Housing and Property Chamber
First-tier Tribunal for Scotland

Decision with Statement of Reasons of the First-tier Tribunal for Scotland (Housing and Property Chamber) under Regulation 10 of the Tenancy Deposit Schemes (Scotland) Regulations 2011.

Chamber Ref: FTS/HPC/PR/25/2008

Re: Property at 163 Methil Brae, Methil, Leven, Fife, KY8 3LT ("the Property")

Parties:

Miss Staci Robinson, 163 Methil Brae, Methil, Leven, Fife, KY8 3LT ("the Applicant")

Mr Kuldip Purewal, Ingleside House, Glenrothes, Fife, KY6 3JA ("the Respondent")

Tribunal Members:

Decision

1. The First-tier Tribunal for Scotland (Housing and Property Chamber) ("the Tribunal") determined that the Respondent did not comply with any duty in terms of regulation 3 of the Tenancy Deposit Schemes (Scotland) Regulations 2011 and determined that the Respondent should pay to the Applicant the sum of £825.

Background

2. This was an application in terms of rule 103 and regulation 9 of the Tenancy Deposit Schemes (Scotland) Regulations 2011, ('the regulations'). The Applicant attended and was represented by Iona Watson of Frontline Fife. The Respondent did not attend but was represented by his daughter Ms Satinder Mahay.

The Applicant's position

3. The Applicant has rented the property since 31 January 2024. Around that time she paid a deposit of £550 in cash. She was not issued with a receipt but the tenancy agreement makes reference to a deposit of £550. The Applicant was not provided with any information from any of the approved deposit schemes. After the application was made in May 2025, around August 2025, the Applicant's representative was in communication with the Respondent's daughter and a screenshot of a deposit receipt was provided. The deposit was not protected until around April 2025. The Applicant has not received any direct communication from the deposit scheme because the screenshot provided has the wrong email address and phone number.

The Respondent's Position

4. According to Ms Mahay, her father is elderly and although he is a registered landlord with around 8 properties, she deals with the tenants. They normally use a letting agent but on this occasion the property was let to the Applicant by her directly. This was because the applicant worked in Ms Mahay's chip shop which was directly below the property. Ms Mahay took the deposit in cash and due to her oversight, it was placed in the unused drawer of the safe in the chip shop. The deposit only came to light in March 2025 when her letting agent mentioned the property and inquired if the deposit had been lodged. Ms Mahay maintained the deposit was lodged on 10 March 2025 and she posted the deposit receipt through the Applicant's letter box. It was her position that the fault was hers and not her father's. She is also a registered landlord. Her father has recently sold 3 of her properties and they plan to sell others and only retain the Edinburgh properties. The Applicant has been served with a notice to leave and there are substantial rent arrears.

5. Findings in fact

- The Applicant is the owner and registered landlord of the property.
- The parties entered into a private residential tenancy agreement for let of the property on 31 January 2024.
- The agreed rent was £550.
- The Applicant paid a deposit of £550.
- The deposit was not lodged with an approved scheme within 30 days of the start date of the tenancy.
- The Respondent's daughter received the deposit on his behalf and placed it in a safe. The deposit came to light around March 2025.
- The Applicant was not provided with confirmation of the amount of the deposit or the date it was received by the landlord.
- The deposit was not lodged with an approved scheme until around March 2025.
- The Applicant was not provided with details of when the deposit was paid to the scheme administrator.

- The Applicant was not provided with details of the name and contact details of the scheme administrator.
- The Applicant did not receive confirmation of the deposit from the scheme administrator, probably because the Applicant's details provided to the administrator were incorrect.
- The Respondent's daughter provided the Applicant's representative with a screenshot of the deposit receipt around August 2025.
- The Respondent is an experienced landlord with around 8 properties.

Reasons

6. Regulation 10 of the 2011 Regulations states that if satisfied that the landlord did not comply with the duty in Regulation 3 to pay a deposit to the scheme administrator of an approved scheme within 30 working days of the beginning of the tenancy, the Tribunal must order the landlord to pay the tenant an amount not exceeding three times the amount of the tenancy deposit. This was a clear breach of the regulations. The Respondent did not lodge the deposit within 30 days of the start of the tenancy, or comply with any of the duties set out in regulation 42 such as provide the Applicant with the scheme details and confirm how much money was lodged.

7. Once it was established that a breach of the regulations had occurred, the tribunal then considered the gravity of the breach. The amount to be awarded is a matter for the discretion of the tribunal having regard the facts before it. The tribunal considered the recent case law. In Rollett v Mackie UTS/AP/19/0020 at para 13 and 14 Sheriff Ross considered the assessment of the level of penalty and said: "[13] In assessing the level of a penalty charge, the question is one of culpability, and the level of penalty requires to reflect the level of culpability. Examining the FtT's discussion of the facts, the first two features (purpose of Regulations; deprivation of protection) are present in every such case. The question is one of degree, and these two points cannot help on that question. The admission of failure tends to lessen fault: a denial would increase culpability. The diagnosis of cancer also tends to lessen culpability, as it affects intention. the finding that the breach was not intentional is therefore rational on the facts and tends to lessen culpability. [14] Cases at the most serious end of the scale might involve: repeated breaches against a number of tenants; fraudulent intention; deliberate or reckless failure to observe responsibilities; denial of fault; very high financial sums involved; actual losses caused to the tenant, or other hypotheticals. None of these aggravating factors is present." In the case of Kirk-v- Singh B22/15 Sheriff Jamieson having reviewed the recent case law said the sanction should be 'fair, proportionate and just having regard to the seriousness of the non compliance''.

8. This deposit was unprotected for around a year and the Respondent is an experienced landlord. The duty to lodge the deposit is the Respondent's as landlord and not his daughter's. Not only was the deposit lodged a year late, the other duties set out in the regulations were not complied with. There were however some mitigating factors as the Respondent's daughter failed to lodge the deposit due to an oversight and when the error was discovered the deposit was lodged. The tribunal decided that

a penalty of one and a half times the deposit, namely £825 was fair proportionate and just in all of the circumstances.

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.

Lesley Ward

Legal Member/Chair **Date: 9th of October 2025**