

Housing and Property Chamber

First-tier Tribunal for Scotland



First-tier Tribunal for Scotland (Housing and Property Chamber)

Decision with Statement of Reasons of the First-tier Tribunal for Scotland (Housing and Property Chamber) under Section 48(1) of the Housing (Scotland) Act 2014

Chamber Ref: FTS/HPC/LA/24/2537

1/ 2 Brechin Street, Glasgow, G3 7HF (“the property”)

Parties:

Zi Yi, 15 Mailing Avenue, Glasgow, G64 1DZ (“the Applicant”)

Liweo Group Ltd, 18th and 19th Floors, 100 Bishopsgate, London, EC2N 4AG (“the Respondent”)

Tribunal Members:

**Josephine Bonnar (Legal Member)
Helen Barclay (Ordinary Member)**

DECISION

The Tribunal determined that the Respondent has failed to comply with paragraphs 16, 21,26, 32,37,108,109,110,124, and 125 of the Letting Agent Code of Practice (“the Code”). The Respondent has not failed to comply with paragraphs 107, 110, 112,121,122,130,131 and 132 of the Code.

The decision is unanimous.

Background

1. The Applicant lodged an application in terms of Rule 95 of the Tribunal Procedure Rules 2017 and Section 48(1) of the 2014 Act.
2. A CMD took place on 18 June 2025. Ms Yi participated. The Respondent did not participate and was not represented. Ms Yi told the Tribunal that she had advertised her property for rent. She was contacted by the Respondent who offered their services. They said that they could obtain tenants for the property, Chinese students who required accommodation while studying in the area. They said that they would manage the property. She agreed to this, and the Respondent took over the management in December 2021. During

the first couple of years there were no issues. However, problems started to develop. She wasn't given the details of the tenant in the property and the rent payments ceased. She went to the property and spoke to a tenant who said that they had paid for the full year. However, the Respondent had not passed all the funds on. The tenant also failed to register with the utility company, and she is being pursued for the bill they did not pay.

3. The Legal Member noted that the Tribunal had twice tried to serve the application by recorded delivery post, unsuccessfully. The second address used is the current registered office address. The Legal Member advised Ms Yi that the CMD would be continued to another date for service on the Respondent by Sheriff Officer. In the meantime, the Applicant should provide better specification of her complaints.
4. A further CMD was arranged for 10 November 2025. Prior to the CMD, it emerged that the CMD note and direction issued by the Tribunal after the previous CMD had not been sent to the Applicant. The application had been successfully served on the Respondent by Sheriff Officer at their registered office.
5. A CMD took place on 10 November 2025. Ms Yi participated. The Respondent did not participate.
6. Ms Yi confirmed that she had not received the CMD note or direction. As a result, she had not provided the information and documents which had been specified. The Legal Member advised Ms Yi that the CMD would require to be further continued so that she could provide better specification of the complaints. Ms Yi said that the Respondent had started to manage her property in December 2021. For the first two and a half years, the rent payments were received every three months without difficulty. In March 2024, no payment was received. She tried to contact the Respondent by email and WeChat. Initially they responded and said the payments were just delayed. A previous payment had also been delayed but eventually arrived. However, no more payments were received. She went to see the tenant in her property. They said that they had paid for a year. Ms Yi got the property back in July 2024 and was owed four months' rent. She had to carry out repair work before renting it out again and now manages it by herself. In response to questions from the Tribunal Ms Yi said that she did not request a copy of the Code or the complaints procedure.
7. In response to a direction issued by the Tribunal, Ms Yi provided a submission with fuller details of her complaints under the Code of Practice and a bundle of documents.
8. The parties were notified that a further CMD would take place on 11 March 2026 at 2pm. The Applicant participated. The Respondent did not participate and was not represented.

The CMD

9. Ms Yi advised the Tribunal that she has had no contact from the Respondent since the last CMD took place. In response to questions from the Tribunal, she advised that the tenant of her property went back to China in July 2024. When she had been unable to contact the Respondent, she went to the property and asked the tenant to leave but they refused to do so because they had paid a year in advance. She does not have a copy of the lease.
10. In relation to her complaint about the lack of a client account and public liability insurance, Ms Yi said that she assumes that this was the case as they failed to provide any evidence. She believes that if they had insurance and everything was in order, they would not have just disappeared. She said that she had asked for their Complaints Procedure, but it was never provided. She sent a message on WeChat and asked to speak to the owner, but there was no response. The tenant showed her evidence of payments. In relation to the January payment, the Respondent told her there was a problem with the bank and she had to give them a Chinese bank account. The payment was then made. She did not receive the payments due for the period March to July. When asked for clarification Ms Yi said that the sum she is owed is £6800.
11. The Tribunal noted that some required documents were still outstanding. The Applicant had not yet provided a copy of her title deeds. Ms Yi indicated that she did not hold her title deeds. The Legal Member explained that a copy of her title sheet could be obtained from Registers of Scotland. It had also been noted that, although she had been asked to provide a copy of her contract or terms of business with the Respondent, the document lodged related to a different property and Landlord. That case had been withdrawn. Ms Yi confirmed that she could provide a copy of her own contract. The Tribunal also stated that the Applicant should provide copies of emails or other communications with the Respondent, as she had made complaints that they had failed to respond to enquiries and complaints.
12. Following further discussion, the Legal Member indicated that once the outstanding documents were received, and the Respondent had been given the opportunity to comment on them, the Tribunal could make a decision on the application without a further CMD or Hearing. Ms Yi confirmed that she was agreeable to this course of action.

Further procedure

13. On 4 April 2026 the Applicant notified the Tribunal that she had requested a copy of her title sheet from Registers of Scotland but had not received it yet. She provided the following documents; -

- (a) A copy of her contract with the Respondent for the period 21 December 2023 to 25 August 2024.
 - (b) A message sent to the Respondent dated 6 March 2024. This states that she was cancelling the contract because the Respondent was not registered and had committed fraud.
 - (c) A message to the Respondent dated 17 March 2024, which states that she has been trying to contact them since 26 February with no success.
 - (d) A further message dated 16 April 2024 which states that the tenant is entitled to stay in the property as they paid a full year in advance and that the rent must be passed on to her.
14. On 29 April 2026 the Applicant provided a copy of her title sheet.
15. A copy of the submissions and documents received after the CMD were sent to the Respondent, but they did not provide a response.

Findings in Fact

- 16. The Applicant is the owner of the property.
- 17. The Respondent was the letting agent for the property between December 2021 and March 2024.
- 18. The Respondent was not a registered letting agent during the period that they managed the property.
- 19. The Respondent paid the Applicant the rental income for the property (after deduction of their fees) every three months from December 2021 until January 2024.
- 20. The agreed rental figure for the property was £1700
- 21. The last tenant of the property paid rent in advance and vacated the property in July 2024
- 22. The Respondent failed to pay the Applicant the last four months rent from 20 March to 20 July 2024.
- 23. The Applicant tried to contact the Respondent in February 2024. They did not respond.
- 24. The Respondent failed to respond to messages from the Applicant in March and April 2024, including a message which terminated the contract between the parties.

25. The contract between the parties did not contain the process for dealing with complaints and disputes, information on how a landlord can apply to the Tribunal, confirmation that the Respondent held professional indemnity insurance, details of that insurance, information about how they held clients money, details of their client money protection insurance, information about how to end the agreement and any fees or charges that might apply.
26. When the Applicant terminated the parties' agreement, the Respondent did not confirm the position in writing, set out the date that the contract would end, provide details of any fees and charges, confirm the arrangements for the handover of keys and tenancy documents.
27. When the contract was terminated the Respondent did not return the funds they held and which were due to the Applicant. They retained the sum of £6800, the last four months' rent for the property.

Reasons for Decision

28. Section 48(4) of the Housing (Scotland) Act 2014 states that, "No application may be made (to the Tribunal) unless the applicant has notified the letting agent of the breach of the code of practice in question". Section 48(3) requires an Applicant to set out in their application, the Applicant's reasons for considering that the letting agent has failed to comply with the Code. The Tribunal is satisfied that the application clearly sets out the complaints and that the Respondent was properly notified of the complaints.

OSP 16 – You must conduct your business in a way that complies with all relevant legislation

29. The Tribunal is satisfied that the Respondent has failed to comply with Section 44 of the Housing (Scotland) Act 2014 which stipulates that it is an offence for a person who is not a registered letting agent to carry out letting agency work. The Applicant provided evidence that the Respondent carried out letting agency work on her behalf between December 2021 and March 2024. The Respondent was not a registered letting agent during that period. A breach of OSP 16 is established.

OSP 21 – You must carry out the services you provide to landlords or tenants using reasonable care and skill and in a timely way

30. The Tribunal is satisfied that the Respondent has failed to comply with this section. The Respondent stopped communicating with the Applicant in February/March 2024 and failed to pass on rent that they received for the last 4 months of the tenancy. They also failed to respond to her enquiries. The Applicant's complaint that the Respondent ceased to act for her without

notification is not upheld. The documents lodged by the Applicant establish that she terminated the contract with the Respondent in March 2024.

OSP 26 – You must respond to enquiries and complaints within reasonable timescales and in line with your written agreement

31. The Tribunal is satisfied that the Respondent failed to respond to enquiries from the Applicant between March and April 2024 and are in breach of the section of the Code.

Paragraph 32 – Your terms of business must be in plain language and...must clearly set out... (l) your procedures for handling complaints and disputes between you and the landlord and tenants and the timescales within which you could be reasonable expected to respond; (m) how a landlord may apply to the Tribunal is they remain dissatisfied after your complaints process has been exhausted, or if you do not process the complaint within a reasonable timescale through your complaints handling procedure;.. (o) confirmation that you hold professional indemnity insurance or equivalent protection through another body or membership organisation and that further details (such as the name of your provider, your policy number and summary of the policy) are available on request; (p) if you hold client money, how you handle clients' money; confirmation that you hold client money protection insurance or equivalent protection through another body or membership organisation and that further details (such as the name of the provider, your policy number and a summary of the policy) are available on request; (q) clear information on how to change or end the agreement and any fees or charges (inclusive of taxes) that may apply and in what circumstances. Termination charges and related terms must not be unreasonable or excessive.

32. The Tribunal is satisfied that the parties written contract does not contain any of the information stipulated in these sections of the code and the Respondent has therefore failed to comply with this section.

Paragraph 37 – When either party ends the agreement, you must (a) give the landlord written confirmation that you no longer act for them. It must set out the date the agreement ends; any fees and charges owed by the landlord and any funds owed to them; and the arrangements including timescales for returning the property to the landlord – for example, the handover of keys, relevant certificates and other necessary documents. Unless otherwise agreed, you must return any funds due to the landlord (less any outstanding debts) automatically at the point of settlement of the final bill. (b) if tenants are still living in the managed property or properties, inform the tenants you will no longer be acting as an agent for the landlord and inform them of the landlord's name and contact details if these have not already been provided or where relevant those of any new agent. You must also inform the tenants of any resulting changes that affect them

33. The Applicant claims that the Respondent simply stopped acting for her in March 2024. However, the documents lodged by her indicate that she

terminated the agreement on 6 March 2024. The Tribunal notes that paragraph 37 applies whether the contract is terminated by the landlord or the agent. The Respondent failed to respond to the message terminating the contract and subsequent messages. They failed to provide the Applicant with any of the information required in terms of this Section and failed to make payment of the outstanding sums due to her at the end of the contract. The Tribunal is therefore satisfied that the Respondent has failed to comply with this section of the code in relation to the Applicant.

34. The position regarding the tenant is less clear. The Tribunal was not provided with any evidence in relation to the tenancy or what the tenant was told when the contract came to an end. The Applicant was only able to advise the Tribunal that she spoke to the tenant who said that the rent had been paid in advance for a year and that the tenant vacated the property in July 2024. The Tribunal is not persuaded that the Applicant has established a breach of this section in relation to communications between the Respondent and the former tenant.

Paragraph 107 – You must take all reasonable steps to ensure that your letting agent registration number is included in all relevant documents and communications in line with your legal requirements under the 2014 Act

35. The Tribunal is satisfied that the Respondent was not a registered letting agent at the relevant time. As a result, they did not have a registration number and could not comply with this section of the Code. However, the Tribunal is not persuaded that this situation leads to a breach since compliance was not possible.

Paragraph 108 - You must respond to enquiries and complaints within reasonable timescales. Overall your aim should be to deal with enquiries and complaints as quickly and as fully as possible and to keep those making them informed if you need more time to respond.

36. For the same reasons as outlined in paragraph 31 in relation to OSP 26, the Tribunal is satisfied that the Respondent has failed to comply with this section.

Paragraph 109 – you must provide landlords and tenants with your contact details including a current telephone number.

37. The Tribunal is satisfied that from February or March 2024, the Respondent was in breach of this section as the Applicant no longer had contact details including a current telephone number.

Paragraph 110 - You must make landlords and tenants aware of the Code and give them a copy on request, electronically if you prefer.

38. The Tribunal is satisfied that the Respondent did not advise the Applicant about the Code. However, there is no evidence that she requested a copy of it

and there is no obligation under this section to provide a copy unless it is requested.

Paragraph 112 – You must have a clear written complaints procedure that states how to complain to your business and, as a minimum, make it available on request. It must include the series of steps that a complaint may go through with reasonable timescales linked to those set out in your agreed terms of business.

39. The Tribunal is not satisfied that the Applicant has established that the Respondent did not have a complaints procedure. There are no details in the contract, but it could have existed as a separate document, and the Applicant did not provide any evidence that she ever requested a copy of it. A breach of this section is not established.

Paragraph 121 - You must ensure that you hold client money in one or more separate and dedicated client bank accounts with a bank or building society authorised by the Financial Conduct Authority, separate from your main business account.

Paragraph 122 – You must have written confirmation from any bank or building society where a client account is held that the following conditions apply: (a) that all money standing to the credit of that account is client money; and (b) that the bank or building society is not entitled to combine the account with any other account or exercise any right to set off or counterclaim against money in that account for any sum owed to the bank or building society on any other of your accounts it holds

40. These sections do not relate to the provision of information to a landlord. They impose a requirement on a letting agent to have a separate client account. Although the Applicant was not provided with evidence of the existence of a client account, it does not follow that the Respondent did not comply with these sections of the Code. The Applicant did not provide any evidence that a separate client account did not exist or that she asked for evidence of a client account at any time. The Applicant has not established a breach of these actions of the Code.

Paragraph 124 – You must ensure clients' money is available on request and is given to them without unnecessary delay or penalties. Unless agreed otherwise in writing (for example to take account of any money outstanding for agreed works undertaken)

Paragraph 125 – You must pay or repay client money as soon as there is no longer any need to retain that money. Unless otherwise agreed in writing by the client, you should where feasible credit interest earned on any client account to the appropriate client.

41. The Tribunal is satisfied that a breach of these sections is established. Based on the information and evidence provided by the Applicant, the Respondent failed to pay her the last four months' rent although this had been paid by the tenant. The arrangement with the Respondent was that she would receive the rent on a quarterly basis, although she discovered that the last tenant had paid a full year in advance. The Respondent complied with the arrangement until March 2024, although the last payment had been late. The rent due for 20 March 2024 to 20 July 2024 has never been paid.

Paragraph 130 - You must have and maintain adequate professional indemnity insurance that is appropriate for your agency's level of income and the type of work unless you can demonstrate equivalent or greater protection through another body or membership organisation.

Paragraph 131 – Cover must be on a full civil liability basis and if feasible this insurance should be fully retroactive

Paragraph 132 – you must give further details (such as the name of your provider, your policy number and a summary of your policy) to them on request.

42. The Tribunal is not persuaded that a breach of these sections is established. The first two are not about the provision of information to a client, but about whether the letting agent has appropriate insurance cover in place. Although it seems unlikely, the Respondent may have had appropriate cover at the relevant time. The Applicant also failed to demonstrate that she had ever asked them to provide evidence of the cover.

Letting Agent Enforcement Order (LAEO)

43. The Tribunal notes that the Applicant has experienced considerable inconvenience as a result of the respondent's failure to comply with the Code. In addition, they have failed to pass on four months rent to the Applicant although the tenant had paid a full year in advance. Considering the very serious breaches of the Code the Tribunal is satisfied that the Respondent should be ordered to pay to the Applicant the rent which is owed together with the sum of £750 for the inconvenience that she has experienced.

Appeals

An Applicant or Respondent 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.

Josephine Bonnar, Legal Member

25 May 2026