



## PRIVATE RENTED HOUSING PANEL

Rent (Scotland) Act 1984

### Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO.	OBJECTION RECEIVED	OBJECTION
PRHP/RR/15/0066		Tenant

#### ADDRESS OF PREMISES

2/3, 26 Stewartville Street, Glasgow, G11 6DF

#### TENANT

Mr and Mrs John McLellan

NAME AND ADDRESS OF LANDLORD	AGENT
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Partick Housing Association Limited  
10 Mansfield Street  
Glasgow  
G11 5QP

#### DESCRIPTION OF PREMISES

Second floor two apartment flat in 4 storey red sandstone tenement. The accommodation comprises a hallway, living room, one double bedroom, galley kitchen and internal bathroom.

The approximate gross internal floor area is 44 square metres.

#### SERVICES PROVIDED

No Services are provided

#### COMMITTEE MEMBERS

CHAIRPERSON  
SURVEYOR MEMBER  
HOUSING MEMBER

Jacqui Taylor  
George Campbell  
Christopher Harvey

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 3750.00 p.a.	23rd April 2015	28 <sup>th</sup> February 2015

J. TAYLOR

Chairperson of Private Rented Housing Committee

26<sup>th</sup> April 2015

Date



## **STATEMENT OF REASONS**

*in connection with*

### **INSPECTION AND HEARING HELD ON 23<sup>rd</sup> April 2015**

*In relation to the property*

*Flat 2/3, 26 Stewartville Street, Glasgow, G11 6DF*

#### **1. THE PARTIES**

The Landlords are Partick Housing Association Limited, 10 Mansfield Street, Glasgow, G11 5QP.

The Tenants are Mr and Mrs John McLellan. They have been resident of the property since 21<sup>st</sup> September 1988. The tenancy is a registered tenancy in terms of the Rent (Scotland) Act 1984.

#### **2. BACKGROUND**

The current rent is £2901.72 per annum (£241.81 per month). The Landlords applied for the rent to be increased to £3342.72 per annum (£278.56 per month). The Rent Officer registered a rent of £3342.72 per annum (£278.56 per month) with effect from 28th February 2015. The Tenants referred the determination to the Private Rented Housing Panel ('PRHP'). The Committee members were Jacqui Taylor (Chairperson), George Campbell (Surveyor Member) and Christopher Harvey (Housing Member).

#### **3. THE INSPECTION**

On the morning of 23<sup>rd</sup> April 2015 the Committee inspected the property. The Tenants and Alison Philips and Michael Monaghan from Partick Housing Association were present at the inspection.

The property is a second floor flat in a four storey traditional red sandstone tenement, which dates from circa 1890.

The tenement has a tiled roof, a communal door entry system and had been refurbished and upgraded in the past.

The accommodation comprises living room, one bedroom, galley kitchen and small bath room. The floor area is approximately 44 square metres.

There is no gas central heating in the property. The Tenants had supplied electric fires in the lounge and bedroom.

The windows throughout the property are double glazed.

There is a communal area at the rear of the tenement and the bin storage area is located here.

The property is conveniently situated for public transport and local services.

No services are provided by the Landlords.

#### **4. THE HEARING**

The parties did not attend the hearing that had been arranged.

#### **5. THE DECISION**

The Committee had the following documents before them:-

- A copy of form RR1, the Landlords' application for registration of the rent.
- Written representations from the Tenants which state that they wish to appeal the rent awarded. They explained that the Landlords sent them a letter dated 7<sup>th</sup> March 2014 outlining their rent increase proposals for 2014-2019, the letter did not state that registered or secured or fair rent tenancies would be different from their proposals and the rent increase that is now proposed does not reflect this. They sent a copy of the letter and a copy of the survey results that accompanied it.
- Written representations from the Landlords which state:  
'The current rent for 2/3 26 Stewartville Street is £241.81. The proposed new rent is £278.56 which is an increase of £36.75 per month.

Private lets for a similar property in the area range from £475- £650 per month.

A mid market rent for a 1 bedroom property in the area is £514.05.

A similar property with another RSL within a 1 mile radius is Yorkhill and they have registered it at £256.37 but this is due for registration in September this year and Whiteinch and Scotstoun gave another comparison of £294.59.

PHA increased rent levels by 5.5% for all assured tenancies which are increased on an annual basis.'

The Committee considered the documents provided.

The Committee were mindful of the terms 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 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, and to the quantity, quality and condition of the furniture'. Also 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 Committee carefully considered which of the three methods of assessing the rent was appropriate in this case. The three recognised methods used in Scotland are (1) determining the fair rent by reference to comparable registered rents in the area. (2) determining the fair rent by reference to market rents of comparable properties allowing for appropriate deductions for scarcity and (3) determining the fair rent by reference to the anticipated annual return based on the capital value of the property. None of these methods is the primary method. The appropriate method depends on the facts and circumstances of each case.

Separately the Committee had obtained details of thirteen other similar sized properties available to lease in the area from the internet. The rents of these properties ranged from £350 to £650 per month. In light of this evidence the Committee considered that the method of using comparable market rents was the best evidence available and proceeded to assess the rents of the properties using this method.

These properties were one bedroom properties with kitchen and bathroom. The Committee acknowledged that there is a reasonable supply of similar properties to rent in the area and therefore there is no scarcity of supply of such properties at this time.

The Committee considered the details of the other properties available to rent in the area. Most of the properties were furnished, they had gas central heating and appliances were provided by the landlords. The Committee considered the rental evidence provided by the Landlords.

The Committee considered the market evidence and reflected that the market rent of properties comparable to Flat 2/3, 26 Stewartville Street, Glasgow was £ 450 per month (£ 5400 per annum). The Committee acknowledged that an adjustment was required to reflect the fact that the property (Flat 2/3,

26 Stewartville Street Glasgow) has a small kitchenette and bathroom and no central heating. Also the accommodation is unfurnished and no appliances, decoration or floor coverings are supplied by the Landlords. They considered that a deduction of £1650 per annum was reasonable to reflect these differences.

**After consideration of all these factors the committee decided that the fair rent for the property was £ 3750 per annum.**

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.

This decision takes effect from the 28<sup>th</sup> day of February Two Thousand and Fifteen.

J. TAYLOR

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Chairperson, 26<sup>th</sup> April 2015