



**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/25/2715

Re: Property at 18E COLLEGE MEDWAY, DALKEITH, EH22 3FS ("the Property")

Parties:

**MISS SWATHI PRIYA BETHALA, MR SAI KRISHNA BOBBILIGAMA, 81 NEWTON
CHURCH ROAD DANDERHALL, DALKEITH, EH22 1LX ("the Applicants")**

**MRS DEBBIE BURNS, MR STEVE BURNS, 2 COLLEGE MEDWAY, DALKEITH,
EH22 3FS ("the Respondents")**

Tribunal Members:

Nairn Young (Legal Member)

Decision

The First-tier Tribunal for Scotland (Housing and Property Chamber) ("the Tribunal") determined that

- **Background**

This is an application for an order for payment of a sanction for an alleged failure on the part of the Respondents to meet their duties under regulation 3 of the Tenancy Deposit Schemes (Scotland) Regulations 2011 ('the Regulations'), as the Applicants' landlord in receipt of their tenancy deposit. It called for a case management discussion at 2pm on 25 November 2025, by teleconference. The parties were on the call in-person.

- Findings in Fact

The relevant facts in this case are not in dispute, as follows:

1. The Applicants paid a deposit of £1,400 to the Respondents in terms of a private residential tenancy agreement concerning the Property, in two instalments: £500 on 30 October 2024 and £900 on 18 November 2024.
2. The Respondents did not pay the deposit into an approved scheme, and did not comply with any of the other duties incumbent on them, in terms of regulation 3 of the Regulations.
3. The Respondents were aware of their duties under regulation 3; but considered they had agreed with the Respondents not to pay the deposit into a scheme until they had received 3 months rent by standing order.
4. The Respondents paid the deposit into an approved scheme on 13 May 2025.
5. The tenancy was terminated on 15 June 2025.
6. The parties had recourse to the adjudication mechanism regarding return of the deposit, which ultimately resulted in the Respondents being awarded £1,330 of it; with their claim for the remaining £70 being rejected, and that sum returned to the Applicants.

- Reasons for Decision

7. The Respondents admit having failed to carry out the steps required of them under regulation 3. They suggest that they did not do so, since they had agreed with the Applicants alternative timescales for protection of the deposit, on the basis that they would receive particular assurances regarding payment of the rent.

8. The Tribunal considers that a failing of this sort is a serious matter. The Respondents' failure was malicious: but was nonetheless deliberate. The questions of what level of deposit may be sought and the basis upon which it may be recovered by a landlord are strictly regulated matters. It is not allowable for landlords to attempt to place additional requirements on Applicants outside of the regulated process to attempt to make their position more secure, even if the Applicants agree to this. It is too easy for tenants to be forced by their circumstances into accepting such arrangements, thus removing the whole protection given to them by the legislative framework.
9. In mitigation, the Tribunal noted that there had not been any practical prejudice to the Applicants, given the deposit was ultimately paid into an approved scheme, and they had even had the benefit of that.
10. Taking all these points into account, the Tribunal considered that a sanction at around the lower- to mid-level of the scale was appropriate and that an order for payment of one times the deposit (i.e. £1,400) was fair.

- Decision

Order made for payment by the Respondents to the Applicants of the sum of ONE THOUSAND, FOUR HUNDRED POUNDS STERLING (£1,400).

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.

Legal Member/Chair

Date: 07/01/2026