



PRIVATE RENTED HOUSING PANEL

Rent (Scotland) Act 1984

Notification Of Decision By The Private Rented Housing Committee

REFERENCE NO.	OBJECTION RECEIVED	OBJECTION
PRHP/RR/16/0196	16 May 2016	Tenant

ADDRESS OF PREMISES

2/2, 900 Govan Road, Govan, Glasgow, G51 3AF

TENANT

Ms Marion Donnelly

NAME AND ADDRESS OF LANDLORD AGENT

Govan Housing Association
35 McKechnie Street, Glasgow, G51 3AQ

DESCRIPTION OF PREMISES

The property is a second floor flat in a four storey modern blonde sandstone and brick tenement, which dates from circa 1993.

The tenement has a tiled roof, a communal door entry system. The accommodation comprises living room, two bedrooms, kitchen and bath room. The floor area is approximately 80 square metres.

There is gas central heating in the property. The windows throughout the property are double glazed with a timber frame.

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

SERVICES PROVIDED

Stair cleaning

COMMITTEE MEMBERS

CHAIRPERSON Jacqui Taylor
SURVEYOR MEMBER Sara Hesp

FAIR RENT	DATE OF DECISION	EFFECTIVE DATE
£ 4050 p.a.	12 July 2016	22 nd March 2016

J Taylor

Chairperson of Private Rented Housing Committee

20/7/16

Date



STATEMENT OF REASONS

in connection with

INSPECTION AND HEARING HELD ON 12th July 2016

In relation to the property

Flat 2/2, 900 Govan Road, Glasgow, G51 3AF

Case Ref No:PRHP/RR/16/0196

The Committee Members were Jacqui Taylor (Chairperson) and Sara Hesp (surveyor member).

1. THE PARTIES

The Landlords are Govan Housing Association, 35 McKechnie Street, Glasgow G51 3AQ.

The Tenant is Marion Donnelly. She has been a Tenant of the Housing Association for 37 years. The tenancy is a registered tenancy in terms of the Rent (Scotland) Act 1984.

2. BACKGROUND

The current rent is £2959.94 per annum (£246.66 per month). The Landlords applied for the rent to be increased to £3366.72 per annum (£280.56 per month). The Rent Officer registered a rent of £3366.72 per annum (£280.50 per month) with effect from 22nd March 2016 and noted that variable services of £102.36 are payable. The Tenant referred the determination to the Private Rented Housing Panel ('PRHP'). The Committee members were Jacqui Taylor (Chairperson) and Sara Hesp (Surveyor Member).

3. THE INSPECTION

On the morning of 12th July 2016 the Committee inspected the property. The Tenant and John Foster, the chairman of the residents association, were present at the inspection. The Landlords were not present and they were not represented.

The property is a second floor flat in a four storey modern blonde sandstone and brick tenement, which dates from circa 1993.

The tenement has a tiled roof and a communal door entry system. The accommodation comprises living room, two bedrooms, kitchen and bath room. The living room, one of the bedrooms and hall are irregular shapes. The floor area is approximately 80 square metres.

There is gas central heating in the property. The windows throughout the property are double glazed with a timber frame.

The Tenant pointed out a number of patch repairs that had been carried out by the Landlords in the main bedroom, the hall ceiling and the kitchen.

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

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

The Landlords provide services of stair cleaning.

4. THE HEARING

The Tenant and John Foster attended the hearing. The Landlords were not present at the hearing and were not represented.

The Tenant explained that she considers the rent increase to be excessive. She advised that there is a high level of crime in the area. Also the disused picture house opposite her property attracts large numbers of youths who gather outside the property.

She explained that she pays a service charge of £8.53 per month. She confirmed that she had not signed any contract for the stair cleaning, other than the original tenancy agreement dated 2003.

John Foster provided evidence of comparable fair rents:

Flat 3/1, 845 Govan Road, Glasgow. This property is a traditional three apartment tenement flat and the annual rent is £2892.

Flat 3/2, 896, Govan Road, Glasgow. This property is very similar to Mrs Donnelly's property as it is located in the adjacent close. The annual rent is £3148.

5. THE DECISION

The Committee had the following documents before them:-

5.1 A copy of form RR1, the Landlords' application for registration of the rent.

5.2 Written representations from the Tenants which state that she wishes to appeal the rent awarded.

She explained:

'I do not agree with the rent increase of approximately 14%. I am led to believe if the rent goes up yearly it would increase by 2% £4.90.

I do not see any evidence of how this increase can be justified as the area has deteriorated drastically. There is also a high number of strangers which is very frightening/threatening to residents including myself. I have also been advised by police reports that the crime rate within the vicinity is higher than surrounding areas.

The view from my window looks on to a derelict picture house. This is dangerous and an eye sore. The traffic has also increased since the new hospital has opened, as a result of this I am unable to open my windows due to noise level, also sirens both day and night. I complain to housing often about steam cleaning the stairs/entrance. The slabs on the walkway going up to the door entry are broken and different heights. I have recently been advised that the close will be getting a new door and I have been complaining about this for years.'

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 over ten other similar sized properties available to lease in the area from the internet. The rents of these properties ranged from £ 450 to £ 550 per month. The Committee considered the evidence of comparable rents provided by John Foster but acknowledged that there was significantly more evidence available of market rents of similar comparable properties. 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 comparable market properties were two 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 had appliances, floor coverings and decoration provided by the landlords.

The Committee considered the market evidence and reflected that the market rent of properties comparable to Flat 2/2, 900 Govan Road Glasgow was £ 450 per month (£ 5400 per annum). The Committee acknowledged that an adjustment was required to reflect the fact that the landlords of the property (Flat 2/2, 900 Govan Road, Glasgow) do not provide appliances, decoration or floor coverings, the property has irregular shaped rooms and is located across from a disused picture house. The Committee accepted the Tenant's evidence of the impact this has on her enjoyment of the property. They considered that a deduction of £1350 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 £ 4050 per annum including services which amount to less than 5% of the rent.

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 22nd day of March Two Thousand and Sixteen.

J Taylor

Chairperson, 20th July 2016