



**Decision with Statement of Reasons of the First-tier Tribunal for Scotland (Housing and Property Chamber) under Section 71 of the Private Housing (Tenancies) (Scotland) Act 2016**

**Chamber Ref: FTS/HPC/CV/22/4048**

**Re: Property at Maol Ruadh, Roy Bridge, PH31 4AQ (“the Property”)**

**Parties:**

**Mrs Clare McCabe, Mr Stephen McCabe, Aonach Glas, Achnabobane, Spean Bridge, PH34 4EX (“the Applicants”)**

**Mrs Donna Hughes, Mr Norman Hughes, both formerly residing at Maol Ruadh, Roy Bridge, PH31 4AQ and whose current whereabouts are unknown (“the Respondents”)**

**Tribunal Members:**

**Neil Kinnear (Legal Member) and Eileen Shand (Ordinary Member)**

**Decision (in absence of the Respondents)**

**The First-tier Tribunal for Scotland (Housing and Property Chamber) (“the Tribunal”) determined that**

**Background**

This was an application for a payment order dated 8<sup>th</sup> November 2022 and brought in terms of Rule 111 (Application for civil proceedings in relation to a private residential tenancy) of *The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017* as amended.

The Applicants originally sought in their application payment of arrears in rental payments of £5,400.00 together with interest from the date of any decision in relation to the Property from the Respondents, and provided with their application copies of the private residential tenancy agreement and rent arrears statement.

The private residential tenancy agreement had been correctly and validly prepared in terms of the provisions of the *Private Housing (Tenancies) (Scotland) Act 2016*, and

the procedures set out in that Act appeared to have been correctly followed and applied.

The Respondents had been validly served by sheriff officers with the notification, application, papers and guidance notes from the Tribunal on 22<sup>nd</sup> February 2023, and the Tribunal was provided with the executions of service.

On 13<sup>th</sup> March 2023, the Applicants provided an updated rent arrears statement disclosing arrears to 9<sup>th</sup> March 2023 of £8,361.29.

### **Case Management Discussion**

A Case Management Discussion was held at 10:00 on 28<sup>th</sup> March 2023 by Tele-Conference. The Applicants participated, and were represented by Mr Chisholm, solicitor. The Respondents did not participate, nor were they represented. The Respondents had not responded to this application at any stage either in writing or by any other form of communication.

The Tribunal was satisfied that the requirements of giving notice had been duly complied with, and proceeded with the application in terms of Rules 17 and 29 of *The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017* as amended.

Mr Chisholm referred the Tribunal to the updated rent arrears statement. He explained that the Respondents had returned the keys and quit the Property on 9<sup>th</sup> March 2023, and that the Applicants had resumed possession of the Property.

Mr Chisholm confirmed that the rent arrears to the end of the tenancy were £8,361.29. He requested to amend the sum claimed in the application to that figure in terms of Rule 14A of *The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017* as amended. The Tribunal considered in all the circumstances that it would consent to the amendment.

The Tribunal was then invited by Mr Chisholm with reference to the application and papers to grant an order for payment of the sum of £8,361.29 with interest from the date of the Tribunal's decision until payment in terms of Rule 41A of *The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017* as amended.

### **Statement of Reasons**

The jurisdiction of the Tribunal in relation to Private Residential Tenancies, such as that which applied to the Property, is set by statute. Section 71(1) of the *Private Housing (Tenancies) (Scotland) Act 2016* provides:

#### **“First-tier Tribunal's jurisdiction**

(1) In relation to civil proceedings arising from a private residential tenancy—

- (a) the First-tier Tribunal has whatever competence and jurisdiction a sheriff would have but for paragraph (b),
  - (b) a sheriff does not have competence or jurisdiction.
- (2) For the purposes of subsection (1), civil proceedings are any proceedings other than—
- (a) the prosecution of a criminal offence,
  - (b) any proceedings related to such a prosecution.”

The Tribunal accordingly has jurisdiction to hear civil proceedings arising from a private residential tenancy such as between the parties in this application.

The Tribunal considered the terms of the private residential tenancy agreement, the rent arrears information provided, and the submissions made by Mr Chisholm, and was satisfied that these disclosed an outstanding balance of rent arrears due of £8,361.29. Rent of £900.00 per month was due in terms of clause 6 of the tenancy agreement. Accordingly, the Tribunal made an order for payment of that sum.

The Applicants also sought interest on that amount in terms of Rule 41A of *The First-tier Tribunal for Scotland Housing and Property Chamber (Procedure) Regulations 2017* as amended.

In terms of that rule, the Tribunal may include interest at the rate either stated in the tenancy agreement, or ordered by the Tribunal.

Mr Chisholm confirmed that no rate is specified in the tenancy agreement, and accepted that it was for the Tribunal to order what rate to apply.

In the absence of any guidance on this matter, it appeared to the Tribunal to be just to award interest at a rate representing the investment or borrowing rate of lending banks for short term loans, which is currently approximately 4.25% per annum, and the Tribunal accordingly did so. Mr Chisholm indicated that he was content with that approach.

## **Decision**

In these circumstances, the Tribunal made an order for payment by the Respondents jointly and severally to the Applicants of the sum of £8,361.29 with interest thereon at the rate of four and one quarter per cent per annum from the date of the decision of the Tribunal until payment.

## **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.**

**28/03/2023**

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**Legal Member/Chair**

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**Date**