



Decision with Statement of Reasons of the First-tier Tribunal for Scotland (Housing and Property Chamber) under Section 16 of the Housing (Scotland) Act 2014

Chamber Ref: FTS/HPC/PR/25/3440

Re: Property at 2/1, 478 St Vincent Street, Glasgow, G3 8XU (“the Property”)

Parties:

MISS CAITLYN WATSON, 0/1, 1 ELIE STREET, GLASGOW, G11 5HL (“the Applicant”)

Mr Khaleefa Mahmood, 10 Kenmure Road, Giffnock, Glasgow, G46 6TU (“the Respondent”)

Tribunal Members:

Shirley Evans (Legal Member)

Decision (in the absence of the Applicant)

The First-tier Tribunal for Scotland (Housing and Property Chamber) (“the Tribunal”) determined that the Respondent failed to comply with her duty as a Landlord in terms of Regulations 3 of the Tenancy Deposit Schemes (Scotland) Regulations 2011 (“the 2011 Regulations”) as amended by The Housing (Scotland) Act 2014 (Consequential Provisions) Order 2017 by failing to pay the Applicant’s Tenancy Deposit to the scheme administrator of an Approved Tenancy Deposit Scheme grants an Order against the Respondent for payment to the Applicant of the sum of THREE HUNDRED POUNDS (£300) STERLING.

Background

1. This is an application for an order for payment for where it is alleged the Respondent has not paid a deposit into an approved scheme under the Tenancy Deposit Schemes (Scotland) Regulations 2011 (“the 2011 Regulations”). The Application is made under Rule 103 of the First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017 (“the Regulations”).
2. The Application was accompanied by a Private Residential Tenancy Agreement between the Applicant and a joint tenant and the Respondent

commencing 11 June 2024, various screenshot of a payments of various amounts to the Respondent made by the Applicant and the joint tenant , various text message between the parties and a copy of the title to the Property in the name of Rahana Mahmood.

3. Rahana Mahmood lodged written submissions with the Tribunal on 6 January 2026 admitted the deposit had not been paid and explaining the deposit had been returned to the Applicant despite the Property being left in a terrible condition. She enclosed two screenshots showing payments of £600 to Ian Innes dated 12 December 2025 and to the joint tenant dated 13 December 2025.
4. A Case Management Discussion (“CMD”) proceeded on 2 February 2026. The Applicant failed to appear. Mrs Rahana Mahmood appeared. The Tribunal continued the CMD and issued Notice of Direction to the Applicant to confirm she wished to proceed with her application. On 3 February 2026 the Applicant emailed the Tribunal she had failed to attend the CMD due to an oversight and that she wished to continue.
5. The Tribunal assigned a continued CMD to proceed on 10 April 2026. Parties were notified of the date of the CMD on 25 March 2026.

Case Management Discussion

6. The continued CMD proceeded by way of teleconference call on 10 April 2026. Mrs Rahana Mahmood appeared. The Respondent was also in attendance. There was no appearance by or on behalf of the Applicant despite the CMD starting five minutes late to allow her to join the call. The Tribunal was satisfied the Applicant had received notice under Rule 24 of the Regulations and accordingly proceeded with the CMD in her absence.
7. The Tribunal had before it the Private Residential Tenancy Agreement between the Applicant and a joint tenant and the Respondent commencing 11 June 2024, the various screenshot of a payments of various amounts to the Respondent made by the Applicant and the joint tenant, various text message between the parties, a copy of the title to the Property in the name of Rahana Mahmood and the two screenshots showing payments of £600. The Tribunal considered these documents.
8. Mrs Mahmood accepted the breach of the 2011 Regulations. She confirmed she owned the Property and her husband Mr Mahmood was the Landlord and managed the Property for her. She advised that the Applicant had paid £600 deposit and not £612. After questioning by the Tribunal Mr Mahmood confirmed the tenancy had terminated on 1 June 2025. Due to financial constraints, the deposit was not placed into a scheme. Mr Mahmood had

been made redundant. They had never said they would not return the deposit but needed time to return it. The deposit was repaid in full despite the Property not being returned in a poor condition. She had tried to contact the Applicant numerous times to confirm if there are any further outstanding issues, but the Applicant had not replied to any of my calls or messages. The Tribunal referred her to the two screenshots showing £600 payments to the joint tenant and to a third party by the name of Ian Innes. Mrs Mahmood advised that Mr Innes was the Applicant's grandfather after speaking with him.

Findings in Fact

9. The Applicant together with a joint tenants entered into a Private Residential Tenancy Agreement with the Respondent commencing on 11 June 2024.
10. The Applicant paid £600 towards the tenancy deposit.
11. The Property is owned by Mrs Rahana Mahmood. The Respondent managed the Property.
12. The Respondent failed to ensure the deposit was protected in terms of the 2011 Regulations. This was due to a strain on their financial circumstances due to the Respondent having been made redundant.
13. The tenancy terminated on 1 June 2025.
14. Mrs Mahmood attempted to contact the Applicant regarding issues at the Property and the deposit. The Applicant did not respond to her. Mrs Mahmood spoke to the Applicant's grandfather Ian Innes. The deposit of £600 was repaid in full to Mr Innes on 12 December 2025.

Reasons for Decision

15. Despite the failure of the Applicant to appear the Tribunal considered her application and the papers he had lodged. There was little disagreement between the parties on the relevant points namely that the tenancy deposit was not protected throughout the tenancy.
16. The Respondent's position was that this failure was due to financial circumstances. He accepted that she had failed in her duty to lodge the deposit with a scheme administrator. The Tribunal noted that the tenancy had lasted over 11 months and that the full deposit had been returned to the Applicant. The Tribunal accepted the Mrs Mahmood's explanation which accorded with the documents lodged.

17. For the purpose of Regulation 9(2) of the 2011 Regulations, an application where a landlord has not paid a deposit into a scheme administrator must be made within three months of the tenancy ending. The Tribunal found that the application was made in time, the application being made on 8 August 2025.

18. Regulation 3 (1) and (2) of the 2011 Regulations provides –

“(1) A landlord who has received a tenancy deposit in connection with a relevant tenancy must, within 30 working days of the beginning of the tenancy—

(a) pay the deposit to the scheme administrator of an approved scheme; and

(b) provide the tenant with the information required under regulation 42.

(2) The landlord must ensure that any tenancy deposit paid in connection with a relevant tenancy is held by an approved scheme from the date it is first paid to a tenancy deposit scheme under paragraph (1)(a) until it is repaid in accordance with these Regulations following the end of the tenancy.

The tenancy in this case was a “relevant tenancy” for the purposes of the Regulations. The deposit remained unprotected from 11 June 2024 until 1 June 2025. The current application was made on 8 August 2025.

19. The 2011 Regulations were intended, amongst other things to put a landlord and a tenant on equal footing with regard to any tenancy deposit and to provide a mechanism for resolving any dispute between them with regard to the return of the deposit to the landlord or tenant or divided between both, at the termination of a tenancy. They were designed to prevent any perceived “mischief” by giving a landlord control over the return of the deposit at the termination of a tenancy.

20. The amount to be paid to the Applicant is not said to refer to any loss suffered by the Applicant. Accordingly, any amount awarded by the Tribunal in such an application cannot be said to be compensatory. The Tribunal in assessing the sanction level has to impose a fair, proportionate and just sanction in the circumstances, taking into account both aggravating and mitigating circumstances, having regard to the purpose of the 2011 Regulations and the gravity of the breach. The Regulations do not distinguish between a professional and non-professional Landlord. The obligation is absolute on the Landlord to pay the deposit into an Approved Scheme.

21. In assessing the amount awarded, the Tribunal has discretion to make an award of up to three times the amount of the deposit, in terms of Regulation 10 of the 2011 Regulations.

22. The Tribunal considered the Respondent had admitted his failure to comply with the 2011 Regulations. The Respondent had explained this was down to t

financial circumstances. He accepted he was at fault. The Respondent paid the £600 deposit back to Applicant's grandfather after speaking to him. The deposit had accordingly been unprotected throughout the eleven months of the tenancy.

23. Despite the Tribunal being satisfied that the Respondent had failed to comply with his duties under Regulation 3 (1) of the 2011 Regulations, the purpose of the 2011 Regulations had not been defeated. The Applicant had failed to appear at both CMDs and had not put forward any case to support her assertion that the maximum sanction of three times the deposit should be granted. In the circumstances, having accepted the submissions in mitigation made on behalf of the Respondent the Tribunal considered the breach does not justify the maximum sanction.

24. In all the circumstances the Tribunal considered that a fair, proportionate and just amount to be paid to the Applicant by way of sanction was the equivalent of half the amount of the deposit.

Decision

25. The Tribunal accordingly made an Order for Payment by the Respondent to the Applicant of £300.

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
Shirley Evans

Date: 10 April 2026