



Decision with Statement of Reasons of the First-tier Tribunal for Scotland (Housing and Property Chamber) under the Housing (Scotland) Act 2006 section 121 and Regulation 9 the Tenancy Deposit Schemes (Scotland) Regulations 2011

Chamber Ref: FTS/HPC/PR/25/4559

Re: Property at 1/L, 12 Boyd Street, Largs, KA30 8LD (“the Property”)

Parties:

Mr Junyi Wu, Mr Jack Lee, 1/L, 12 Boyd Street, Largs, KA30 8LD (“the Applicant”)

David McLauchlan, 2/2 Coxfield Lane, Edinburgh, EH11 2RF (“the Respondent”)

Tribunal Members:

Gabrielle Miller (Legal Member)

Decision

The First-tier Tribunal for Scotland (Housing and Property Chamber) (“the Tribunal”) determined that the Landlord is in breach of her obligations in terms of Regulation 3 of the Tenancy Deposit Schemes (Scotland) Regulations 2011 (“Regulation 3”). The Respondent shall make payment to the Applicant in the sum of FIVE HUNDRED AND NINETY FIVE POUNDS (£595) STIRLING

Background

1. The Tribunal received an application, dated 22nd October 2025 as amended on 7th November 2026, from the Applicants in terms of Rule 103 of The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Rules 2017.
2. On 4th March 2026, all parties were written to with the date for the Case Management Discussion (“CMD”) of 24th April 2026 at 2pm by teleconferencing. The letter also requested all written representations be submitted by 25th March 2026.

3. On 5th March 2026, sheriff officers served the letter with notice of the CMD date and documentation upon the Respondent by letterbox service. This was evidenced by Certificate of Intimation dated 5th March 2026.
4. Prior to the CMD both parties lodged submissions.

The Case Management Discussion

5. A CMD was held on 24th April 2026 at 2pm by teleconferencing. The Applicants were present and represented themselves. The Respondent was present and represented himself. Ms Lisa Tervit, interpreter, was present to interpret for one of the Applicants.
6. The Tribunal said that it understood, from the papers, that there was a deposit taken on 18th October 2023 for £595. The tenancy started on 25th October 2023. The deposit was not lodged into an approved scheme until 30th October 2025. The deposit was paid to the letting agent. The Landlord was the Respondent's late mother. All parties agreed with this as being a statement of the facts.
7. The Respondent said that his late mother had died in November 2024. Confirmation was granted in August 2025. The Property transferred ownership on 26th August 2025. The only way to liquidate the estate is to sell the Property. The Respondent's late mother had two properties. Both were let out. The other property has since been sold without issue. A Notice to Leave has been issued upon the Applicants as to allow the estate to be fully dealt with.
8. The Applicants questioned why there was not a requirement for more evidence by the Respondent. The Tribunal said that was because the Respondent was admitting the breach. It was for the Tribunal to decide what level of penalty should then be attached. The Applicants accepted this point.
9. The Tribunal accepted that there had been a breach by the Respondent's late mother, albeit this matter had been entirely dealt with by the letting agent. The Respondent has become responsible for all of her legal obligations with the tenancy as he has succeeded the Property. The Tribunal noted that there has been no information regarding this point passed from the letting agent to the Respondent. It also noted that the deposit has now been paid into a deposit scheme, albeit two years late. Finally, the Respondent will no longer be a landlord as the Property is being sold to allow his late mother's estate to be fully dealt with. Taking all of the points raised by both parties into consideration, the Tribunal found it fair, reasonable and appropriate to grant a one times penalty.

Findings and reason for decision

10. A Private Residential Tenancy Agreement commenced 25th October 2023. The tenancy is ongoing.
11. A deposit of £595 was paid on 18th October 2023.

12. The deposit was not lodged within an approved deposit scheme within 30 days from the start of the tenancy.
13. The Respondent admits that the deposit was not lodged in an approved scheme within 30 days from the start of the tenancy. The Respondent is to sell the Property as he does not want to be a landlord. This
14. The deposit was lodged with My Deposit Scotland on 30th October 2025 which is outwith 30 days from the start of the tenancy. This is a breach of the regulations.
15. The Respondent instructed 247 Property (Scotland) Ltd to act on his behalf. The letting agent did not lodge the deposit. The Respondent is legally responsible for the deposit even though he had not personally received it. Once the Respondent became aware of the breach when the papers for the CMD were received.
16. The Respondent inherited the Property from his late mother. Confirmation was granted 26th August 2025. He now intends to sell the Property. A Notice to Leave was issued to the Applicants on 20th January 2026 requesting vacant possession as at 15th April 2026.
17. The Respondent has failed to comply with the regulations to ensure that the deposit was lodged in an appropriate scheme within 30 days from the start of the tenancy. The Respondent is legally responsible for the breach as he succeeded the Property and its legal obligations. The Respondent has engaged with the Tribunal process to advise why this has happened and what steps have been taken to ensure that it will not happen again namely that he is to sell the Property.
18. The Applicants had submitted a significant submission in terms of issue with their letting agent. The Tribunal was not able to look at this on this occasion as the Tribunal's focus was entirely on whether the deposit had been lodged into an appropriate scheme within the legal time limits. The Applicants can take advice or consider their position in terms of if they wish to apply for a separate application regarding the other issues. The Tribunal cannot give any legal advice and cannot

Decision

19. The Respondent has a duty under Regulation 3 to place the deposit in an approved scheme within the specified time but failed to do so. The Respondent did engage with the Tribunal process to explain why the deposit was late and what steps had been taken to prevent such a situation happening again. This is that the letting agent had dealt with the deposit on behalf of his late mother and that he had only become aware of the breach when the CMD papers were served upon him. He is now selling the Property which is the second of two properties to be sold from his later mother's estate which were rent out. The Tribunal decided that a fair, just and proportionate sanction would be to order

the Respondent to pay the Applicant one times the amount of the deposit (£595).

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.

Gabrielle Miller

Legal Member/Chair

Date 24th April 2026