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 Regulation 9 of the Tenancy Deposit Schemes (Scotland) Regulations 2011 ("the Deposit Regulations")

Chamber Ref: FTS/HPC/PR/25/5567

Re: Property at 490 Argyle Street, Flat 11/1, Glasgow, G2 8AL ("the Property")

Parties:

Mr Ivan Raykov, 150 Oxford Street, Flat 3/1, Glasgow, G5 9GJ ("the Applicant")

Liddell Buchanan Properties Limited, 4 Antonine Road, Dullatur, Glasgow, G68 0FE ("the Respondent")

Tribunal Members:

Fiona Stephen (Legal Member)

Decision (in absence of the Applicant)

The First-tier Tribunal for Scotland (Housing and Property Chamber) ("the Tribunal") determined to grant an order for payment in the sum of Three Thousand One Hundred and Twenty Five Pounds (£3 125.00) Sterling.

Background

1. By application dated 29 December 2025 the Applicant seeks an award under the Tenancy Deposit Schemes (Scotland) Regulations 2011 ("the Deposit Regulations") in respect of an alleged failure by the Respondent to comply with those regulations.

2. The Application was accepted by the Tribunal on 14 January 2026 and referred for determination by the Tribunal.

3. The Respondent was served with the papers in this case by Sheriff Officers on 14 May 2026 conform to Execution of Service of the same date. The parties were aware that a Case Management Discussion ("CMD") was fixed for 17 June 2026 at 10am by teleconference call. The Respondent was required to lodge any written representations with the Tribunal by 3 June 2026. The Respondent lodged written representations by email on 30 May

2026 and followed those up with an email dated 8 June 2026 attaching various photographs of the Property. The Applicant was sent the written representations and photographs by the Tribunal's administration on 15 June 2026 by email.

4. The Applicant confirmed to the Tribunal's administration by email dated 5 January 2026 that the Respondent's name should be revised to the limited company Liddell Buchanan Properties Limited, the Landord of the Property. The case details should be updated to show the correct designation of the Respondent, in accordance with this decision.

5. On the morning of the CMD, the Tribunal was sent an email from the Applicant which had been received by the Tribunal's administration on 15 June 2026 (16:02). The Applicant stated that he would not be able to attend the CMD as he was currently in Mexico and "due to his location" would not be able to participate in the CMD. He provided a mobile number which he said he could be contacted on in case alternative arrangements could be made to allow him to participate. If that was not possible then the Applicant requested that the Tribunal consider the application on the basis of the written submissions already lodged by both parties.

6. The Tribunal considered the Applicant's email regarding his inability to attend the CMD disrespectful given he had been informed of the CMD by email dated 13 May 2026. The Applicant could and should have made contact with the Tribunal much sooner to advise it of the situation. The Tribunal could not and should not be expected to make "alternative arrangements" to suit the convenience of an Applicant in such circumstances. In any event, given the time difference between Mexico and Scotland (5-8 hours behind depending on location) that was simply not possible.

7. The Tribunal had regard to Rule 18 of the First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017 ("the procedural rules") which allows the Tribunal to make a decision without a hearing provided it is not contrary to the interests of the parties to do so. As both parties had lodged written representations and, having regard to the overriding objective of the Tribunal to deal with proceedings justly and without delay, the Tribunal determined that the CMD should proceed in the absence of the Applicant.

8. The Tribunal had before it:

(i) The Application Form G;
(ii) Various pages of the Tenancy Agreement between the Applicant and the Respondent;
(iii) Confirmation from the Scottish Landlord Register that no registration details are available for the property;
(iv) Proof of payment of the deposit and rent by the Applicant;
(v) Confirmation that no deposit was lodged with any of the three approved deposit protection schemes; and

(vi) Case Papers

Case Management Discussion

9. The CMD took place on 17 June 2026 at 10am by teleconference call. For the reasons already outlined, the Applicant was not in attendance. The Respondent's representative, Mrs Christine Wilson did attend. Mrs Wilson is a director of the Respondent. The Tribunal explained to Mrs Wilson the reason for the Applicant's absence and advised that it was prepared to proceed with the CMD in his absence on the basis that he had no issue with that and the Tribunal considered it had sufficient information from the papers to do so. The Tribunal did not consider it reasonable to delay matters. Mrs Wilson confirmed she had no issue with that approach.

10. The Tribunal explained the purpose of the CMD and the powers of the Tribunal to determine matters. The Tribunal asked various questions of Mrs Wilson with regard to the application.

11. The Tribunal explained to Mrs Wilson the order which could be made in terms of the Deposit Regulations and the requirement that an award must be made if the Tribunal finds that there has been a breach of the Regulations.

12. The Tribunal noted that the Applicant and Mr Kaloyan Teodorov Kiev had entered a tenancy agreement with Liddell Buchanan Properties Limited c/o Mrs Christine Wilson relating to the Property on 9 October 2024 for the period 9 October 2024 to 9 April 2025 with the ability for the tenancy to continue by consent for a further 6 months. The tenancy did continue and ended on 9 December 2025. The rent under the lease was £1250.00 per calendar month and a security deposit of £1250.00 was required. The tenancy was described as a Short Assured Tenancy.

13. The Tribunal noted that the joint tenant, Mr Kiev confirmed to the Tribunal's administration on 5 January 2026 that the Applicant can act on his behalf in this application.

14. The Tribunal asked Mrs Wilson if she was aware that it had not been possible to enter into a Short Assured Tenancy from 1 December 2017 and that from that date, new tenancies of residential property were known as Private Residential Tenancies. Mrs Wilson said she was not aware of this. Mrs Wilson had confirmed in her written representations that the Respondent had been letting out properties for over 11 years. Mrs Wilson explained that the tenancies she had been involved in had been long term tenancies so she had been ignorant of the change in the law. The Tribunal indicated that whatever the tenancy agreement said, it was, as a matter of law, a Private Residential Tenancy as it had been entered into after 1 December 2017. Mrs Wilson said the Respondent had let out 2 flats which were both sold last year, one in August and one in October. The Respondent company closed down in January 2026. The final paperwork and payment of tax has now been completed. The Tribunal had noted that

the company is still shown as being in existence on the Companies House website. Mrs Wilson said the final paperwork was only done in the past two weeks so the Companies House website may not have been updated yet.

15. Mrs Wilson accepted that the Applicant's deposit had not been lodged with one of the deposit schemes for the duration of the tenancy. She had not been aware of the existence of the deposit schemes but was aware of them now, because of this case. The Tribunal expressed its surprise at this as if the Respondent had existing tenancies, there were transitional arrangements within the Deposit Regulations which had been in force since 2011 that required deposits of existing tenancies to be lodged with one of the deposit schemes. Mrs Wilson said she was holding her hands up to not lodging the deposit. She explained that the Property was owned by her son, Jordan Wilson who lives in London. She had not really thought about the Property as she had separated that from the other two flats in her mind. She said the deposit and rental payments were made to her son. The Tribunal noted this was permitted in terms of Clause 11 of the tenancy agreement.

16. The Tribunal asked if there were any other circumstances that it ought to take into account. Mrs Wilson explained that as well as working part-time, she had significant caring responsibilities for a close relative whose own immediate family also needed her support. She supported her husband who was self-employed and her daughter who was in the final years at university. She accepted that she ought to have paid more attention to this rental property.

17. It was only when Mrs Wilson was dealing with the Applicant at the end of the tenancy in December 2025 that the issue of the deposit came up. The Applicant had been told he would not be getting the deposit back due to the condition the property had been left in and the repairs needed as a result. Despite there being a no-smoking condition in the tenancy, the carpets had burn marks and grease stains and the kitchen wall had been marked by an air fryer. Mrs Wilson had told the Applicant she was registered with a deposit scheme – that was a mistake.

18. The Tribunal noted that the Property is now being sold. The Respondent has closed down and its properties are already sold. The Respondent is no longer in the letting business. Mrs Wilson gave up her Landlord registration in January 2026.Whilst it was accepted that the deposit had not been lodged, Mrs Wilson's position is that an award of three times the tenancy deposit would be too severe a penalty.

19. The Applicant has not asked for any specific payment but a financial penalty in terms of Regulation 10 of the Deposit Regulations. The Applicant has not provided any information to suggest he sustained a financial loss as a result of the Respondent's failure to lodge the deposit. The Applicant had initially asked for return of the deposit amount in his application but confirmed by email dated 8 January 2026 that he was not insisting on that as he understood any such claim must be made in a separate application.

Findings in Fact

20. The Applicant and Mr Kaloyan Teodorov Kiev entered into a tenancy with Liddell Buchanan Properties Limited on 9 October 2024 in respect of the Property.

21. The tenancy agreement purported to be a Short Assured Tenancy. As a matter of law, the tenancy agreement was a Private Residential Tenancy which started on 9 October 2024 and ended on 9 December 2025.

22. The monthly rent payable in the tenancy was £1250.00.

23. Clause 12 of the tenancy agreement provided that a security deposit of £1250.00 was payable by the Applicant and joint tenant.

24. A tenancy deposit of £1250.00 was paid by the Applicant and joint tenancy at commencement of the tenancy.

25. The deposit was not lodged with an approved tenancy deposit scheme throughout the duration of the tenancy.

26. The deposit was not returned to the Applicant after the end of the tenancy.

27. The Respondent is not a registered Landlord in respect of the Property.

Reasons for Decision

28. The Tribunal was satisfied that it was able to make a determination and that it was not contrary to parties' interest to do so at the CMD without the need for a hearing all in terms of Rules 17 and 18 of The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017 ("the procedure rules").

29. This application relates to the failure of the Respondent to place a tenancy deposit within an approved tenancy deposit scheme. Landlords have been required since the introduction of the Deposit Regulations to pay tenancy deposits into an approved scheme within 30 working days of the commencement of the tenancy.

30. Regulation 3 of the 2011 Regulations provides inter alia:

(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.

31. Regulation 9 of the 2011 Regulations provides:

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

32. Regulation 10 of the 2011 Regulations provides inter alia:

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;

33. It is clear that in this case the Respondent failed to place the deposit in an appropriate scheme and has breached Regulation 3 of the 2011 Regulations. The duties are two-fold. There is a requirement to pay the deposit to a scheme administrator and the requirement to provide a Tenant with specified information regarding the tenancy deposit. The Respondent failed in both duties.

34. The present application has been made timeously in terms of Regulation 9. The Tribunal is required to make an order for payment in terms of Regulation 10. The only matter to be determined by the Tribunal is the amount of the payment.

35. The legal test to be applied in determining an appropriate level of sanction is set out in *Jenson v Fappiano 2015 GWD 04-89* and subsequent case law. Those authorities are reviewed by Sheriff Cruickshank in *Ahmed v Russell 2023 SLT (Tr 33).* He indicates at para [38] that *"Previous cases have referenced various mitigating or aggravating factors which may be considered relevant. It would be impossible to ascribe an exhaustive list. Cases are fact specific and must be determined on such factors as may be present.*" At para [39] he states that *"The sanction which is imposed is to mark the gravity of the breach which has occurred. The purpose is not to compensate the tenant"*. The amount awarded should represent a "fair and proportionate sanction when all relevant factors have been appropriately balanced." para [44].

36. The Tribunal also had regard to the decision of the Upper Tribunal in *Rollett v Mackie [2019] UT 45* (also cited as UTS/AP/19/0020) in which Sheriff Ross states at para [13] *"In assessing the level of a penalty charge, the question is one of culpability and the level of culpability requires to reflect*

that culpability… The finding that a breach was not intentional is...rational on the facts and tends to lessen culpability" At paragraph [14], he goes on "*Cases at the most serious end of the scale might involve: repeated breaches against a number of tenants; fraudulent intention; deliberate or reckless failure to observe responsibilities; denial of fault; very high financial sums involved; actual losses caused to the tenant or other hypotheticals*".

37. In reaching a determination, the Tribunal took into account that the Respondent is in clear breach of the Deposit Regulations.

38. The Tribunal took into account that the deposit was a significant sum (£1250.00) and that it had been left unprotected for the entire duration of the tenancy (14 months). The Tribunal gave weight to the fact that whilst it did not consider the failure to lodge the deposit to be intentional or deliberate, the fact that the Respondent was not aware of its responsibilities in terms of the Deposit Regulations was very significant. The Respondent had let out other properties and should have been aware of its responsibilities under the Deposit Regulations. The Regulations were brought into force to protect tenants' deposit monies and to provide a mechanism for dealing with the repayment of a deposit at the end of a tenancy, particularly where there was a dispute between the parties. The fact that the Respondent had not lodged the deposit deprived the Applicant of this mechanism. The Respondent should also have been aware of the change to residential tenancy legislation, The Respondent let out this property without being a registered landlord in terms of Part 8 of the Antisocial Behaviour etc (Scotland) Act 2004. The Respondent was aware of its responsibilities here given it had other registered properties at the time. The Respondent may have failed to pay sufficient attention to its responsibilities due to a number of factors i.e. the Property was seen as the "son's" property together with the work and family responsibilities of Mrs Wilson. The Tribunal was left with the impression that the Respondent simply paid insufficient regard to its obligations. A mitigating factor which the Tribunal considered important was that a repeat of this situation is very unlikely to occur in the future given the Respondent's business has closed and rental properties sold and the application Property is currently on the market for sale. In light of all of the facts and circumstances, the Tribunal considered that it would be fair and proportionate to make an order in the higher range of the available scale.

39. The Tribunal determined that the sanction should be £3 125.00 (being 2.5 times the amount of the deposit) in the particular facts and circumstances of this case.

Decision

The Tribunal granted an Order for payment of £3 125.00 in terms of Regulation 10 (a) of the Deposit Regulations.

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.

Fiona Stephen	**19 June 2026**
Legal Member/Chair	**Date**