



# Welcome to Scottish Letting Day – Presidents 1

Conference and exhibition 19 November 2024

Conference partner:













### Welcome and introduction

John Blackwood

Scottish Association of Landlords





## Do you know what to expect at the First-tier Tribunal?

**Kirstie Donnelly** 

TC Young Solicitors

## What to expect at the First-tier Tribunal

What happens at a Case Management Discussion?



The Scottish law firm with you at its centre



## Welcome to the First-tier Tribunal (FTT)

- A typical Case Management Discussion (CMD)
- We will conduct 2 mock CMDs; rent arrears and intention to sell
- Legal Member + Ordinary Member
- Applicant representative (landlord's solicitor)
- Respondent (tenant representing themselves)





#### "Mock" CMDs

- No resemblance is intended of any person (living or dead)
- Designed to demonstrate the typical problems encountered in CMDs
- Provide an insight into the FTTs considerations, questions asked, and evidence required



### Other FTT hearings

CMDs also take place for other application types; tenancy deposit claims, wrongful termination orders

CMD = procedural = first calling

Hearing = evidential = 'proof' evidence heard like a trial



## Other eviction grounds

Hope mock CMDs will be useful

Briefly discuss evidence for some other eviction grounds

Q & A at end



### Getting to the CMD

Not physically, as most continue to be by Teleconference

What procedure has come before?

Notice – 2 weeks/2 months/28 days/84 days

Lodging application > acknowledgement > acceptance > CMD assigned > written representations from tenant? v postponement/request? > CMD



### Purpose of the CMD

#### **Tribunal rules** Rule 17

- 1. The First-tier Tribunal must give each party *reasonable notice* of the date, time and place of a case management discussion and any changes to the date, time and place of a case management discussion.
- 2. The purpose of a case management discussion is to enable the First-tier Tribunal to explore how the parties' dispute may be efficiently resolved, including by
  - a) identifying the issues to be resolved;
  - b) identifying what facts are agreed between the parties;
  - c) raising with parties any issues it requires to be addressed;
  - d) discussing what witnesses, documents and other evidence will be required;
  - e) discussing whether or not a hearing is required; and
  - f) discussing an application to recall a decision.
- 3. The First-tier Tribunal may do anything at a case management discussion which it may do at a hearing, including making a decision.



## Case 1: rent arrears Mr Adams v Miss Brown

- PRT started 2 June 2022
- Rent £ 750 pcm
- Notice to Leave served 3 April 2024; ground 12
- Rent arrears currently £5,300
- Now calls for CMD





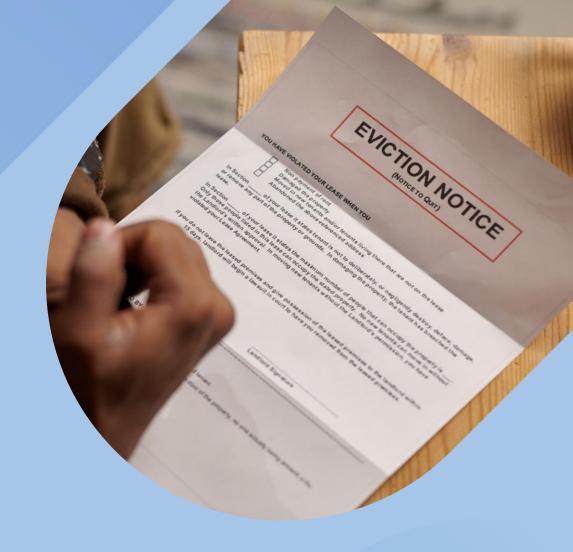
## Evidence Rent statement

Date	Amount Due	Received from Tenant	Balance	02/08/2023	£750.00		£750.00
				02/08/2023		£750.00	£0.00
02/06/2022	£750.00		£750.00	02/09/2023	£750.00		£750.00
02/06/2022		£750.00	£0.00	02/09/2023		£750.00	£0.00
02/07/2022	£750.00		£750.00	02/10/2023	£750.00		£750.00
02/07/2022		£750.00	£0.00	02/10/2023		£750.00	£0.00
02/08/2022	£750.00		£750.00	02/11/2023	£750.00		£750.00
02/08/2022		£750.00	£0.00	02/11/2023		£400.00	£350.00
02/09/2022	£750.00		£750.00	02/12/2023	£750.00		£1,100.00
02/09/2022	2,55.00	£750.00	£0.00	02/12/2023		£300.00	£800.00
02/10/2022	£750.00	2,55.05	£750.00	02/01/2024	£750.00		£1,550.00
02/10/2022	1730.00	£750.00	£0.00	02/01/2024		£1,200.00	£350.00
02/10/2022	£750.00	1750.00	£750.00	02/02/2024	£750.00		£1,100.00
	1750.00	C7E0 00		02/02/2024		£750.00	£350.00
02/11/2022	0750.00	£750.00	£0.00	02/03/2024	£750.00		£1,100.00
02/12/2022	£750.00		£750.00	02/03/2024		£200.00	£900.00
02/12/2022		£750.00	£0.00	02/04/2024	£750.00		£1,650.00
02/01/2023	£750.00		£750.00	02/04/2024		£200.00	£1,450.00
02/01/2023		£750.00	£0.00	02/05/2024	£750.00		£2,200.00
02/02/2023	£750.00		£750.00	02/05/2024		£200.00	£2,000.00
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02/04/2023	£750.00		£750.00	02/07/2024	6750.00	£200.00	£3,100.00
02/04/2023		£750.00	£0.00	02/08/2024	£750.00		£3,850.00
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02/06/2023	£750.00		£750.00	02/09/2024	6750.00	£200.00	£4,200.00
02/06/2023	2,50.00	£750.00	£0.00	02/10/2024	£750.00	C200 00	£4,950.00
02/00/2023	£750.00	2730.00	£750.00	02/10/2024	C7E0 00	£200.00	£4,750.00
02/07/2023	1750.00	£750.00	£0.00	02/11/2024	£750.00	£200.00	£5,500.00
02/07/2023		1/30.00	10.00	02/11/2024		£200.00	£5,300.00



### Decision?

- Eviction order
- Further case management discussion
- Hearing





## Case 2: intention to sell Mrs Smith v Mr Jones

- PRT started 1 April 2024
- Rent £ 2500 pcm (Mr Jones is not in any arrears)
- Notice to Leave served Ground 1 on 22 May 2024
- FTT Form E application lodged on 24 June 2024
- Now calls for CMD





### Evidence

7 West George Street, Glasgow, G2 1BA DX GW 78 Glasgow



Melrose House, 69a George Street, Edinburgh, EH2 2JG DX: ED112 Edinburgh

Mrs Smith by email only

Our Ref: SAL/ KID/T C Y00-236

Please reply to our Glasgow Office

Your Ref:

Date: 5 June 2024

Dear Mrs Smith

Sale of: Your Flat, Edinburgh, EH1 2BY Terms of Business

Thank you for your recent instruction.

We are delighted to act in the sale of your property. Please find enclosed terms of business.

We understand the property is currently tenanted and will be marketed once vacant possession is obtained.



## Decision?

- Eviction order
- Further case management
- Hearing





#### Other eviction cases at FTT

- Assured and short assured tenancies
- Includes *previously* mandatory Section 33 evictions
   No AT5? = No S33 eviction
- Anti-social behaviour
- Breach of tenancy
- Condition of property
- Photos and vouching for costs
- Evidence and witnesses = Important!



## Kirstie Donnelly

Associate solicitor

Email: kid@tcyoung.co.uk / prs@tcyoung.co.uk

Tel: 0141 225 2577 / 0141 221 5562







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Help us plan our future conferences by letting us know your thoughts on this session by scanning the QR code below







#### Sessions now available to attend

Presidents 2	Developing your business for an ageing population
Presidents 1 (current room)	EPC – energy performance confusion
Moncrieff	Talking Deposits LIVE
Cap & Thistle	Maximise your student rental revenue with UniHomes
Centenary	Customer service circus – juggling property management with a smile



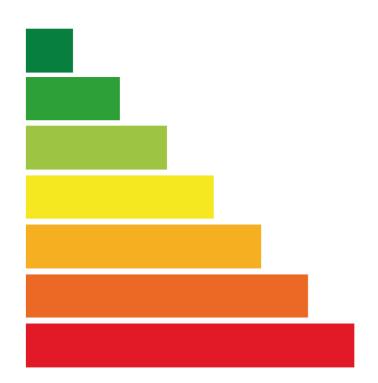


## EPC – energy performance confusion

**Caroline Elgar** 

Scottish Association of Landlords





## EPC- energy performance confusion

Dispelling the myths and exploring the current proposals for improving the energy efficiency of homes in the private rented sector (PRS)



## Confusion

Do I need a minimum energy performance certificate (EPC) rating now?

Do I need one in the future?

Will I be able to get my property compliant?

What about listed buildings/period features?

Supporting Scotland's landlords and letting agents

#### **April 2017 consultation**

E by 1 April 2019 (change of tenancy)

E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)

D by 31 March 2025 (all PRS properties)

#### May 2018 consultation

E by 1 April 2019 1 April 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 2030 (all PRS properties)

#### March 2019 consultation

E by 1 April 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy) C by 2030 (all PRS properties)

#### January 2020

E by 1 April 2020 1 October 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy) C by 2030 (all PRS properties)

#### DRAFT SCOTTISH STATUTORY INSTRUMENTS

#### 2020 No.

#### **ENERGY CONSERVATION**

The Energy Efficiency (Domestic Private Rented Property)
(Scotland) Regulations 2020

26 January 2020 - laid before parliament

11 March 2020 – approved by parliament

26 March 2020 - withdrawn

1 April 2020 – due to become law

#### November 2020

E by 1 October 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy) D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy) C by 2030 (all PRS properties)

Government advises SAL that regulations will be reintroduced in Spring 2021

#### January 2021

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy)
C by 2030 (all PRS properties)

Government decides to pause the laying of regulations due to ongoing Covid 19 pandemic

#### July 2021 and July 2023 consultations

## Reforming EPC report to change headline metrics Proposal to reduce the EPC validity from 10 years to 5 years

Proposed Metric	Description	Display
Fabric Rating	Efficiency of the building fabric	A-G scale and kWh/m²/yr
Energy Cost Rating	Running cost per year (based on £/m²/yr)	A-G scale with 1-100 rating
Heating System Type	Type of heating system	Heating system classification (zero direct emissions or not, and efficiency)

#### **November 2023 consultation**

New proposals published in Heat in Buildings consultation





## None of what we have discussed so far has become law

There are currently no minimum standards

### Heat in Buildings consultation proposals

1. Minimum energy efficiency standard

By 2028 (PRS) and 2033 (owner occupied)

2. Clean heating system

By 2045

#### Minimum energy efficiency standard - 2028

#### We think that this list could be<sup>14</sup>:

- 270 mm loft insulation;
- cavity wall insulation (CWI);
- draught-proofing;
- heating controls;
- 80 mm hot water cylinder insulation;
- Suspended floor insulation<sup>15</sup>.

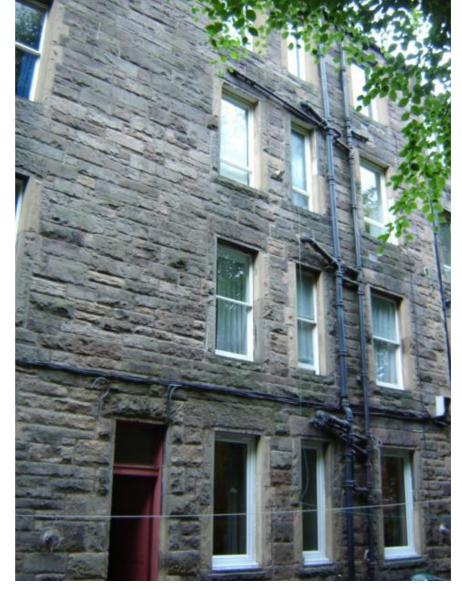


Or – "good level" of fabric efficiency (equivalent to EPC C)

#### **Clean heating system - 2045**

Polluting heating systems	Clean heating systems
Burn fossil fuels and emit CO <sub>2</sub> at the point of use	Don't produce any CO <sub>2</sub> emissions at the point of use
Gas boilers	Heat pumps
Oil boilers	Heat networks
LPG boilers	Electric storage heaters
	Electric boilers
	Other electric heating technologies

# Ground floor 1890s tenement flat with solid stone walls and combi boiler











### Ground floor 1890s tenement flat with solid stone walls and combi boiler

2028 requirements:

270mm loft insulation N/A

Cavity wall insulation N/A

Draught proofing Already in place

Heating controls Already in place

80mm hot water cylinder insulation N/A

Suspended floor insulation Required

2045 requirements:

Combi boiler will need to be replaced with a clean heating system

# Top floor 1890s tenement flat with solid stone walls and combi boiler









### Top floor 1890s tenement flat with solid stone walls and combi boiler

### 2028 requirements:

270mm loft insulation Required

Cavity wall insulation N/A

Draught proofing Already in place

Heating controls Required

80mm hot water cylinder insulation N/A

Suspended floor insulation N/A

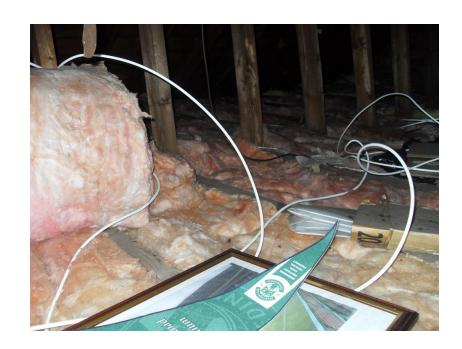
### 2045 requirements:

Combi boiler will need to be replaced with a clean heating system

# Upper villa 4 in a block 1930s build with uninsulated cavity wall and electric storage heating











### Upper villa 4 in a block 1930s build with uninsulated cavity wall and electric storage heating

### 2028 requirements:

270mm loft insulation Already in place

Cavity wall insulation Required

Draught proofing Already in place

Heating controls Already in place

80mm hot water cylinder insulation Already in place

Suspended floor insulation N/A

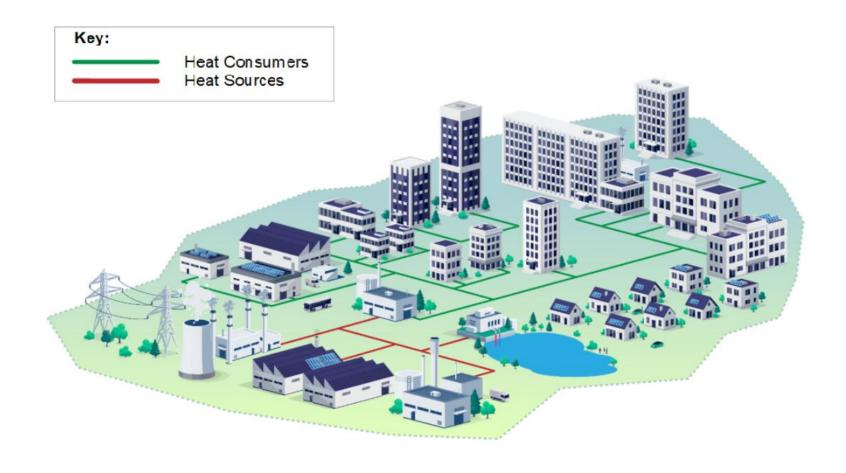
### 2045 requirements:

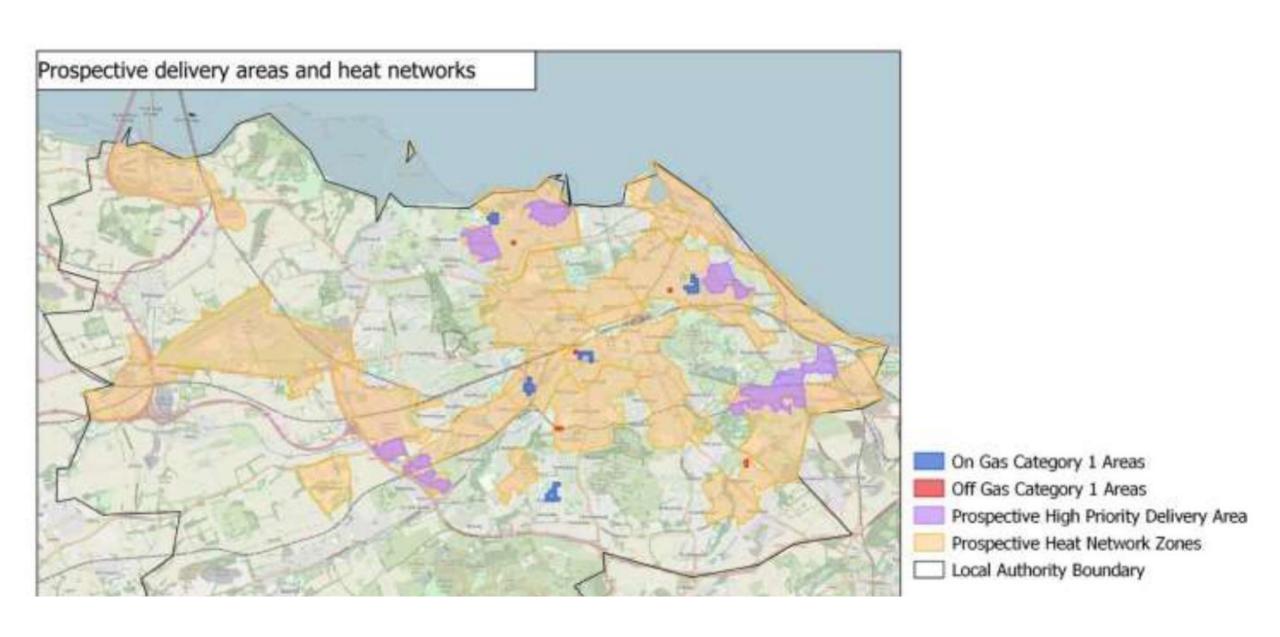
No changes needed as property already has a clean heating system

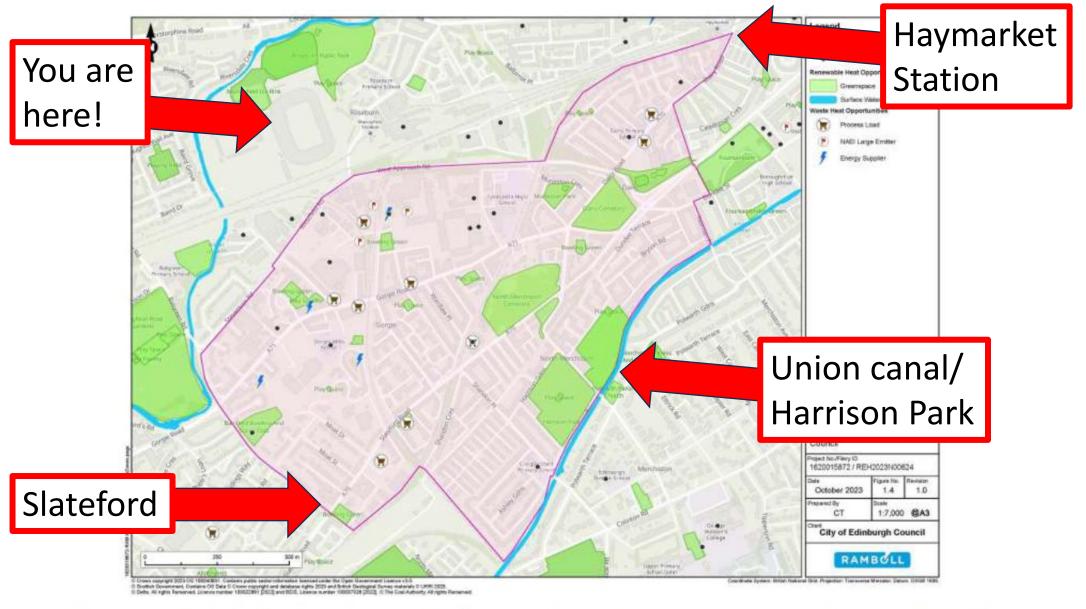
# Clean heating systems



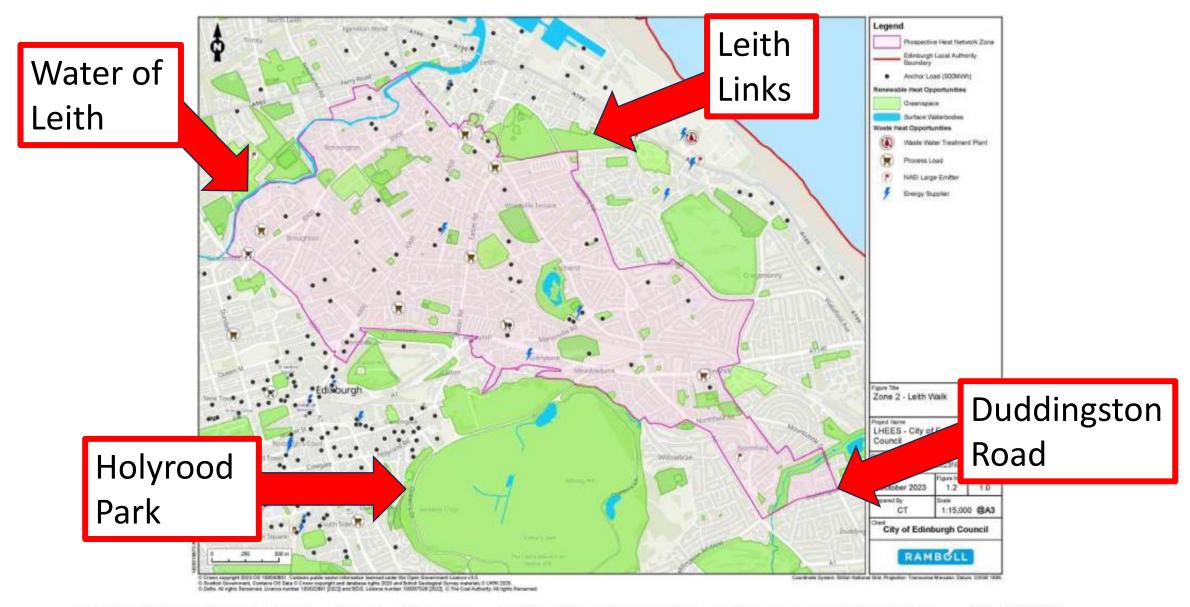




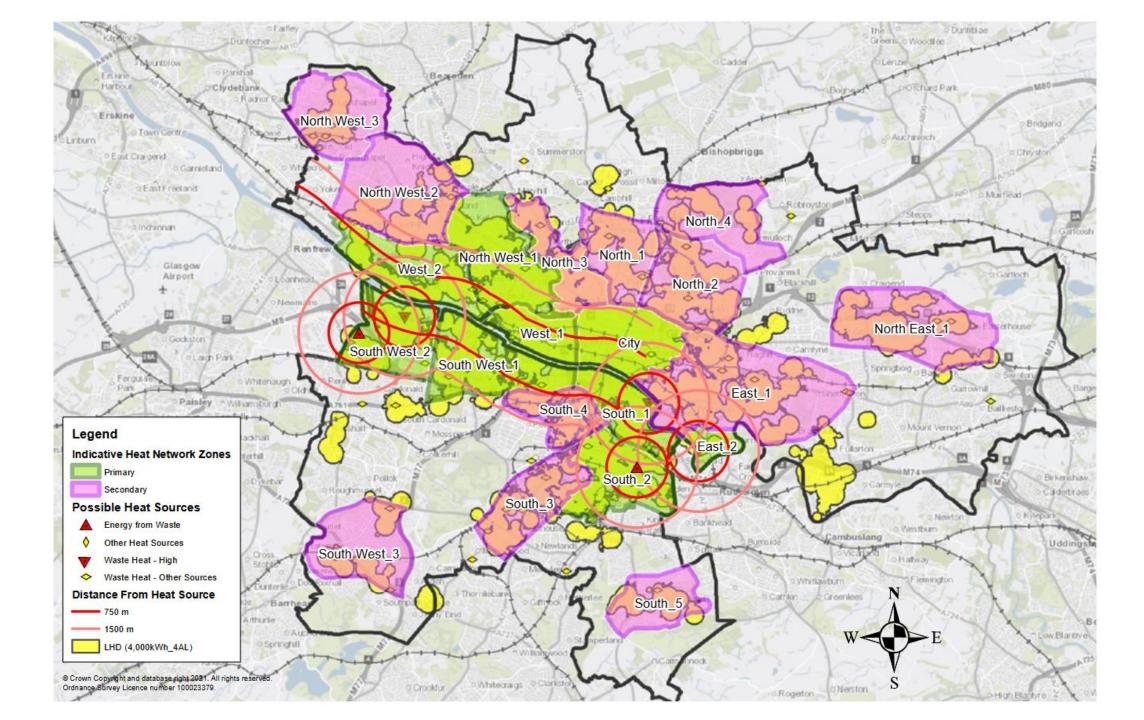


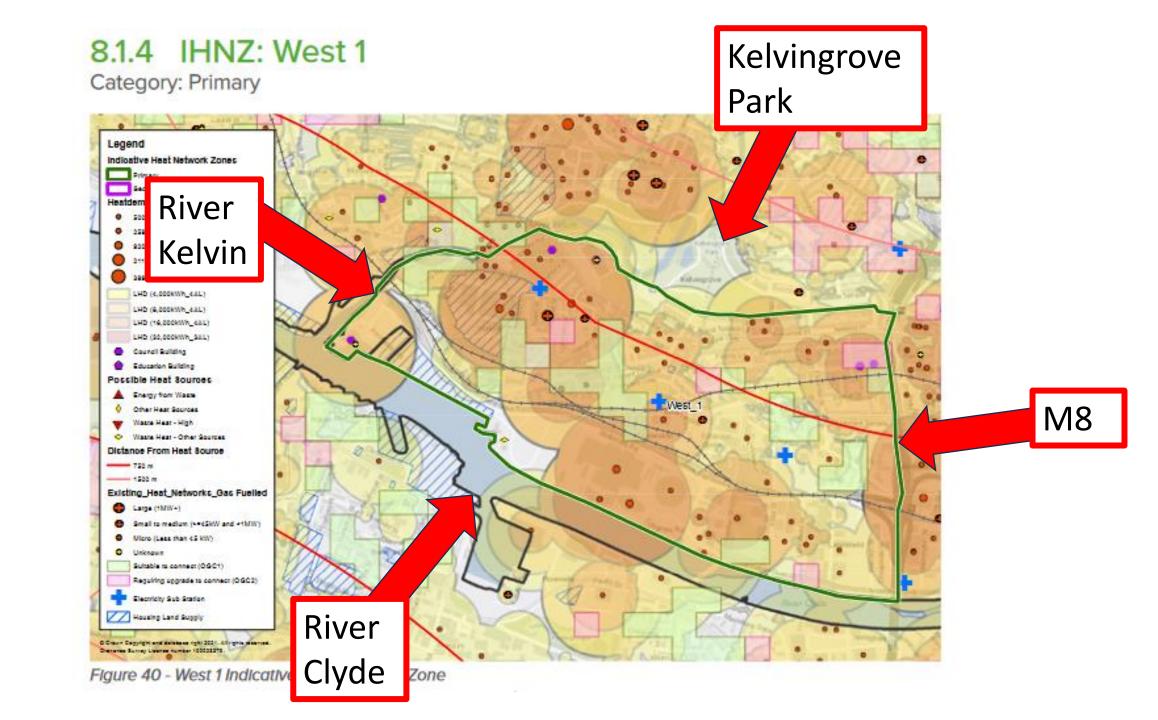


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### 8.1.5 IHNZ: North West 1

Category: Primary

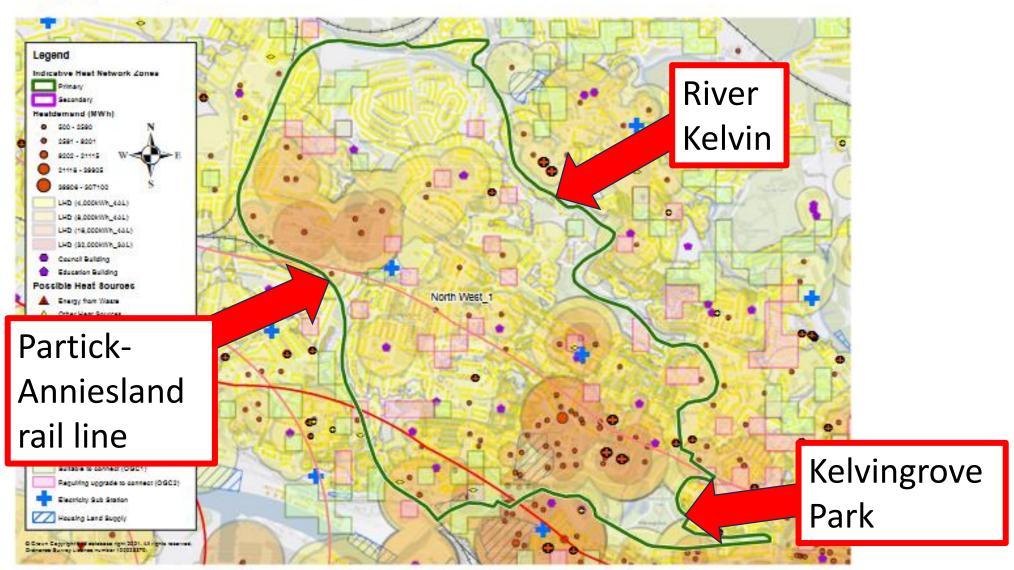


Figure 41 -Northwest 1 Indicative Heat Network Zone

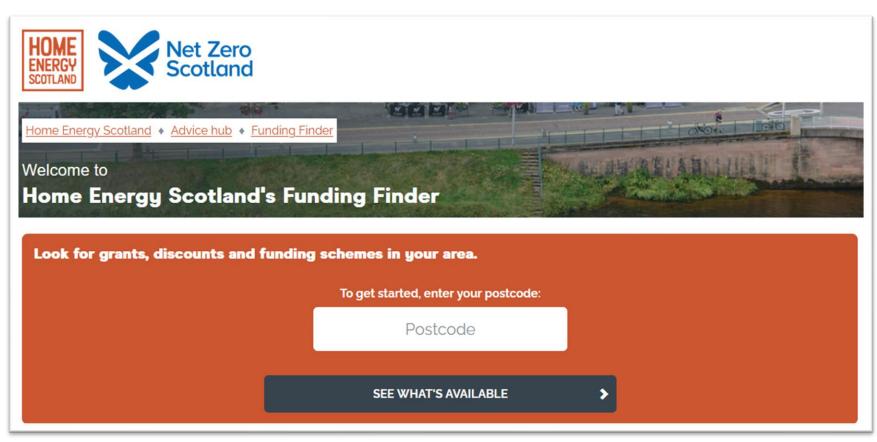


# Which heating system is best?

Is the property in a heat network zone? Is the property suitable for a heat pump?

# Funding

# Home Energy Scotland funding finder



# Private Rented Sector Landlord Loan

<6 properties: can borrow up to £100,000 Interest free

6+ properties can borrow up to £250,000 3.5% APR

Must be repaid within 8 years

#### What the funding could cover

Below are examples of what the funding could cover. This list may not be definitive. Please speak to us to find out more about what is available to you. Call Home Energy Scotland on o8o8 8o8 2282 for more details.

- Boiler Replacements and Repairs
- · Heating and Hot Water
- Improved Doors and Windows
- Thermostats and Heating Controls
- Cavity Wall Insulation
- Draught-proofing
- Floor Insulation
- Roof and Loft Insulation
- External Wall Insulation
- Internal Wall Insulation
- Tanks, Pipes and Radiator Insulation
- Energy Storage
- Wind Turbines
- Hydropower
- Solar Photovoltaics
- · Biomass Heating
- Air Source Heat Pumps
- Solar Heating
- Ground Source Heat Pumps

To see if you are eligible for this scheme, please contact us.

**GET IN TOUCH** 



# What should I do now?

Still at proposal stage

 Think about what work would be needed at your property should proposals become law

Keep an eye on SAL enews updates



# Questions?

Tel: 0131 564 0100

Email: advice@scottishlandlords.com

www.scottishlandlords.com/resources

Supporting Scotland's landlords and letting agents





### EPC – energy performance confusion

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### Sessions now available to attend

Member insights – survive and thrive
Your tax return – key insights and top tips
Buy-to-let market panel discussion
Selling tenanted property (11.30 – 11.50) Organising common repairs in flats (11.55 – 12.15)
SafeDeposits Scotland drop-in clinic (11.30 – 12.30)





# Your tax return – key insights and top tips

**Scott Kennedy** 

**EQ** Accountants

# Your tax return - key insights and top tips

Scott Kennedy, ACCA





With You.





Are you claiming all the costs you incur running your business?

- Mileage
- Conference fee
- SAL subscription
- Advertising for tenants
- Accountancy costs
- Utility and council tax
- Mortgage interest



## Timing of work



Can you accelerate any refurbishment work?

The work must be revenue in nature (repairs) and not capital.

As long as your business is able to afford the expenditure, and it is necessary.







# Are you accounting for all your income?

- Has someone only paid 11 out of 12 months rent?
- Will increase your tax exposure, but necessary for cashflow.



### Payments on account (POAs)

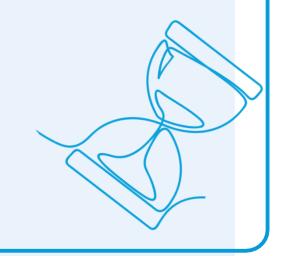
- Under current tax rules there is one return due for submission on 31st Jan.
- A balance on account is payable on 31 Jan together with a first payment for the next year.
- A second payment on account will be payable on 31 Jul.
- Are you paying too much in advance?
- Submitting your tax return early will allow you to reduce POAs





### Don't wait until the deadline

- Your accountant will love you to provide as much information in an accessible format (as openly and easily) as possible.
- Every time they need to call you it costs money.
- Will allow you to plan for any potential liability



### **Books and records**



- Good books and records are key
- Will make reporting easier
- HMRC queries can be dealt with quickly and easily
- Your accountant will love you



# Scottish tax rates (2024/25)



	Taxable Income	Scottish Tax Rate
Personal allowance	Up to £12,570	0%
Starter rate	£12,571 to £14,876	19%
Basic rate	£14,877 to £26,561	20%
Intermediate rate	£26,562 to £43,662	21%
Higher rate	£43,663 to £75,000	42%
Advanced rate	£75,001 to £125,140	45%
Top rate	Over £125,140	48%

Personal allowance is subject to tapering for income over £100,000 and removed from £125,140

# National Insurance (NI) rates



#### Class 2 NI

Profits below £6,725
Can be paid voluntarily to protect your state pension

Profits over £6,725 2024/25 payable at £3.45 per week

#### Class 4 NI

- Up to £12,570 nil
- £12,570 £50,270 6%
- Over £50,270 2%

### **Employers NI**

- Employers NI has been raised from 13.8% to 15%
- Threshold for NI has been reduced to £5,000
- Employment allowance changes to £10,500

This could represent a significant increase in employers' liability, with larger employers facing an increased exposure to employers NI.



### Double cab pickups

- The beneficial treatment of double cab pickups is being removed.
- Previously these would be treated as goods vehicles, which attracts favourable treatment for capital allowances and a flat rate for benefit-in-kind (BIK) assessment.
- These will now be treated as cars for capital allowances.
- They will be assessed based on their emissions for BIK purposes.



### **Capital Gains Tax**

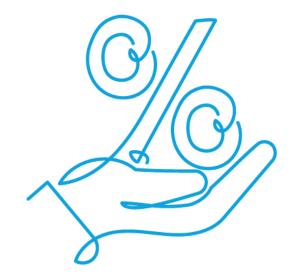
60-day reporting deadline

 Capital Gains Tax on residential property needs to be reported to HMRC and paid within 60 days of the disposal

CGT rates have moved

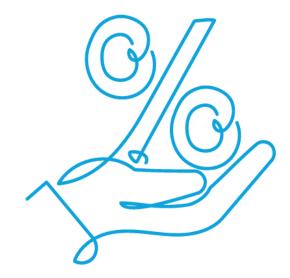
Lower : from 10% to 18%

• Higher: from 20% to 24%



### Furnished holiday lets

- Furnished holiday lets will be abolished from 06 April 25 for income tax and 01 April for Corporation tax.
- The implications of this are:
   No capital allowances will be available
   No gift holdover relief
   No business asset disposal relief
   Will still be subject to VAT
- Earnings will no longer form part of the net relevant earnings calculation for pension.
- Existing capital allowance pools will continue do you have any unclaimed relief?





### Making Tax Digital for Income Tax Self Assessment – the taxman cometh

### **April 2026:**

- Under new rules, landlords with income over £50,000 will have to submit quarterly reports of income with a final return due on 31 Jan.
- Payments will remain in line with the current Jan / Jul timetable.
- This will potentially increase your contact with an accountant being driven by the taxman.

### **April 2027:**

• The above process will be rolled out to landlords with income between £30,000 and £50,000.

### By the end of the Parliament:

Landlords with income over £20,000 will fall into the scheme.

#### Plan now:

- Ahead of April deadline, consider system changes to ease transition and limit involvement of accountants. Opportunity to review financial performance quarterly and tweak accordingly.
- April 2026 will come round quickly
- It is important to be ready
- Implement changes now to make sure you are ready





Your tax return – key insights and top tips

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Scottish Letting Day 2024





# **Scottish Letting Day**

Lunch is now served in the exhibition area

Speaker programme resumes at 13.20

Please visit our exhibitors' stands

Conference partner:













## **Scottish Letting Day**

Conference and exhibition 19 November 2024

**#LettingDay** 

Conference partner:













# Do you know what to expect at the First-tier Tribunal?

**Kirstie Donnelly** 

TC Young Solicitors

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02/09/2022	2,55.05	£750.00	£0.00	02/12/2023		£300.00	£800.00
02/10/2022	£750.00	2,55.05	£750.00	02/01/2024	£750.00		£1,550.00
02/10/2022	1730.00	£750.00	£0.00	02/01/2024		£1,200.00	£350.00
02/10/2022	£750.00	1750.00	£750.00	02/02/2024	£750.00		£1,100.00
	1750.00	C7E0 00		02/02/2024		£750.00	£350.00
02/11/2022	0750.00	£750.00	£0.00	02/03/2024	£750.00		£1,100.00
02/12/2022	£750.00		£750.00	02/03/2024		£200.00	£900.00
02/12/2022		£750.00	£0.00	02/04/2024	£750.00		£1,650.00
02/01/2023	£750.00		£750.00	02/04/2024		£200.00	£1,450.00
02/01/2023		£750.00	£0.00	02/05/2024	£750.00		£2,200.00
02/02/2023	£750.00		£750.00	02/05/2024		£200.00	£2,000.00
02/02/2023		£750.00	£0.00	02/06/2024	£750.00		£2,750.00
02/03/2023	£750.00		£750.00	02/06/2024		£200.00	£2,550.00
02/03/2023		£750.00	£0.00	02/07/2024	£750.00		£3,300.00
02/04/2023	£750.00		£750.00	02/07/2024	6750.00	£200.00	£3,100.00
02/04/2023		£750.00	£0.00	02/08/2024	£750.00		£3,850.00
02/05/2023	£750.00		£750.00	02/08/2024	6750.00	£200.00	£3,650.00
02/05/2023		£750.00	£0.00	02/09/2024	£750.00	5200.00	£4,400.00
02/06/2023	£750.00		£750.00	02/09/2024	6750.00	£200.00	£4,200.00
02/06/2023	2,50.00	£750.00	£0.00	02/10/2024	£750.00	C200 00	£4,950.00
02/00/2023	£750.00	2730.00	£750.00	02/10/2024	C7E0 00	£200.00	£4,750.00
02/07/2023	1750.00	£750.00	£0.00	02/11/2024	£750.00	£200.00	£5,500.00
02/07/2023		1/30.00	10.00	02/11/2024		1200.00	£5,300.00



### Decision?

- Eviction order
- Further case management discussion
- Hearing





## Case 2: intention to sell Mrs Smith v Mr Jones

- PRT started 1 April 2024
- Rent £ 2500 pcm (Mr Jones is not in any arrears)
- Notice to Leave served Ground 1 on 22 May 2024
- FTT Form E application lodged on 24 June 2024
- Now calls for CMD





### Evidence

7 West George Street, Glasgow, G2 1BA DX GW 78 Glasgow



Melrose House, 69a George Street, Edinburgh, EH2 2JG DX: ED112 Edinburgh

Mrs Smith by email only

Our Ref: SAL/ KID/T C Y00-236

Please reply to our Glasgow Office

Your Ref:

Date: 5 June 2024

Dear Mrs Smith

Sale of: Your Flat, Edinburgh, EH1 2BY Terms of Business

Thank you for your recent instruction.

We are delighted to act in the sale of your property. Please find enclosed terms of business.

We understand the property is currently tenanted and will be marketed once vacant possession is obtained.



## Decision?

- Eviction order
- Further case management
- Hearing





### Other eviction cases at FTT

- Assured and short assured tenancies
- Includes *previously* mandatory Section 33 evictions
   No AT5? = No S33 eviction
- Anti-social behaviour
- Breach of tenancy
- Condition of property
- Photos and vouching for costs
- Evidence and witnesses = Important!



## Kirstie Donnelly

Associate solicitor

Email: kid@tcyoung.co.uk / prs@tcyoung.co.uk

Tel: 0141 225 2577 / 0141 221 5562







Do you know what to expect at the First-tier Tribunal?

Help us plan our future conferences by letting us know your thoughts on this session by scanning the QR code below







### Sessions now available to attend

Presidents 2	Buy-to-let market panel discussion
Presidents 1 (current room)	EPC - energy performance confusion
Moncrieff	Talking Deposits LIVE
Cap & Thistle	Private renting - then and now
Centenary	Customer service circus – juggling property management with a smile



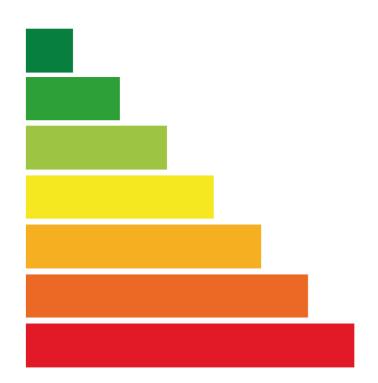


# EPC – energy performance confusion

**Caroline Elgar** 

Scottish Association of Landlords





# EPC- energy performance confusion

Dispelling the myths and exploring the current proposals for improving the energy efficiency of homes in the private rented sector (PRS)



## Confusion

Do I need a minimum energy performance certificate (EPC) rating now?

Do I need one in the future?

Will I be able to get my property compliant?

What about listed buildings/period features?

Supporting Scotland's landlords and letting agents

### **April 2017 consultation**

E by 1 April 2019 (change of tenancy)

E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)

D by 31 March 2025 (all PRS properties)

### May 2018 consultation

E by 1 April 2019 1 April 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 2030 (all PRS properties)

### March 2019 consultation

E by 1 April 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy) C by 2030 (all PRS properties)

### January 2020

E by 1 April 2020 1 October 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy) C by 2030 (all PRS properties)

#### DRAFT SCOTTISH STATUTORY INSTRUMENTS

#### 2020 No.

#### **ENERGY CONSERVATION**

The Energy Efficiency (Domestic Private Rented Property)
(Scotland) Regulations 2020

26 January 2020 - laid before parliament

11 March 2020 – approved by parliament

26 March 2020 - withdrawn

1 April 2020 – due to become law

#### November 2020

E by 1 October 2020 (change of tenancy) E by 31 March 2022 (all PRS properties)

D by 1 April 2022 (change of tenancy) D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy) C by 2030 (all PRS properties)

Government advises SAL that regulations will be reintroduced in Spring 2021

### January 2021

D by 1 April 2022 (change of tenancy)
D by 31 March 2025 (all PRS properties)

C by 1 April 2025 (change of tenancy)
C by 2030 (all PRS properties)

Government decides to pause the laying of regulations due to ongoing Covid 19 pandemic

### July 2021 and July 2023 consultations

## Reforming EPC report to change headline metrics Proposal to reduce the EPC validity from 10 years to 5 years

Proposed Metric	Description	Display
Fabric Rating	Efficiency of the building fabric	A-G scale and kWh/m²/yr
Energy Cost Rating	Running cost per year (based on £/m²/yr)	A-G scale with 1-100 rating
Heating System Type	Type of heating system	Heating system classification (zero direct emissions or not, and efficiency)

### **November 2023 consultation**

New proposals published in Heat in Buildings consultation





## None of what we have discussed so far has become law

There are currently no minimum standards

### Heat in Buildings consultation proposals

1. Minimum energy efficiency standard

By 2028 (PRS) and 2033 (owner occupied)

2. Clean heating system

By 2045

### Minimum energy efficiency standard - 2028

### We think that this list could be<sup>14</sup>:

- 270 mm loft insulation;
- cavity wall insulation (CWI);
- draught-proofing;
- heating controls;
- 80 mm hot water cylinder insulation;
- Suspended floor insulation<sup>15</sup>.

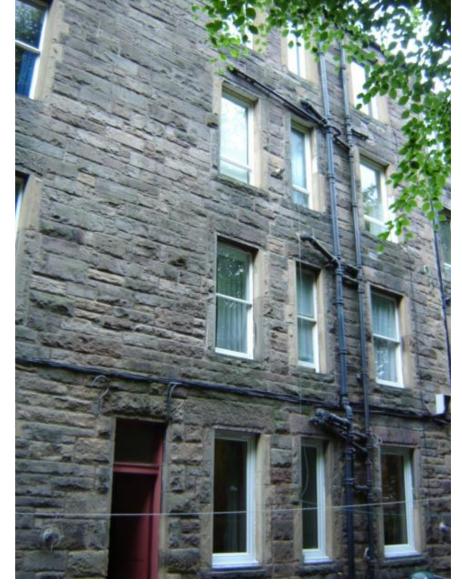


Or – "good level" of fabric efficiency (equivalent to EPC C)

### **Clean heating system - 2045**

Polluting heating systems	Clean heating systems
Burn fossil fuels and emit CO <sub>2</sub> at the point of use	Don't produce any CO <sub>2</sub> emissions at the point of use
Gas boilers	Heat pumps
Oil boilers	Heat networks
LPG boilers	Electric storage heaters
	Electric boilers
	Other electric heating technologies

## Ground floor 1890s tenement flat with solid stone walls and combi boiler











#### Ground floor 1890s tenement flat with solid stone walls and combi boiler

2028 requirements:

270mm loft insulation N/A

Cavity wall insulation N/A

Draught proofing Already in place

Heating controls Already in place

80mm hot water cylinder insulation N/A

Suspended floor insulation Required

2045 requirements:

Combi boiler will need to be replaced with a clean heating system

# Top floor 1890s tenement flat with solid stone walls and combi boiler









#### Top floor 1890s tenement flat with solid stone walls and combi boiler

#### 2028 requirements:

270mm loft insulation Required

Cavity wall insulation N/A

Draught proofing Already in place

Heating controls Required

80mm hot water cylinder insulation N/A

Suspended floor insulation N/A

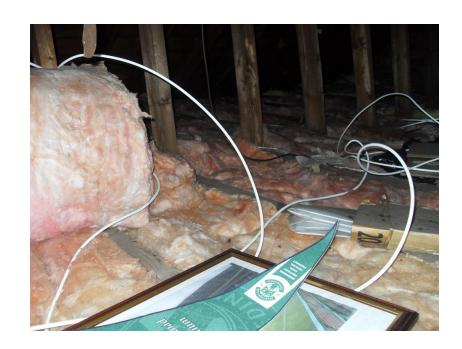
#### 2045 requirements:

Combi boiler will need to be replaced with a clean heating system

# Upper villa 4 in a block 1930s build with uninsulated cavity wall and electric storage heating











#### Upper villa 4 in a block 1930s build with uninsulated cavity wall and electric storage heating

#### 2028 requirements:

270mm loft insulation Already in place

Cavity wall insulation Required

Draught proofing Already in place

Heating controls Already in place

80mm hot water cylinder insulation Already in place

Suspended floor insulation N/A

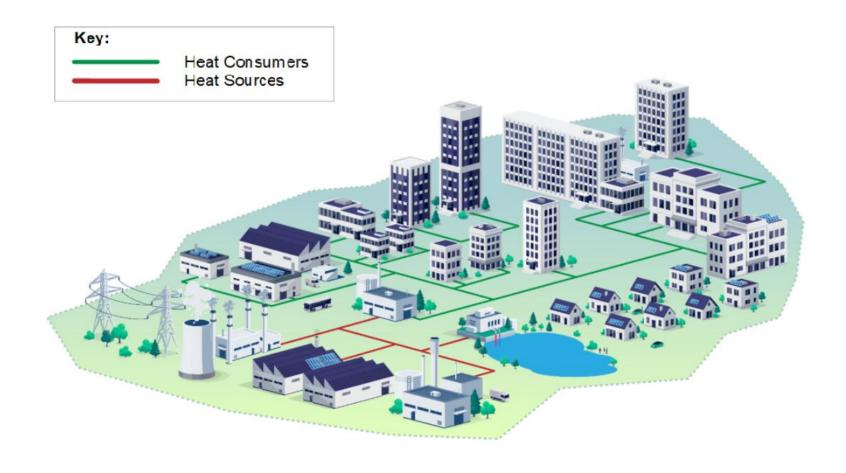
#### 2045 requirements:

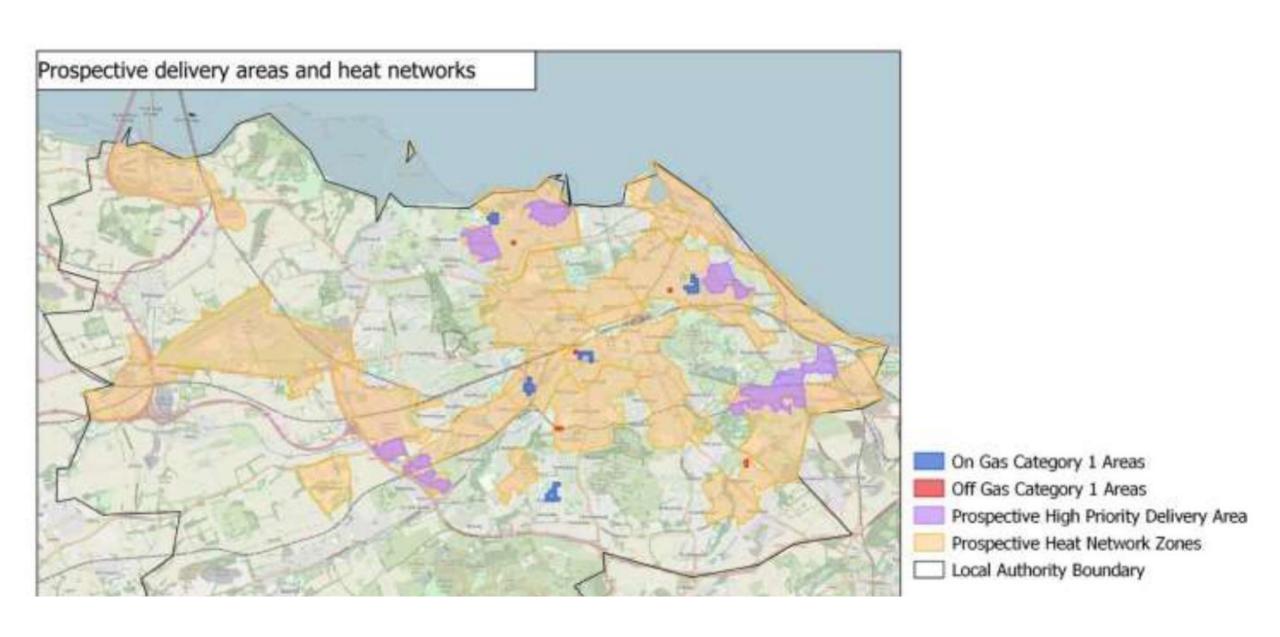
No changes needed as property already has a clean heating system

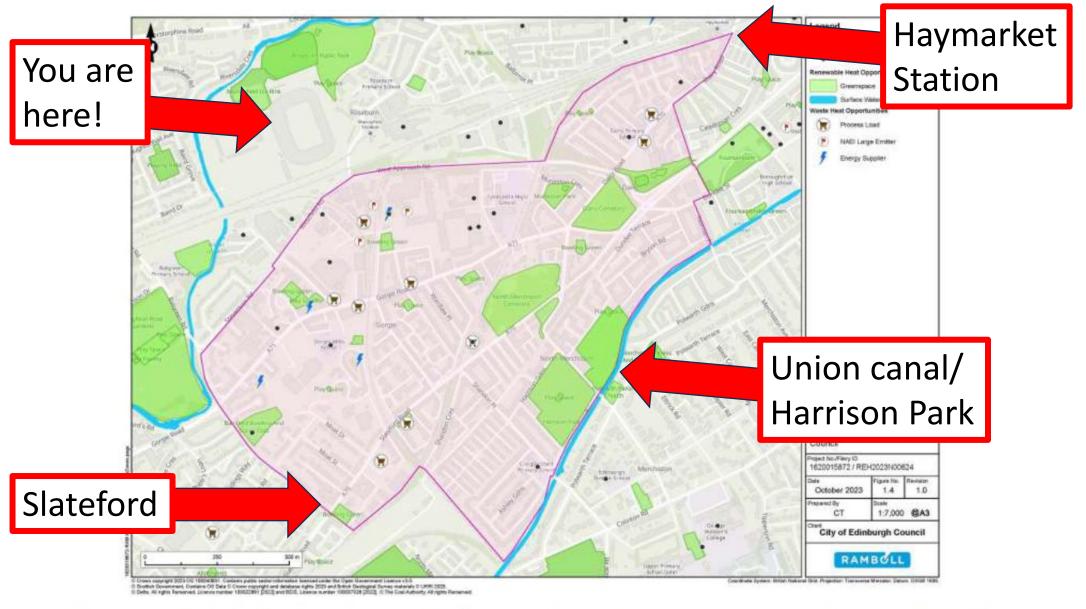
# Clean heating systems



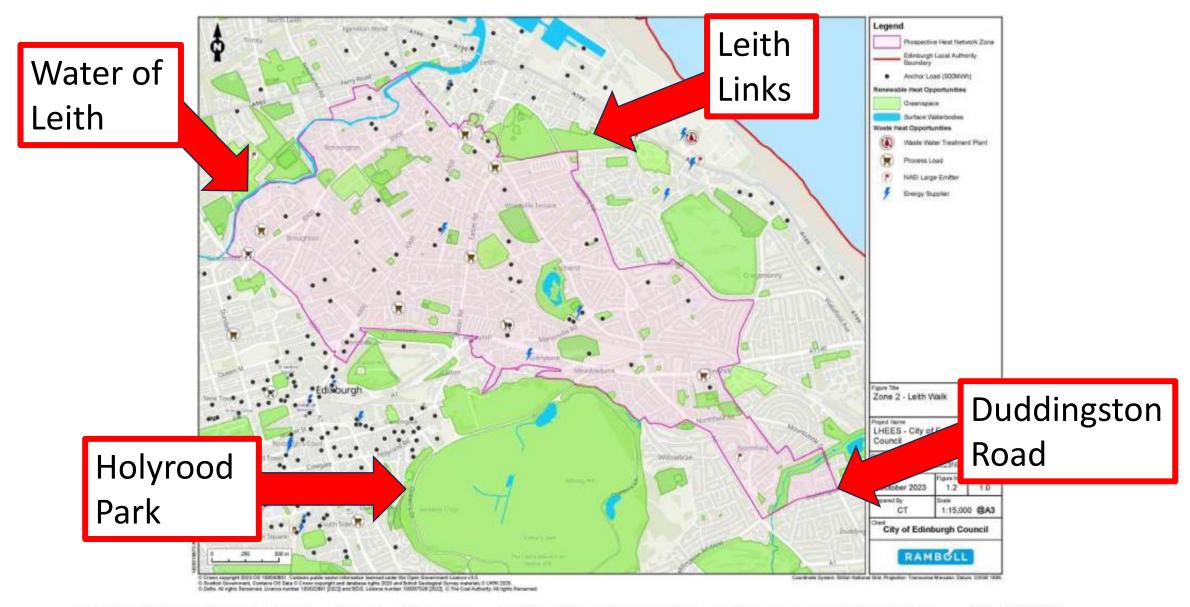




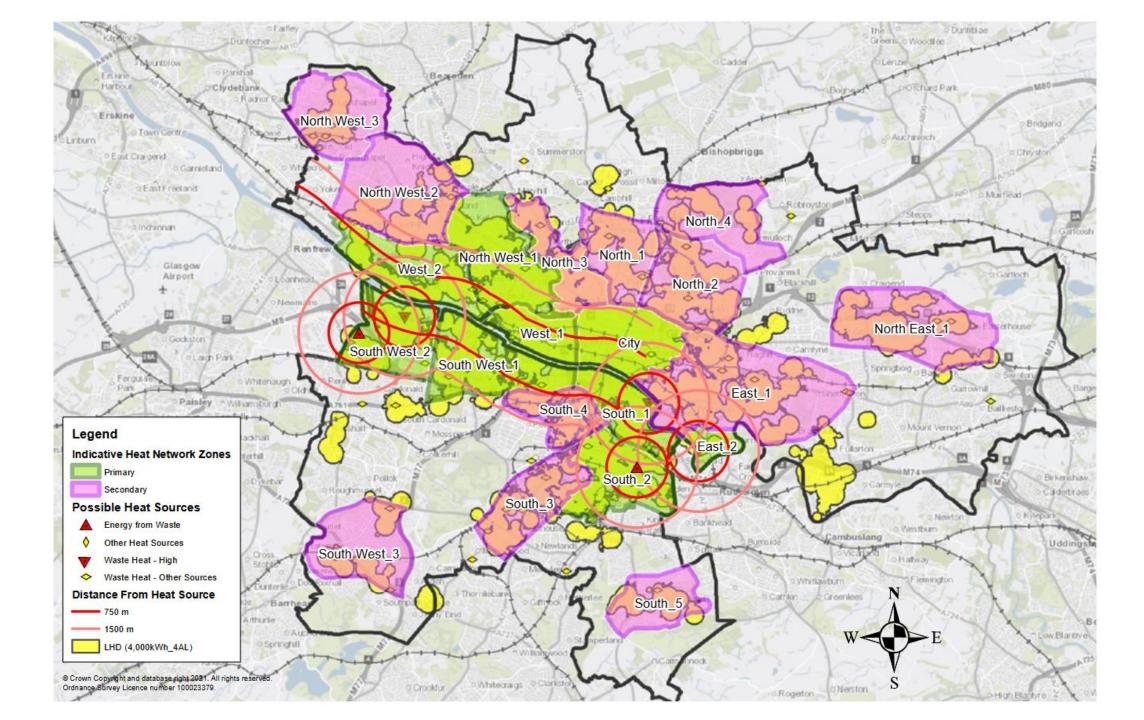


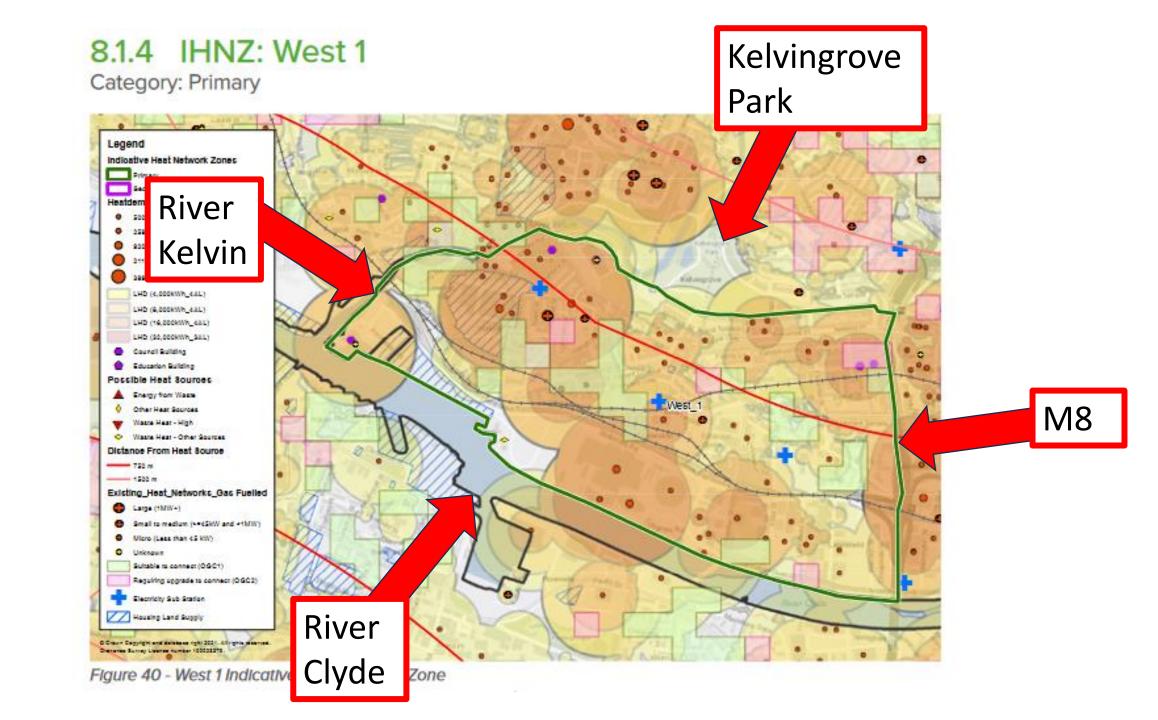


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### 8.1.5 IHNZ: North West 1

Category: Primary

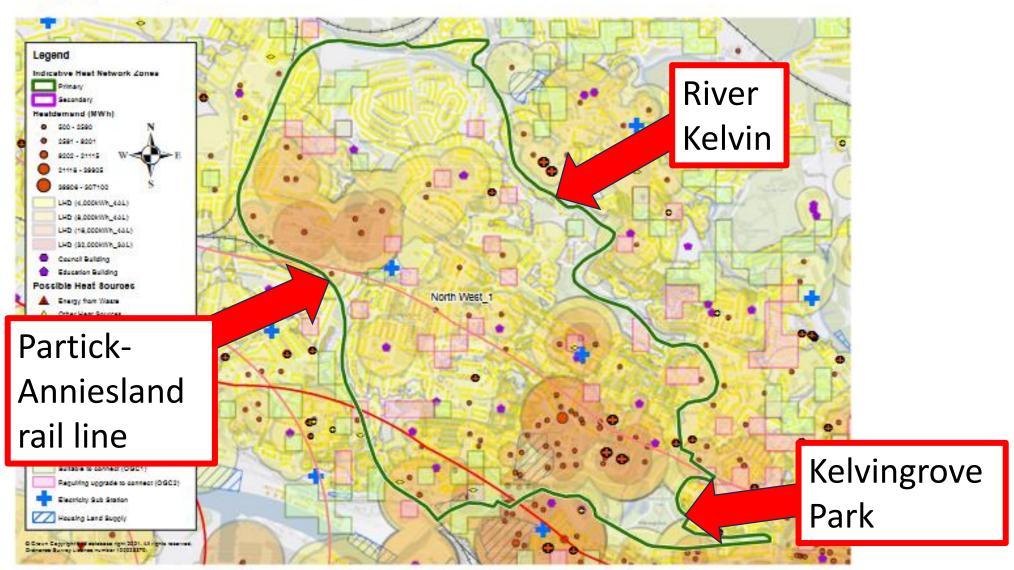


Figure 41 -Northwest 1 Indicative Heat Network Zone

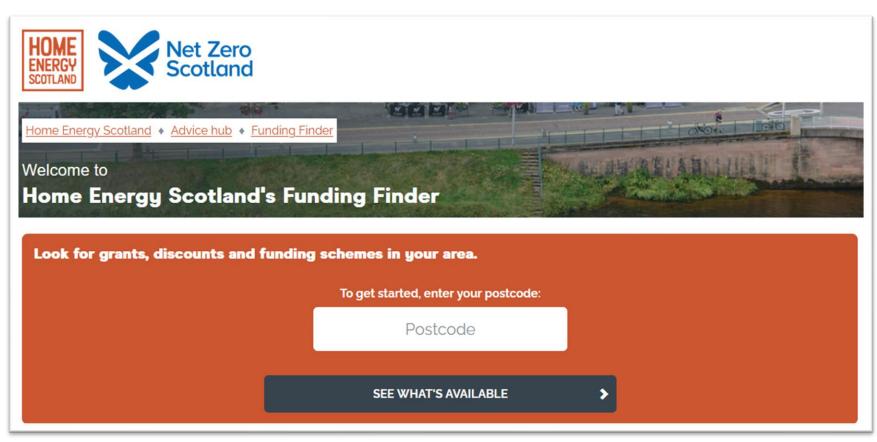


# Which heating system is best?

Is the property in a heat network zone? Is the property suitable for a heat pump?

# Funding

### Home Energy Scotland funding finder



# Private Rented Sector Landlord Loan

<6 properties: can borrow up to £100,000 Interest free

6+ properties can borrow up to £250,000 3.5% APR

Must be repaid within 8 years

#### What the funding could cover

Below are examples of what the funding could cover. This list may not be definitive. Please speak to us to find out more about what is available to you. Call Home Energy Scotland on o8o8 8o8 2282 for more details.

- Boiler Replacements and Repairs
- · Heating and Hot Water
- Improved Doors and Windows
- Thermostats and Heating Controls
- Cavity Wall Insulation
- Draught-proofing
- Floor Insulation
- Roof and Loft Insulation
- External Wall Insulation
- Internal Wall Insulation
- Tanks, Pipes and Radiator Insulation
- Energy Storage
- Wind Turbines
- Hydropower
- Solar Photovoltaics
- · Biomass Heating
- Air Source Heat Pumps
- Solar Heating
- Ground Source Heat Pumps

To see if you are eligible for this scheme, please contact us.

**GET IN TOUCH** 



### What should I do now?

Still at proposal stage

 Think about what work would be needed at your property should proposals become law

Keep an eye on SAL enews updates



# Questions?

Tel: 0131 564 0100

Email: advice@scottishlandlords.com

www.scottishlandlords.com/resources

Supporting Scotland's landlords and letting agents





### EPC – energy performance confusion

Help us plan our future conferences by letting us know your thoughts on this session by scanning the QR code below







# **Scottish Letting Day**

Refreshments are served in the exhibition area

Speaker programme resumes at 15.30 in Presidents 1 and 2

Please visit our exhibitors' stands

Conference partner:













# **Scottish Letting Day**

Conference and exhibition 19 November 2024

**#LettingDay** 

Conference partner:













# SAL podcast LIVE with Paul McLennan MSP

John Blackwood
Scottish Association of Landlords

### LANDLORD VOICE

Empowering Scotland's private rented sector









### SAL podcast LIVE

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Scottish Letting Day 2024





# Scottish Letting Day 2024

Thank you for coming See you next year

Conference partner:







