Housing and Property Chamber First-tier Tribunal for Scotland



Decision of the First-tier Tribunal for Scotland Housing and Property Chamber in relation to an application made under Section 17(1) of the Property Factors (Scotland) Act 2011

Chamber Ref: FTS/HPC/LM/24/3872

Re: Property at 20 Deer Avenue, Mintlaw, Peterhead AB2 4AB ("the Property")

Parties:

Mr Jeremy Stephens, 20 Deer Avenue, Mintlaw, Peterhead AB2 4AB ("the homeowner")

Greenbelt Group Limited, incorporated in Scotland (SC192378), and having their registered office at McCafferty House, 99 Firhill Road, Glasgow G20 7BE ("the property factors")

Tribunal Members: George Clark (Legal Member) and Sandra Brydon (Ordinary Member)

### Decision

The First-tier Tribunal for Scotland Housing and Property Chamber decided that the application should be dismissed.

# Background

- By application, dated 22 August 2024, the homeowner complained under Section 17(1) of the Property Factors (Scotland) Act 2011 that the property factors had failed to comply with the Code of Conduct for Property Factors effective from 16 August 2021 ("the Code").
- 2. The complaint was made under OSP2, OSP3, OSP5, OSP6 and Sections 2.7, 7.1 and 7.2 of the Code. The homeowner also alleged a failure to comply with the property factor's duties.
- 3. The applications were accompanied by copies of email correspondence between the Parties relating to the complaint.
- 4. The homeowner's complaint was that part of a bill for factoring services for 2023/2024, issued on 13 September 2023, had been incorrectly split in respect of the number of properties to which it was applicable. When the homeowner advised the property factors, a revised bill was issued, but it was

still incorrect. The homeowner had also been unable to view the bill on his account portal in order to identify the issue. He had repeatedly been chasing the property factors for nearly 12 months. He was seeking compensation to cover the time and inconvenience of his trying to resolve the issue. He had received a debt control letter, which he said could be regarded as harassment.

- 5. The copy correspondence submitted with the application included an email of 29 September 2023, asking the property factors to clarify the area of 35 houses that their bill covered. On 2 October, the property factors said they would have to check the site plans. The homeowner sent two reminders, on 13 and 20 October and then, on 27 October, having had no response, intimated a formal complaint. He sent a further chasing email on 24 November. The property factors responded on 5 December, accepting the fact that the bill should be revised and split amongst 35 rather than 26 owners. The homeowner's share of site snagging was to be reduced from £1.46 to £1.09 and of supervisor inspections from £9.23 to £6.86. They also referred to a downwards adjustment of £54.86 as a realignment in the billing process, as the property factors were absorbing some of the costs of maintaining the site. On 5 December, the homeowner replied to say he agreed with the amendments but that that was not what was stated in the bill. On 10 January 2024, the property factors confirmed the bill had been placed on hold and the homeowner's complaint escalated to their Customer Care Manager. On 27 February, after another reminder from the homeowner, the property factors confirmed that the hold on the bill would continue to 15 March and suggested a telephone call, as the version of the bill that they could see appeared to be correct. On the following day, the homeowner sent them a lengthy email, stating that the original bill was the only one he had received and on 8 March he asked that the hold on the bill be extended. On 19 March, the property factors confirmed it had been extended to 15 April and that any late payment charges would also be removed. On 20 March, they confirmed that they would speak to their billing team regarding the discrepancy between the first and current bills and see when a corrected one would be issued. Having heard nothing further, the homeowner emailed the property factors on 17 June and on 18 June they replied that they were currently trying to get a resolution and had placed the account on hold until 18 July. He sent further chasing emails on 22 August, 11 September and 22 October. He also provided the Tribunal with a copy of a Recovery Action letter from the property factors, dated 24 October 2024.
- 6. On 7 April 2025, the property factors provided written representations to the Tribunal. They accepted that, due to an internal billing error, the incorrect pro rata share was applied in the bill issued on 13 September 2023. This was corrected and an amended bill issued on 11 November 2023, but the homeowner had pointed out a further incorrect allocation of costs. All properties in the Development had now been correctly billed and a new review of the system should ensure that the issue is resolved. It had taken some time to investigate and resolve, and they accepted that the billing system error meant that the system was unavailable for a brief period, during

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which the homeowner could not fully access his online account. The issue of the Overdue Account letter on 14 October 2024 had been an administrative oversight, being an automated letter issued due to the homeowner's account being in arrears after expiry of its "hold" status.

- 7. The property factors' view was that the complaint has been resolved. They had spoken with the homeowner and proposed that the outstanding bills, for 2022/2023 (£259.47) and 2023/2024 (£192.75) be written off by way of compensation. The homeowner had confirmed that he was "happy with the final compensation offered" and they had understood that he would then withdraw his application.
- 8. On 10 March 2025, the homeowner advised the Tribunal that he was not looking for any further compensation, but that he would like the Tribunal to give the property factors guidance as to their internal procedures. He also thought it likely that other owners would not have been compensated for the billing error.

## Case Management Discussion

9. A Case Management Discussion was held by means of a telephone conference call on the afternoon of 21 May 2024. The homeowner was not present or represented. The property factors were represented by Mr Chris McLellan, Customer Care Manager and Mr Gerry McQuade, Billing Manager. They confirmed that the appropriate adjustments had been made to the accounts of all owners in the Development and that they regarded the matter as closed.

### **Findings of Fact**

- i. The homeowner is the proprietor of the property, which forms part of North Woods Development, Mintlaw, Peterhead.
- ii. The property factors, in the course of their business, manage the common parts of the Development of which the Property forms part. The property factors, therefore, fall within the definition of "property factor" set out in Section 2(1)(a) of the Property Factors (Scotland) Act 2011 ("the Act").
- iii. The property factors were under a duty to comply with the Property Factors (Scotland) Act 2011 Code of Conduct for Property Factors from the date of their registration as a Property Factor.
- iv. The property factors are registered on The Scottish Property Factor Register.
- v. The homeowner has notified the property factors in writing as to why he considers that the property factors have failed to carry out their duties arising under section 14 of the Act.
- vi. The homeowner made an application to the First-tier Tribunal for Scotland Housing and Property Chamber on 22 August 2024, under Section 17(1) of the Act.
- vii. The homeowner's complaint has been considered by the property factors, and a financial compensation sum offered and accepted by the homeowner.

### **Reasons for Decision**

- 10. Rule 17 of the First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017 provides that the Tribunal may do anything at a Case Management Discussion which it may do at a Hearing, including making a Decision. The Tribunal was satisfied that it had before it all the information and documentation it required to enable it to decide the application without a Hearing. The Parties had also stated that they were content that the application should be decided without a full Hearing.
- 11. The Tribunal's view was that the matter has been resolved. The amount in dispute was only £2.84, the owners at the Development have now been correctly billed, the homeowner has agreed a compensation figure with the property factors and is not seeking further compensation. His only reason for not withdrawing his application appears to be that he wishes the Tribunal to give the property factors guidance on their internal procedures. That is not part of the Tribunal's function. It is for property factors to set out their procedures and the Tribunal's role is to determine whether or not they have followed them, if a homeowner complains that they have failed to comply with the Code. Accordingly, the decision of the Tribunal was that no further enquiry was required and that the application should be dismissed.
- 12. The Tribunal's Decision was unanimous.

### **Right of Appeal**

In terms of section 46 of the Tribunals (Scotland) Act 2014, a party aggrieved by the decision of the tribunal may appeal to the Upper Tribunal for Scotland on a point of law only. Before an appeal can be made to the Upper Tribunal, the party must first seek permission to appeal from the First-tier Tribunal. That party must seek permission to appeal within 30 days of the date the decision was sent to them.

George Clark

21 May 2025 Date

Legal Member