Decision with Statement of Reasons of the First-tier Tribunal for Scotland (Housing and Property Chamber) under Section 70 of the Private Housing (Tenancies)(Scotland) Act 2016

Chamber Ref: FTS/HPC/CV/24/4110

Re: Property at Robert Owen House G-03, 87 Bath Street, Glasgow, G2 2EE ("the Property")

Parties:

Suet Ying Leung, Flat F, 19F, Block 10 Discovery Park, 398 Castle Peak Road, Tseun Wan, Hong Kong ("the Applicant")

Bich Ngoc Nguyen, UNKNOWN, UNKNOWN ("the Respondent")

Tribunal Members:

Melanie Barbour (Legal Member)

Decision (in absence of the Respondent)

The First-tier Tribunal for Scotland (Housing and Property Chamber) ("the Tribunal") determined that it would grant an order in favour of the Applicant against the Respondent for payment of TWO THOUSAND FOUR HUNDRED AND EIGHT POUNDS FIFTY SEVEN PENCE (£2,408.57) STERLING together with interest at 8% from the date of the decision

Background

- An application had been received under Rule 111 of the First Tier Tribunal for Scotland (Housing and Property Chamber) (Procedure) Regulations 2017 ("the 2017 Rules") seeking an order for payment for rent arrears, administration costs and interest.
- 2. The application contained the tenancy agreement and a rent statement.

3. A case management discussion took place on 12 May 2025. It was held by telephone case conference. In attendance were Mr Hamid the applicant's agent from Xenia Lettings Limited. The respondent did not appear. The service had taken place by advertisement. The tribunal was prepared to proceed in the absence of the respondent.

Discussion

- 4. The applicant's agent advised that they sought an order for payment for £2,515.51, this sum included interest of £107.94. There had been no payments by the respondent since the application was submitted. They had submitted the tenancy agreement and rent statement in support of the application.
- 5. The respondent left the property on around 14 July 2023. There had been a couple of payments after that date and the last was made on 12 October 2023. The rent arrears outstanding were £1,908.57.
- 6. The applicant also sought costs for administration costs which had accrued of £500. He advised that a solicitor prepared the tribunal papers and they charged £250. There were also the costs of the applicant's work in seeking repayment to the rent arrears, he advised that they will attend at the tenant's property to try and arrange to recover the rent; they write to the tenant; and email, and costs accrue in terms of this work. He considered that their costs exceed £250. The applicant asked for a continuation to provide confirmation about the fees. The tribunal agreed to continue consideration of this application for this evidence to be submitted. On 19 May 2025 the applicant submitted invoices for the solicitor's costs and a statement of the fees that had been incurred by Xenia.
- 7. They also sought daily interest of £0.42 per day. Clause 37 additional tenancy terms (F) in support of the claim for the other costs. It states that " <u>landlords</u> <u>costs and interest: the tenant also agrees to meet all reasonable fees and outlays incurred by the landlord including legal fees in pursuing payment from</u>

the tenant of any arrears of rent or other charges or outlays payable under this agreement... . All payments including payments of rent... due to the landlord under... this agreement shall bear interest at the rate the annual rate of 8% from the respective dates on which they become due until payment."

Findings in Fact

- 8. The Tribunal found the following facts established: -
- 9. There existed a private residential tenancy.
- 10. The tenant was Bich Ngoc Nguyen.
- 11. The letting agent was Xenia Lettings Ltd.
- 12. The landlord was Li Ching Shan until 14 October 2022. The landlord sold the property to Suet Ying Leung, who became the new owner and landlord on 14 October 2022.
- 13. The property was Robert Owen House G-03, 87 Bath Street, Glasgow G2 2EE
- 14. The tenancy had commenced on 13 July 2022.
- 15. The tenancy ended on 14 July 2023. Rent arrears were £2,658.57 at that time.
- 16. There were payments made towards the arrears, and the deposit was recovered after the tenant left the property, with the last payment being received on 12 October 2023. The rent arrears had reduced to £1,908.57 on that date.
- 17. The tenancy at clause 8 stated that rent was £686 every four weeks, payable in advance.

- 18. Rent arrears as of 12 October 2023 were £1,908.57. There had been no payments by the tenant since that date to reduce the arrears.
- 19. The right to claim administration fees and interest was set out in clause 37 additional tenancy terms (F) which states "landlords coasts and interest: the tenant also agrees to meet all reasonable fees and outlays incurred by the landlord including legal fees in pursuing payment from the tenant of any arrears of rent or other charges or outlays payable under this agreement... . All payments including payments of rent... due to the landlord under... this agreement shall bear interest at the rate the annual rate of 8% from the respective dates on which they become due until payment".
- 20. There were administration costs totalling at least £500 made up of solicitor's fees of £250 and Xenia costs of over £250.

Reasons for Decision

- 21. Section 70 of the 2016 Act provides the Tribunal with the power to deal with civil matters arising out of private residential tenancies, failure to pay contractual rent and other charges set out in the lease agreement are some of those matters.
- 22. The applicant's agent appeared. The respondent did not appear. The applicant's agent confirmed that they sought an order for payment.
- 23. The applicant's agent referred the tribunal to the tenancy agreement in support of the application and the rent statement.
- 24. They explained what the administration costs included and that they amounted to £500. There was evidence of this. The tribunal found that the landlord had a contractual basis for the sums claimed. The landlord had provided a rent

statement in support of the rent arrears. They explained the costs which had occurred in terms of seeking recovery of the rent arrears and how they had accrued.

- 25. They sought interest of 8% until payment. They had a basis for seeking interest in terms of the contract. However, rule 41A of the Tribunal Rules deals with interest. It states that the tribunal may include interest when making an order for payment. Further, when paragraph (1) applies it states that interest is to be at the rate either stated in the relevant tenancy agreement or ordered by the first tier tribunal and running from the date of the decision of the first-tier tribunal. The rate stated in the tenancy agreement is 8% as this rate which had been agreed with the respondent, the tribunal will award interest of 8%. While interest is sought from the date it becomes due and has been calculated as part of the claim, the tribunal considers that an award in terms of rule 41A can only run from the date of the tribunal's decision. Accordingly, the tribunal does not award interest for any period prior to the date of its decision, but it awards interest at the rate of 8% from the date of the order.
- 26. Considering the papers and the oral submission by the applicant's agent, the tribunal was prepared to grant the order for payment of the rent arrears and the administration costs totalling £2,408.57 together with interest at 8% from the date of the decision

Decision

27. The Tribunal grants an order in favour of the Applicant against the Respondent for payment of TWO THOUSAND FOUR HUNDRED AND EIGHT POUNDS FIFTY SEVEN PENCE (£2,408.57) STERLING together with interest at 8% from the date of the decision

Right of Appeal

In terms of Section 46 of the Tribunal (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.

Melanie Barbour

Melanie Barbour	02 June 2025
Legal Member/Chair	Date