



Civil Resolution Tribunal

Date Issued: March 12, 2024

File: SC-2023-003573

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Platinum Leaf Facilities Inc. v. Independent Glass Distributors Ltd.*, 2024
BCCRT 252

B E T W E E N :

PLATINUM LEAF FACILITIES INC.

APPLICANT

A N D :

INDEPENDENT GLASS DISTRIBUTORS LTD.

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Peter Mennie

INTRODUCTION

1. This dispute is about cleaning services.
2. The applicant, Platinum Leaf Facilities Inc. (Platinum Leaf), provided cleaning services to the respondent, Independent Glass Distributors Ltd. (Independent Glass).

Platinum Leaf says that Independent Glass terminated the parties' contract so it should receive \$914.55 in damages.

3. Independent Glass says it terminated the parties' contract because Platinum Leaf's cleaning did not meet the standards set out in the parties' contract.
4. Both parties are represented by authorized employees.

JURISDICTION AND PROCEDURE

5. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly.
6. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
7. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in court.

ISSUE

8. The issue in this dispute is whether Independent Glass must pay Platinum Leaf damages for terminating the cleaning contract.

EVIDENCE AND ANALYSIS

9. In a civil proceeding like this one, the applicant Platinum Leaf must prove its claims on a balance of probabilities. I have read all the parties' submissions and evidence but refer only to the evidence and argument that I find relevant to provide context for my decision.
10. It is undisputed that Independent Glass hired Platinum Leaf to provide weekly cleaning services at its office. The parties signed a contract dated June 20, 2020, which outlines the cleaning schedule and payment terms. The contract also states that if the arrangement is unsatisfactory then either party may end the contract after giving 60 days' written notice.
11. Independent Glass emailed Platinum Leaf on October 14, 2022, and said that it wished to end the parties' contract. Independent Glass said that it was aware of the 60 days' written notice requirement and asked what steps were required to move forward. Platinum Leaf did not respond.
12. Independent Glass followed up on October 17, 2022, and said that the most recent cleaning was done poorly. Independent Glass asked if the 60 day period could be waived. Platinum Leaf responded that it would look into the cleaning issue but did not answer whether the 60-day notice period could be waived.
13. On October 25, 2022, Independent Glass told Platinum Leaf that it would only need one more weekend cleaning service because it was unable to continue given its financial situation. Platinum Leaf did not respond. In its submissions, Platinum Leaf agrees that its final cleaning was on October 29, 2022.
14. Platinum Leaf sent invoices to Independent Glass for \$365.82 for October, \$365.82 for November, and \$182.91 for December 1 to 14. Platinum Leaf says it should receive payment for cleaning 60 days after Independent Glass cancelled the parties' contract on October 14, 2022. Independent Glass objects because it did not receive any cleaning services in November or December and because of past issues with Platinum Leaf's cleaning.

15. I turn to the applicable law and my conclusions.
16. The law of contract repudiation applies to this dispute. A party may repudiate a contract by refusing to perform its terms. The non-repudiating, or innocent, party may then either accept the repudiation or affirm the contract and keep it alive for both parties. If the innocent party accepts the repudiation, this ends the contract, both parties are relieved of their obligations under it, and the innocent party may sue for damages immediately (see *Dosanjh v. Liang*, 2015 BCCA 18 at paragraphs 33 to 34).
17. Independent Glass repudiated the parties' contract on October 14, 2022, when it stopped Platinum Leaf's cleaning services without providing the 60 days' notice. I find that Platinum Leaf impliedly accepted the repudiation by stopping its cleanings in November and December. As noted above, Platinum Leaf may still sue for damages. Damages for breach of contract are intended to place Platinum Leaf in the position it would have been in if the contract for cleaning services had been carried out as agreed (see *Water's Edge Resort Ltd. v. Canada (Attorney General)*, 2015 BCCA 319 at paragraph 39).
18. The parties agreed that Platinum Leaf performed cleanings until October 29, 2022. Independent Glass says, and Platinum Leaf does not deny, that two of Platinum Leaf's cleanings in October were inadequate and most of the cleaning tasks set out in the parties' contract were not done. There were five weekend cleanings in October 2022. I find that Platinum Leaf is not entitled to payment for the two cleanings which were poorly done and provided no value to Independent Glass. So, I award Platinum Leaf \$219.49, being 3/5 of its total invoice in October.
19. Platinum Leaf did not perform any cleaning services after October 29, 2022. Though it would have received payment for these months if Independent Glass followed the parties' contract, Platinum Leaf would have paid expenses such as labour costs as well. Platinum Leaf provided no evidence or submissions that it lost profit or incurred expenses because of Independent Glass's repudiation of the contract. The parties' contract does not have any term for liquidated damages if the contract ends early.

So, I find that Platinum Leaf has not proven its damages for this period and dismiss this claim.

20. The parties' contract states that Platinum Leaf is entitled to interest at 25.36% per year on all overdue invoices. I find that Platinum Leaf is entitled to contractual interest at this rate on the \$219.49 I allowed on its October invoice, from October 31, 2022, the date the invoice was due to the date of this decision. This equals \$76.10.
21. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. Platinum Leaf was partially successful in this dispute, so I find that it is entitled to reimbursement of \$62.50, being one half of its CRT fees. Neither party claimed any dispute-related expenses.

ORDERS

22. Within 30 days of the date of this order, I order Independent Glass to pay Platinum Leaf a total of \$358.09, broken down as follows:
 - a. \$219.49 as damages,
 - b. \$76.10 in contractual interest, and
 - c. \$62.50 in CRT fees.
23. Platinum Leaf is entitled to post-judgment interest, as applicable.

24. This is a validated decision and order. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Peter Mennie, Tribunal Member