

## **Email from Kenneth Barclay to the Local Government and Communities Committee of 7 June 2019**

Thank you for your letter dated 2 July following my appearance before the Local Government and Communities Committee on 26 June as part of Stage 1 scrutiny of the Non-Domestic Rates (Scotland) Bill.

During my evidence session I offered to write to explain the reasoning behind why my Review did not propose an increase to the level of rates relief for charity shops.

At the time of my review commencing the position was that all charities, including charity shops, received 80% mandatory non-domestic rates relief. Councils were able to offer an additional 20% relief to take the total relief up to 100%. The costs of Mandatory relief fell to the Scottish Government and the additional 20% Discretionary relief were split with the council funding 25% of the Discretionary relief and the Scottish Government the remaining 75%.

During the Review we engaged with many ratepayers and interested parties and we heard two arguments about relief for charity shops. Some held the view that relief for charity shops should be decreased or removed entirely and, conversely others considered that we should maintain the status quo or increase relief to 100% Mandatory.

We gave all suggestions due consideration. However, we ultimately concluded that the current system was fair and Councils should remain best placed to decide locally whether any or all charity shops within their areas receive Discretionary relief over the 80% Mandatory Relief.

Ken

Kenneth C Barclay  
Former Chair, NDR Rates Review