



**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/25/4675

Re: Property at Flat 7, 33 Assembly Street, Edinburgh, EH6 7BQ (“the Property”)

Parties:

Mr Matthew Lee, Flat 7, 33 Assembly Street, Edinburgh, EH6 7BQ (“the Applicant”)

Touchstone Property Management, 4 Hay Avenue, Edinburgh, EH16 4RW (“the Respondent”)

Tribunal Members:

Melanie Barbour (Legal Member)

Decision

The First-tier Tribunal for Scotland (Housing and Property Chamber) (“the Tribunal”) determined that there had been a breach of the Tenancy Deposit Schemes (Scotland) Regulations 2011, and it would make an order for payment of £100.00 in favour of the Applicant

Background Discussion

1. An application was made to the First Tier Tribunal for Scotland (Housing and Property Chamber) under Rule 103 of the First Tier Tribunal for Scotland (Housing and Property Chamber) (Procedure) Regulations 2017 (“the 2017 Rules”) seeking an order against the landlord failure to lodge a tenancy deposit.

2. The application contained:-
 - a. Tenancy agreement;
 - b. Evidence from an approved deposit scheme that they held the deposit for the property, but that it was lodged outwith the 30 working day period.
3. The case called for a case management discussion (CMD) on 20 April 2026. Both parties appeared. The respondent had submitted written representations for the CMD on 18 March 2026. The applicant had seen these representations.

Discussion

4. Both parties agreed that the tenancy deposit had been lodged with an approved scheme, 13 working days outwith the 30 working day rule.
5. The applicant advised that he had paid his tenancy deposit in July 2019. He advised that the relevant regulations required that a deposit be placed in a scheme within 30 working days. His deposit was lodged 13 days outside this period. He noted that the landlord had accepted that there was a breach and that it had been a human error, and that they had now rectified the matter. The applicant accepted that there was no suggestion of an intention not to place the deposit in a scheme. However, he knew that this was a strict requirement that the deposit be paid into an approved scheme, and the purpose of that is to ensure it is safeguarded. Accordingly, the landlords had breached the regulations. The applicant accepted that this could be seen as a non-serious breach, given that it appeared to be a human mistake and the breach had only been for 13 working days.
6. The respondent, accepted that there had been a breach. He advised that the tenancy commenced on the 1st of August 2019, and the deposit was not protected until the 1st of October 2019, which was 13 working days overdue. The landlord admitted their mistake. They apologised for the delay and advised that it had occurred due to human error. They advised they had tightened up

on their procedures, and they now have a dedicated team who issue and monitor weekly reports to ensure that every new tenancy deposit is logged promptly, significantly reducing the risk of any future oversight. The landlord manages a portfolio of over 3000 rental properties with around 50 new tenancies beginning each month. He confirmed that there was absolutely no malintent from Touchstone or the landlord to avoid or delay complying with the deposit protection regulations. The landlord did not believe the tenants had suffered any financial detriment because of the delay however, they accepted the error on their part.

Findings in Fact

7. The Tribunal made the following findings in fact:-
8. The Respondent, Place for People Scotland, was the landlord,
9. The Applicant, Matthew Lee, was the tenant.
10. The Applicant had paid the Respondent a tenancy deposit before the tenancy commenced on 1 August 2019.
11. The deposit was for £770.
12. The deposit was placed in an approved scheme on 1 October 2019. Parties agreed this was 13 working days outwith the 30 working day requirement.
13. The tenancy ended on around 29 October 2025
14. The tenancy deposit paid by the applicant had not been lodged with an approved tenancy deposit scheme within 30 working days of the tenancy commencing.

Discussion

15. The Tenancy Deposit Schemes (Scotland) Regulations 2011 set out a number of legal requirements in relation to the holding of deposits, and relevant to this case are the following regulations:-

Duties in relation to tenancy deposits

3.— (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.

Sanctions

9.— (1) A tenant who has paid a tenancy deposit may apply to the [First-tier Tribunal] 1 for an order under regulation 10 where the landlord did not comply with any duty in regulation 3 in respect of that tenancy deposit. (2) An application under paragraph (1) must be made [...]2 no later than 3 months after the tenancy has ended.

10. If satisfied that the landlord did not comply with any duty in regulation 3 the [First-tier Tribunal] 1 — (a) must order the landlord to pay the tenant an amount not exceeding three times the amount of the tenancy deposit; and (b) may, as the [First-tier Tribunal] 1 considers appropriate in the circumstances of the application, order the landlord to— (i) pay the tenancy deposit to an approved scheme; or (ii) provide the tenant with the information required under regulation 42.

16. The tenancy deposit regulations apply in this case. The landlord received a deposit in connection with a relevant tenancy. They had a duty to therefore place it into an approved scheme. They did not do so in accordance with the regulations. Given this breach, the tribunal is required to order the landlord to pay the tenant an amount not exceeding three times the tenancy deposit.

17. The deposit was lodged in an approved scheme, but this was done 13 working days outwith the statutory time limits. The landlord had admitted the breach and apologised for it. They advised that this was human error. They are a large organisation dealing with a lot of tenancies and lodging of tenancy deposits. Given the failure, they had reviewed their procedures and tightened them up in order to try to ensure such an error did not happen in the future. The tenant understood that this was a strict liability matter but accepted the landlord's explanation. He agreed that it appeared there had not been a long delay in placing his deposit in an approved scheme, and it seemed that this breach was not a serious breach.
18. When deciding on the amount of the award, the tribunal has to take into account that the sanction is to mark the gravity of the offence; it is not paid as compensation; the assessment should be fair and proportionate; and there should be an assessment of mitigating and aggravating factors.
19. I consider that this breach is at the lower end of the scale. In assessing the relevant factors:
20. Mitigating factors are: that the breach was for a short period of 13 working days. The landlord admitted the breach. The landlord apologised for the breach. The landlord confirmed they had put in place new procedures in order that such a breach did not happen again. The landlord advised the breach had taken place due to human error only, and there was no malintent. It did not appear that there had been any prejudice to the tenant in terms of the relatively short failure to lodge his deposit in an approved scheme.
21. In terms of aggravating matters in this case. I find the following are aggravating factors:- The landlord was an experienced landlord, having rented out properties for over 20 years and having rented out multiple properties.

22. The regulations require me to make an order in the event of breach; for all of the reasons I have set out above, I consider that the failure to lodge the deposit was unintentional and caused by a basic human error. The landlord knew that he had an obligation to put the deposit into the scheme, had made a mistake, had rectified it quickly and placed the deposit into an approved scheme; they had also apologised for it. It has caused minimal detriment to the applicant. In all the circumstances, I consider that this was not a serious breach of the regulations and I should therefore make an award of £100.

Decision

23. The Tribunal determined that there had been a breach of the Tenancy Deposit Scheme (Scotland) Regulations 2011, and it would make an order for payment of £100.00 in favour of the Applicant.

Decision

24. The First-tier Tribunal for Scotland (Housing and Property Chamber) (“the Tribunal”) determined that there had been a breach of the Tenancy Deposit Schemes (Scotland) Regulations 2011, and it would make an order for payment of £100.00 in favour of the Applicant.

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.

M Barbour

20 April 2026

Legal Member/Chair

Date