



**First-tier Tribunal for Scotland (Housing and Property Chamber)
Decision and Certificate of Compliance with Letting Agent Enforcement Order
in terms of s50 of the Housing (Scotland) Act 2014.**

Reference number: FTS/HPC/LA/21/2293

The Parties:

Mr John Inglis, 21 Arkleston Drive, Paisley, Renfrewshire, PA1 3EN (“the Applicant”)

R & G Financial Services Ltd, 57 Townhead, Kirkintilloch, G66 1NN (“the Respondent”)

Tribunal Members:

**Lesley Anne Ward Legal Member
Geraldine Wooley Ordinary Member (Housing).**

Decision.

- 1. The First-tier Tribunal for Scotland (Housing and Property Chamber) (“the tribunal”) having determined that the Letting Agent has complied with the Letting Agent Enforcement Order (“LAEO”) dated 14 February 2022 certifies that the Letting Agent has complied with the LAEO. The tribunal’s decision was unanimous.**

Reasons for decision.

- 2. On 14 February 2022 the tribunal issued a LAEO in the following terms:**

Within 30 days of their receipt of this Letting Agent Enforcement order the respondent R & G Financial Services shall:

1. *Pay the applicant the sum of five hundred pounds (£500) in respect of his inconvenience arising out of their failure to comply with the Letting Agent Code of Practice.*
 2. *Revise their complaints procedure to make the timescale for dealing with complaints clear and unambiguous.*
 3. *Draw up guidance to be followed by all employees and subcontractors when a property is being prepared for let, when an inventory is being prepared and when the property is being checked in and checked out. There should be a specific procedure for checking floorcoverings, appliances and fittings to ensure that any change to these items can be identified and the appropriate action can be taken with the tenant before the return of the deposit. They should consider the use of photographs in this regard.*
 4. *Carry out a review of their record keeping procedure to ensure that the circumstances that gave rise to this application do not occur again. This may involve them keeping a digital back up of scanned records or maintaining a paper copy in compliance with the rules regarding storage of data.*
 5. *Ensure their terms and conditions clearly set out their procedures regarding inspection and repairs, explaining the process for dealing with deposits, damage to property, fair wear and tear and issues that may come up at the end of a tenancy. The Council of Letting Agents at the Scottish Association of Landlords provides useful guidance and documentation on these matters.*
 6. *Provide either a digital or paper leaflet or expand their website to outline what landlords can expect from their management services both during the letting period and when the property is handed back to the landlord.*
 7. *Provide to the Tribunal Chamber evidence of their compliance with this order.*
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3. The Letting Agent wrote to the tribunal administration on 22 March 2022. The Letting Agent attached proof of payment of the sum of £500 due in terms of paragraph 1 of the LAEO. The Letting Agent also attached evidence of compliance with paragraph 3 to 6.
 4. Regarding paragraph 2, it was their position that the timescale set out in their complaints' procedure was clear and that this had been misinterpreted by a member of staff.

5. The tribunal decided in February 2022 that the complaints procedure was lacking in clarity. It states that in stage 1 they will acknowledge a complaint within 5 working days of receipt and in stage 2 they will give a detailed reply within 10 days. The tribunal read this to mean a substantive response within 10 days however in the respondent's email of 23 September 2021 there is a reference to 15 working days which would mean that the 5 and 10 day periods are cumulative. This is not the plain meaning of the wording in the complaints' procedure.
6. The letting agent attached a copy of their amended email regarding complaints which makes it clear that complaints will be deal with within 10 working days. The tribunal considered this and their comments and was satisfied that no further compliance was required.
7. Regarding paragraph 3, the letting agent stated in their email that they have started using a web based company to prepare their inventories and exit inspections and that all photographs are embedded in these reports. They stated that they are confident that should any changes be made to any fixtures and fittings, appliances and floorcoverings these should be picked up immediately. The tribunal reviewed the information lodged and was satisfied that paragraph 3 of the LAEO had been complied with.
8. Regarding paragraph 4, the letting agent set out various safeguards they had introduced to ensure that their records are backed up. The tribunal reviewed the information provided and was that paragraph 4 of the LAEO had been complied with.
9. Regarding paragraph 5, the letting agent provided a copy of their updated Lettings Management Contract. The tribunal reviewed this document and was satisfied that appropriate changes had been made. For example, the tribunal noted the new terms and conditions set out in much clearer terms the duties of both the owner and the letting agent. They also provide for inspection of the property every 6 months. The tribunal was satisfied that paragraph 5 had been complied with.
10. Regarding paragraph 6, the letting agent provided a link to their updated website which contained their amended Lettings Management Contract and set out in much clearer terms the services they provide. The tribunal was satisfied that paragraph 6 had been complied with.
11. The applicant was asked to confirm whether the LAEO had been complied with. The applicant responded on 13 April 2022 to state that he did consider that the LAEO had been complied with, but the applicant also stated:

The agent responsible for mismanaging our property has suggested a significant improvement for their inventory reports, exit reports and file storage, all to comply with the minimum requirements expected of the Housing and Property Chamber. These actions are a clear sign of admission that there were major flaws with their working practices while responsible for our property. Meanwhile the compensation provided to us is completely inadequate to cover the costs for all of the issues that occurred under

their management. The tribunal has therefore been a benefit to the agent meanwhile their client is left with a considerable financial outlay to rectify their mismanagement.

12. The tribunal considered this response and firstly noted that the applicant has acknowledged that the LAEO has been complied with. The applicant also appears to disagree with the sum of £500 ordered by the tribunal by way of compensation. The tribunal was satisfied that this sum has however been paid. As is noted in the tribunal written decision which accompanied the LAEO, the applicant was unable to provide any evidence of his losses. In the absence of any proper estimation of the applicant's losses the tribunal made an order for the respondent to pay the applicant the sum of £500 for his inconvenience as a result of the respondent's failure to comply with the code. If the applicant was dissatisfied with that decision, it was clearly explained within that decision that he had a right of appeal.

13. For all of the foregoing reasons the tribunal was satisfied that the LAEO has been complied with and accordingly issues this certificate of compliance.

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.

2 May 2022

Lesley A Ward Legal Member

Date