges for the services (door entry system, communal electricity supply, tv aerial, garden maintenance and associated administration) were reasonable and determined that they amount to less than 5% of the annual rents.

In reaching this decision the committee have had regard to all the considerations required to be taken into account in terms of Sections 48 and 49 of the Rent (Scotland) Act 1984.

This decision takes effect from the Third day of July Two thousand and Seven.

J Taylor

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Chairperson, 9th October 2007