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 Section 16 of the Housing (Scotland) Act 2014 in an application made under Regulation 9 of the Tenancy Deposit Schemes (Scotland) Regulations 2011

Chamber Ref: FTS/HPC/PR/26/0023

Re: Property at 0 / 2, 1 Temple Gardens, Glasgow, G13 1JJ ("the Property")

Parties:

Miss Kelly Hendry, 4 Speirston Crescent, Barrhead, Glasgow, G78 2FQ ("the Applicant")

AAI Investments Ltd, 201 Prince Rupert Drive, Aylesbury, HP19 9DF ("the Respondents")

Tribunal Member:
George Clark (Legal Member)

Decision
The First-tier Tribunal for Scotland (Housing and Property Chamber) ("the Tribunal") determined that the application should be decided without a Hearing and made an Order for Payment by the Respondents to the Applicant of the sum of £250.

Background

1. By application, dated 30 December 2025, the Applicant sought an Order for Payment in respect of the failure of the Respondents to comply with Regulation 9 of the Tenancy Deposit Schemes (Scotland) Regulations 2011 ("the 2011 Regulations"). The Applicant's complaint was that the Respondents had failed to lodge a deposit of £1,790 in an approved tenancy deposit scheme within 30 working days of the beginning of a tenancy.

2. The application was accompanied by copies of a Private Residential Tenancy Agreement, dated 9 October 2025, between the Parties commencing on 25 July 2025 with two tenancy deposits of £895, one of them being a pet deposit. The Applicant also provided a copy email of 13 November 2025 from Safe Deposits Scotland confirming that a deposit of £895 had been protected with them from 26 September 2025.

In addition, the Applicant provided evidence of having paid to the Respondents' letting agents £1,790 on 3 July 2025 and £875 on 15 July 2025.

3. On 22 May 2026, the Tribunal advised the Parties of the date and time of a Case Management Discussion, and the Respondents were invited to make written representations by 12 June 2026.

4. On 10 June 2026, the Respondents made written representations. They accepted a technical breach of the 2011 Regulations and offered a sincere apology. They submitted that the breach had been the result of a level of confusion between them and their letting agents. There had had been no malice, bad faith or intentional evasion of the rules. They had received funds from the agents on 11 August 2025 and had assumed that included a deposit of £895, which they lodged with Safe Deposits Scotland on 24 September 2025. They had prepared the tenancy agreement themselves. It was signed on 18 July 2025 and indicated a deposit of £895, but it was the letting agents who received payments of rent and the deposits, and the Respondents had been unaware that the agents had required the Applicant to pay a further pet deposit of £895. When the Applicant queried the incorrect deposit figure in the tenancy agreement, the Respondents launched an investigation and issued a new one, which was signed on 9 October 2025. By then, however, the Applicant had been forced to vacate the Property as it had been deemed by Glasgow City Council to be structurally unsafe. By 14 October 2025, the Applicant had received a refund of the October rent and the full amount of the two deposits.

5. The Respondents provided a timeline of events from 2-14 October 2025 with supporting evidence. On 2 October, they refunded the October rent. On 3 October, the letting agents issued a financial report which showed they had collected a pet deposit in July. On 6 October, the Respondents refunded this directly to the Applicant. On 9 October, the replacement tenancy agreement showing the updated total figure for deposits was executed and on 14 October, Safe Deposits Scotland released to the Applicant the funds held in the deposit protection scheme.

6. The Respondents said that they were unaware of the additional deposit paid by the Applicant until 1 October 2025. The original tenancy agreement signed on 18 July 2025 clearly stated that the deposit was £895. This was not received by the Respondents from the letting agents until 11 August 2025 and their statement did not show a breakdown of the funds received. The Respondents acted immediately to rectify the situation, and the October rent and both deposits were refunded to the Applicant within 14 days of the evacuation notice. They provided a copy of the tenancy agreement which referred to the £895 deposit, signed by the Parties on 18 July 2025, an email from the Applicant of 30 September requesting a re-issue of the tenancy agreement as she had just noticed that it did not state that she had paid two deposits, each of

£895, and an email of 2 October 2025 in which the Respondents asked the letting agents for proof of the total deposit paid, as they were under the impression that it was £895 but the Applicant was saying that she had paid twice, with only one of them being deposited in an approved scheme.

Case Management Discussion

7. A Case Management Discussion was held by means of a telephone conference call on the morning of 24 June 2026. The Applicant was present. The Respondents were represented by Mr Amir Ilyas.

8. The Applicant told the Tribunal that she vacated the Property at very short notice on 1 October 2025. From a personal perspective she felt she was vulnerable, and it was a lot of money for her to pay out. Delays and a "weird" process whereby she paid money to the letting agents, but the landlords dealt with the lease paperwork was not her fault. More care should have been taken by the Respondents and their agents, given that unusual situation.
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9. For The Respondents, Mr Ilyas stressed that he was not informed of the additional pet deposit, so did not include it in the tenancy agreement and that was why he only deposited £895 when he received the transfer from his letting agents.

Reasons for Decision

10. Rule 17 of the First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017 states that the Tribunal may do anything at a Case Management Discussion which it may do at a Hearing, including making a Decision. The Tribunal was satisfied that it had before it sufficient information and documentation to enable it to determine the application without a Hearing.

11. Under Regulation 3(1) of the Tenancy Deposit Schemes (Scotland) Regulations 2011 ("The 2011 Regulations"), a landlord must, within 30 working days of the beginning of the tenancy, pay the deposit to the scheme administrator of an approved scheme. Under Regulation 10, if satisfied that the landlord did not comply with any duty in Regulation 3, the Tribunal **must** order the landlord to pay to the tenant an amount not exceeding three times the amount of the tenancy deposit. Regulation 42 of the 2011 Regulations requires a landlord to provide certain information to tenants, including the name and contact details of the scheme administrator of the tenancy deposit scheme to which the deposit has been paid.

12. The Tribunal noted that this was an unusual arrangement, whereby the letting agents dealt with the collection of the rent and deposits and then remitted it, minus their fees, to the Respondents, but it was the Respondents who dealt with the tenancy documentation. The Tribunal

accepted that the Respondents were unaware when they prepared the original tenancy agreement that the letting agents had asked the Applicant for a second deposit and that, when the letting agents transferred £1,161 to them on 11 August 2025, the supporting statement did not contain any breakdown of sums received, so did not alert them to the issue of a second deposit. They could, perhaps, have queried why the receipts figure was more than one deposit of £895 and one month's rent, but the Tribunal's view was that there was no evidence to suggest that they had acted in any way out of malice or had deliberately retained the second deposit. They had lodged the deposit of which they were aware, although the Tribunal noted that it was not regarded by Safe Deposits Scotland as secured with them until 26 September 2025, which was in itself more than 30 working days after the Respondents received it from the letting agents. The tenancy commenced on 25 July 2025, and the deposit should have been placed in an approved scheme within 30 working days of that date. The professional letting agents should have been very conscious that a clock was ticking and should have ensured there was no delay in remitting the deposit to the Respondents when they knew it was the Respondents who would be dealing with the matter of securing it. The arrangement was unsatisfactory and it created unnecessary risk for the Applicant. That said, the Respondents acted promptly when they became aware of the second deposit, although it may more by luck that judgement that the very sudden termination of the tenancy brought the discrepancy to light. The Respondents altered the tenancy agreement, released the second deposit sent them in error and took the steps necessary to ensure there was no delay in the original deposit being released in full to the Applicant.

13. Having considered all the evidence before it, the Tribunal decided that it would order the Respondent to pay the sum of £250. The Tribunal regarded this as fair, reasonable and proportionate, taking into account the relatively short time that the deposit was at risk, the short duration of the tenancy and the prompt action taken by the Respondents in early October 2025, but recognising that the confusion will have caused the Applicant considerable anxiety, albeit over a short period of time.

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.

G Clark

Legal Member/Chair **Date: 24 June 2026**