



LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

AGENDA

19th Meeting, 2019 (Session 5)

Wednesday 26 June 2019

The Committee will meet at 9.45 am in the James Clerk Maxwell Room (CR4).

1. **Decision on taking business in private:** The Committee will decide whether to take items 4 and 5 in private.
2. **Non-Domestic Rates (Scotland) Bill:** The Committee will take evidence on the Bill at Stage 1 from—

Rachel Blair, Public Affairs and Communications Officer (Scotland),
Charity Retail Association;

Stuart Mackinnon, External Affairs Manager - Scotland, Federation of
Small Businesses;

David Lonsdale, Director, Scottish Retail Consortium;

Marc Crothall, Chief Executive, Scottish Tourism Alliance;

and then from—

Ken Barclay, Former Chair, Barclay Review of Business Rates.

3. **Subordinate legislation:** The Committee will consider the following negative instruments—

The Private Landlord Registration (Information) (Scotland) Regulations
2019 (SSI 2019/195);

The Local Government Pension Scheme (Miscellaneous Amendments)
(Scotland) Amendment Regulations 2019 (SSI 2019/204).

4. **Non-Domestic Rates (Scotland) Bill:** The Committee will consider the evidence heard earlier in the meeting.

5. **Work programme:** The Committee will consider its work programme.

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The papers for this meeting are as follows—

Agenda Item 2

Note by the Clerk

LGC/S5/19/19/1

PRIVATE PAPER

LGC/S5/19/19/2
(P)

Agenda Item 3

Note by the Clerk

LGC/S5/19/19/3

Agenda item 5

PRIVATE PAPER

LGC/S5/19/19/4
(P)

Local Government and Communities Committee

19th Meeting 2019 (Session 5), Wednesday 26 June 2019

Stage 1 Scrutiny of the Non-Domestic Rates (Scotland) Bill - Note by the Clerk

Introduction

1. The Non-Domestic Rates (Scotland) Bill was introduced in the Scottish Parliament on 25 March 2019 by the Cabinet Secretary for Finance, Economy and Fair Work. It is a Scottish Government Bill. The Bill and accompanying documents can be found [here](#). The Committee, which is the lead Committee at Stage 1, will hold its fourth evidence session on the Bill on 26 June 2019 with witnesses from the Charity Retail Association, Federation of Small Businesses Scotland, Scottish Retail Consortium, and Scottish Tourism Alliance. Their written submissions are attached at Annexe A.

Non-domestic rates

2. Non-domestic rates, also sometimes called business rates, are a tax collected by local authorities to help pay for local services. They are levied on non-domestic properties. In terms of revenues raised, they are the second largest tax in Scotland and, overall, the second largest source of revenue for local authorities, just ahead of council tax, although the percentage varies across councils. Properties are valued by assessors, with the Scottish Government setting an annual "poundage" rate: a multiplier, that together with the rateable value, determines the amount to be paid on each property. A number of reliefs and exemptions are potentially available depending on the nature of the property or the activity being carried out, whilst larger businesses will pay a rates supplement.
3. More information on the NDR system can be found in the Scottish Parliament Information Centre [briefing](#) on the Bill.

The Bill

4. The Bill implements most of the recommendations of the 2017 [Barclay Review](#) that were thought to need primary legislation. The remit of the Barclay Review was to "make recommendations that seek to enhance and reform the non-domestic rates system in Scotland to better support business growth and long term investment and reflect changing marketplaces, whilst still retaining the same level of income to deliver local services upon which businesses rely."
5. Reforms in the Bill include:
 - changing the cycle of property revaluations from every 5 to every 3 years;
 - increasing the relief available to properties that have undergone improvement or expansion;
 - reforming the rate revaluation appeals system to try to cut down on speculative appeals and enable earlier resolution;

- removing charitable relief from most independent schools;
 - measures to enable more effective debt recovery by local councils;
 - measures to address general avoidance and close known loopholes.
6. More information on the detail of the Bill is set out in the Scottish Government's [policy memorandum](#). Paragraph 5, states that the three underlying policy aims are:
- to deliver a non-domestic rates system designed to better support business growth and long-term investment and reflect changing marketplaces;
 - to improve ratepayers' experience of the ratings system and administration of the system; and
 - to increase fairness and ensure a level playing field amongst ratepayers by reforming rate reliefs and tackling known avoidance measures.

Stage 1 so far

7. The Committee's [call for evidence](#) closed on 30 May 2019.¹ On 22 May it took evidence from Fife Council, COSLA, the Institute of Revenue Rating and Valuation and the Society of Local Authority Chief Executives and on 29 May it heard from the Scottish Assessors' Association, with the focus mainly on the overall system, including enforcement and collection. On 12 June, Members visited George Watsons College to hear from representatives of independent schools. On 19 June, the Committee took evidence from two independent schools, the Scottish Council of Independent Schools and the Scottish Charity Regulator about proposals in the Bill to remove charitable relief from independent schools which are charities. The Committee also took evidence from representatives from City of Edinburgh Council, West Lothian Council and Highland Council on how the Bill will impact on council's current powers and duties within the NDR system.

Evidence session on 26 June and next steps

8. The focus of discussion will be on the impact of the Bill from the ratepayer's perspective. Topics may include whether the panel thinks the Bill strikes the right balance between having an efficient and enforceable rates system and respecting ratepayers' rights, whether the Bill will have any impact on economic growth, whether it addresses any perceived inequality of treatment for industries under the current system, and whether any wider reform (eg to rates relief) is required.
9. As the lead Committee at Stage 1, it falls to the Committee to gather evidence and information on the Bill and to report to the Parliament on whether to agree to the general principles of the Bill. There will then be a debate of the whole Parliament at Stage 1 on whether to agree to the general principles. The Stage 1 deadline is 11 October 2019. The next evidence session will be on 4 September, when the Committee will hear closing evidence from the Scottish Government.

¹ All submissions accepted as evidence are available at:
<https://www.parliament.scot/parliamentarybusiness/CurrentCommittees/111709.aspx>

ANNEXE A**Written Submission from the Charity Retail Association**

We are the primary membership organisation for charity shops in the United Kingdom. We are the only body in the United Kingdom that represents the interests of charity retailers. Our members run more than 8,900 shops between them.

The charity retail sector promotes charitable causes and an environmentally sustainable retail experience.

Charity shops make a vital contribution to our communities, economy and environment:

- Charity retail is the biggest source of volunteer opportunities in Scotland with 22,000 people currently volunteering in the sector;
- Last year charity retail contributed over £270m to charitable causes in the UK
- Over 2,000 staff are employed in Scotland's charity retail sector – stable and sustainable local jobs;
- Charity shops help to attract footfall to high streets and keep them thriving;
- As a result of charity retail, 330,000 tonnes of textiles out were kept out of landfill, reducing the UK's carbon emissions by nearly 7 million tonnes.

Response**Overall programme of NDR Reform and the Barclay Review**

The Charity Retail Association is satisfied that the Barclay Review has not recommended to compromise the 80 per cent charitable rate relief for charity shops in Scotland. The current rate reliefs have delivered so much for Scotland and charity shops, and removing these would have had huge financial implications for individual charity shops, resulting in significant numbers of shop closures.

The Barclay Review emphasised that trading subsidiaries of a charity are not entitled to rates relief. This is a missed opportunity which ignores the complexities within the trading subsidiary system. Many charities prefer to operate their retail chains through a trading subsidiary, seeing this as an efficient means of ring-fencing funds and managing risk. Charity trustees are not always retail experts and many prefer to delegate this responsibility to a suitably skilled board of directors on the subsidiary.

Question 13. Do you have any other comments about the Bill? In particular, is there anything not in the Bill concerning non-domestic rates that should be in the Bill?

Trading Subsidiary Charity Shops

The Bill provides an opportunity to ensure all charity shops can benefit from the relevant relief support schemes. By whichever means a charity shop decides to set up its business model, its primary purpose – to raise money for charity – is the same. The Bill should ensure that all charity shops are eligible for rate relief.

Rates Relief Solution

Offering business rates relief to charity shops already represents great value for money to the taxpayer. The system contributes to a viable network of charity stores which raise millions every year for charitable causes. These causes range from running local hospices, to funding pioneering medical research, to combatting poverty. However, as this representation will also demonstrate, the current system can also be complex to administer for both Councils and charities, and in some cases lead to a postcode lottery. In common with other charitable property, shops automatically receive an 80 per cent relief on their bill, with the local authority able to give a discretionary reduction of the remaining 20 per cent.

Unfortunately, only around 1 in 7 of shops actually receive this additional benefit, and this can lead to anomalous situations where small charity shop chains have shops only streets apart but receive different rates relief.

The Charity Retail Association believes that with one simple reform – namely an increase of the mandatory rate relief element to 100 per cent for charity shops in Scotland – these issues could be overcome and the sector would be freed to make an even bigger contribution to the Scottish economy, society and environment.

This would also remove a layer of bureaucracy from the relationship between councils and charities. At present, administering the process of discretionary rate relief – with applications, appeals and adjudications – can be a time consuming and costly task for local councils.

The Bill presents an opportunity to make this change to help to support the charity retail sector which holds a key high street presence as well as being a prominent player within the circular economy.

Conclusion

The Charity Retail Association is pleased that mandatory relief for charity shops has been protected which assists the sector in continuing to generate social value in communities across Scotland. This Bill however, presents an opportunity to go a step further to support the sector with a rates relief increase for all charity shops.

Written Submission from the Federation of Small Businesses

About FSB

The Federation of Small Businesses (FSB) is Scotland's leading business organisation. Our mission is to help smaller businesses achieve their ambitions. These micro and small businesses comprise the majority of all enterprises in Scotland (98%), employ around one million people and contribute £68bn to the economy.

Overview

FSB welcomes the opportunity to provide this evidence to the Local Government and Communities Committee's consultation on the Non-Domestic Rates (Scotland) Bill. FSB sits on the Barclay Implementation Advisory Group, representing smaller businesses and other smaller operators.

FSB broadly supports the Bill, especially the switch to a more frequent revaluation cycle.

FSB recommends:

- A new national business rates interface to reduce the administrative burden of a more frequent revaluation cycle;
- Scrutiny of the Scottish Government's, local authorities, and assessors' reform programme to facilitate this switch;
- Legislative safeguards to ensure that public bodies prioritise rates reforms.

A modern rates system

Many of the legislative measures outlined in the Bill are necessary for the development of a more responsive and modern non-domestic (NDR) property tax system, the development of which was the overarching recommendation of the Barclay Review. However co-ordinated multi-organisation administrative reforms are – in our view – also necessary. FSB would ask the committee to consider whether Ministers should introduce legislative safeguards to ensure that this reform programme is prioritised. Similarly, the committee may wish to consider whether the NDR system is sufficiently resourced at every level to both deliver the changes proposed and to run a more frequent revaluation cycle. Feedback from FSB members suggests that the customer service of the current system is poor, especially at the point of revaluation. Anecdote from local government suggests that NDR teams are small (on occasion not even a full time equivalent staff member) especially in comparison to council tax staff resources.

FSB is broadly supportive of the switch to a more frequent revaluation cycle and we accept the need to reduce appeals as a consequence of this change. We contend that

the most effective means to reduce appeal volumes is through a substantial improvement to the comprehensibility and usability of the Scottish rates system.

Evidence gathered from FSB members suggests that only about one in three smaller businesses have ever submitted information to their assessor. We would argue that this is primarily because so few firms understand the important role of the assessor and that paper-based correspondence can be easily missed.

FSB's view is that a national digital rates interface – where firms can pay their bill, submit rental data, and get advice – is a clear solution for many of the administrative and communicative problems associated with the Scottish rates system. While rates systems across the UK are increasingly different, FSB in Scotland notes that the administrative system north of the border is relatively old fashioned. FSB does not believe that these legislative proposals necessarily facilitate a move towards this sort of modern digital tax system.

Barclay reform programme

The Non-Domestic Rates (Scotland) Bill is a key element of the rates reform programme in Scotland, alongside a series of administrative reforms, and a small number of discrete pieces of work (e.g. the review of the Small Business Bonus, the review of Plant and Machinery rating).

A large share of this work needs to be in place well advance of the next revaluation in 2022. In our discussions with officials and Ministers, it has been suggested that Barclay's reform timescales may have been ambitious. Therefore the Local Government committee may wish to ask the Scottish Government to provide an updated project plan for rates reform ahead of the 2022 revaluation, outlining key dependencies in their programme.

For example, FSB understands that the modest Barclay proposal to introduce a standard Scottish business rates bill has taken far longer than expected, due in part to the long-standing rolling contracts which local authorities have with their IT suppliers.

In our view, the spirit of the Barclay review was the development of a more predictable and comprehensible property tax system. Therefore FSB was disappointed to see the devolution of Empty Property Rate Relief to local authorities accepted without consultation during this year's Scottish Government budget. Given the recommendations of Barclay, and the importance of these issues to Scotland's business community, we would express a preference for appropriate consultation before any substantial changes to Scotland's NDR system.

Similarly, FSB has concerns regarding the decision to introduce a number of changes to the proposed legislation at Stage 2, reducing the opportunity for scrutiny from both

committee and third parties.

Revaluation cycle

FSB supports the principle of moving to a more frequent revaluation cycle. Broadly, more frequent revaluations could ensure that rateable values better reflect up to date property market conditions. Further, the reforms necessary to facilitate a 3 year cycle give policymakers an opportunity to ensure that rates' processes are modern and transparent.

For example, FSB has long argued that the Scottish Parliament should have a role in scrutinising the activity of assessors. By reforming the revaluation process, there's an opportunity to insert a role for parliament in that process.

In addition closing the gap between revaluations, should make both policymakers and ratepayers more familiar with the process.

In our view, work is required to ensure that the switch to a 3 year cycle does not become burdensome for smaller firms. We would argue that action needs to be taken to improve firms' understanding of the rates system; to make it easier for businesses to interact with every element of the tax, including the provision of rental data; and to improve the sharing of data relevant to accurate valuations between public sector bodies.

Evidence gathered by the FSB at the last two revaluations suggests that few in the business community understood the process. While FSB undertook efforts to encourage our own membership to provide appropriate information to the assessors, and provided briefing materials to key influencers such as MSPs, widespread confusion about the process was still reported. FSB would suggest that improved communications could be improved through the development of a single Scottish NDR digital interface.

Further we would suggest that the Scottish Government should be charged to communicate revaluations in a similar way to the introduction of regulatory change (e.g. the plastic bag charge), so that at the next revaluation fewer businesses are taken by surprise. FSB understands that the switch to a more frequent revaluation cycle will require significant changes to the way that rates system operate, and that the majority of these reforms need to be in place for 2021. The Committee may wish to ask the Scottish Government, assessors, and local government for evidence that these reforms can be in place for the next revaluation.

SBBS Review

The Barclay review included a recommendation that the Scottish Government should review the Small Business Bonus scheme.

While a separate piece of work to the Non-Domestic Rates Bill, FSB looks forward to providing evidence to this important project.

More than a third of our members use the savings yielded through the SBBS scheme to invest in their business, according to a recent survey, while a similar proportion use the relief to mitigate against rising overheads, such as utility bills.

FSB would argue that given the review and the economic context, no additional changes to the SBBS scheme should take place in the short term.

FSB has made representation to Ministers that the review should look at the best means to provide rates help for premises based smaller operators.

FSB would highlight that should some or all help be removed for smaller firms, not only do we believe that this could have a substantial impact on the success of smaller operators, it could also put substantial pressure on the wider rates system. For example, a reduction in the support available could result in a substantial increase in appeal volumes.

Business accelerator

FSB supports ongoing moves to give firms an opportunity to recoup costs associated with improvements, before facing an enhanced rates bill.

For example, if a business invests in an extension to their premises, their rates bill historically could have faced an overnight increase. The business accelerator mitigates this disincentive.

Further, we accept that this principle holds for the development of new properties – that a property developer should have a grace period before paying their full rates bill. The switch from a relief based system to putting this help on a statutory basis could reduce any administrative burden on firms and local authorities. Anecdotally, this new support – which currently requires application - is not well understood amongst the business community.

The Scottish Government should consider a communications campaign to encourage businesses to take advantage of this change to the rates system. For example, they could suggest to businesses that they invest in retail space improvements, highlighting the benefit of this relief.

Park properties

FSB accepts the principle that the non-domestic rates system should apply to property in public parks, with the provision that the smaller property on parks would still be able

to apply for the Small Business Bonus scheme. We would suggest that local authorities should have the capacity to phase in this change.

Holiday Homes

FSB broadly supports measures to address the misapplication of the Small Business Bonus scheme – especially when applied to non-business recipients of the relief. We have argued that the scheme should tightly apply to small enterprise properties and not other non-domestic, non-enterprise premises (e.g. MSPs' offices, second homes etc.).

In FSB's report looking at the growth of home based businesses in Scotland, we highlighted an issue regarding the regulatory and tax treatment of properties which are used as both residences and for enterprises.

While FSB notes that the Scottish Government has issued some guidance regarding the tax treatment of properties that are used both as a residence and a non-domestic premises, we would highlight that it advises that the treatment of these properties are predominantly at the discretion of the assessor.

More generally, FSB understands the upcoming review of the Small Business Bonus scheme will examine the interaction between self-catering premises and the relief and looks forward to engaging fully with the review.

Reducing appeals

FSB accepts that to introduce a more frequent revaluation cycle, reducing the volume of valuation appeals is necessary. Indeed, we accept that a more frequent revaluation cycle may in itself reduce the volume of NDR appeals.

We would highlight that we believe that few smaller businesses appeal their valuation as a matter of course, and would suggest that it is likely larger organisations (both public and private) with property professionals on staff, or property management firms on contract that may be responsible for this behaviour, as noted by the Barclay review. FSB survey works suggests that only 14 per cent of smaller businesses have sought the advice of a property professional in relation to business rates.

We note that this move may lead to a charging regime to lodge appeals, or may require firms' to evidence their grounds for appeal before lodging. When approaching these issues, FSB would suggest policymakers consider the interests of smaller ratepayers. We would argue that the very smallest businesses should not face fees for lodging appeals and that any evidential barrier to appeals is proportionate.

FSB would argue that poor communications at the point of revaluation is at least partly responsible for the high volume of appeals, with ratepayers encouraged by some

parties to lodge appeals if they're unhappy with their valuations rather than if they have evidence that their valuation is inaccurate. Similarly, poor communication of rating formulae used by assessors increases confusion and may currently result in appeals that have little chance of success.

Moving the NDR appeals system to the tribunal system – as is planned – is a substantial change. As Ministers and officials design the new system, FSB would ask that consideration is given to organisations – including smaller businesses but also third sector bodies – who may not have immediate access to professional legal advice. FSB work conducted after the last revaluation suggested that of those who lodged an appeal, over half (57%) represented themselves throughout the process.

Tax avoidance and debt recovery

FSB broadly supports measures to address the misapplication of existing rates reliefs. Further, we accept that when support for charities, small businesses and other operators is misused, it undermines the wider rates system.

FSB would argue that to reduce fraud and tax mistakes, it is important that the Scottish non-domestic rates system is both modern and well-resourced. New anti-avoidance regulations may be a valuable tool for rates authorities, but legal changes alone may not be sufficient.

Further, FSB broadly supports improved data-sharing between NDR authorities and other parts of the public sector, especially if it results in more accurate valuations and better customer service. In certain circumstances, our members expect data to be shared between public sector departments and are surprised when they are not e.g. when a business applies for planning permission to extend their premises and this information is not passed to the assessor or when a business moves premises. FSB understands that new debt recovery processes will be accompanied by additional efforts to quickly repay overpaid rates. Where there's a legitimate reason for a delay to an NDR payment – e.g. bad debt or a late payment – FSB would encourage councils to offer some flexibility to smaller businesses.

Stuart Mackinnon
FSB External Affairs Manager for Scotland

Written Submission from the Scottish Retail Consortium

ABOUT SCOTTISH RETAIL CONSORTIUM (SRC)

1. The SRC's purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.
2. Retail is an exciting, dynamic and diverse industry which is going through a period of profound change. Technology is transforming how people shop; costs are increasing; and growth in consumer spending is slow.
3. The SRC is committed to ensuring the industry thrives through this period of transformation. We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit. Our membership here in Scotland and across the UK comprises businesses delivering £180bn of retail sales and employing over one and half million employees.
4. In addition to publishing leading indicators on Scottish retail sales, footfall and shop vacancies, our policy positions are informed by our membership and determined by the SRC's Board.

INTRODUCTION

5. The SRC welcomes the opportunity to contribute to the Committee's deliberations. SRC has long advocated reform of the rates system, especially as retail accounts for 22% of rates² and as the industry seeks to reinvent itself for the future. We were in the vanguard of championing³ the creation of an independent examination which led to establishment of the Barclay Rates Review.
6. In addition to being represented on the Barclay Implementation Advisory Group and responding to last year's Barclay Implementation consultation, the SRC previously produced several papers on business rates including in 2015 '*Business Rates: Fundamental Reform*' and in 2016 '*Holyrood 2016: Business Rates*'. Both papers noted that the balance of business taxation has become increasingly weighted against people and property intensive firms. Our 2017 '*Shaping the Future of Scottish Retail*' paper and 2018 Scottish Budget submission alighted on the short and medium-term changes that ought to be made to business rates.

KEY POINTS

7. SRC supports the thrust of the Non-Domestic Rates (Scotland) Bill. The business rates system is in need of reform and this Bill makes tangible headway on recasting it for the future. Retail accounts for over a fifth of all rates paid, and with the industry

² P29 of the Report of the Barclay Review of Non-Domestic Rates

³ SRC initiated joint open letter (retailers and others) to the Finance Secretary, published in *The Herald* on 11/11/15

under enormous pressure (due to changes in shopping habits, weak demand and rising costs) and reinventing itself for the future, action is needed to reduce outgoings.

8. SRC's overall business rates priorities are: that the system flexes with economic conditions, is competitive, is coherent in the wider public policy context, that there are no ad hoc levies or supplements, and that there is a short to medium term plan to lower the overall rates burden.
9. Headway is undoubtedly being made on business rates, notably these legislative plans for more regular revaluations and reducing the implementation period, but also non-legislative measures such as the action taken to bear down on the headline poundage rate with a below-CPI uplift in 2019-20 and the Finance Secretary's sensible rejection of a new rates levy on commercial premises located out of town.
10. The legislative proposals contained within the Bill for more frequent commercial property revaluations and the planned halving of the period between valuations being undertaken and coming into effect is particularly positive.
11. However, this should not be the limit of our ambition on rates. The overall burden remains onerous with rates now at a 20-year high⁴, and with retailers having faced a further £13.2 million uplift in their rates bills in April 2019. A plan to lower the rates burden, an end to ad hoc levies, coupled with restoration of the level playing field with England on the large firms' supplement (which Barclay said should be done by 1 April 2020⁵), would increase retailers' confidence about investing in new and refurbished shop premises and support wider public policy objectives about employment and the vitality of our high streets⁶.

RESPONSES TO THE COMMITTEE'S QUESTIONS

More regular revaluations

12. SRC has been in the vanguard of advocating more frequent commercial property revaluations and a reduction in the period between the valuation date and the rating list starting. It is heartening that this is being enshrined in legislation through the Bill.
13. As a result, the rates system should better reflect trading conditions and provide a more effective shock absorber against future economic bumps in the road. It will help the rates system keep pace with structural changes in the economy, ensure each property pays a fairer share of the rates burden relative to others and a more accurate one, decrease the likelihood of major fluctuations in values between revaluations, and consequently lessen the appetite for appeals⁷. One in

⁴ Ministerial response to written PQ S5W-22489 on 29 April 2019

⁵ Road map, p13 of the Report of the Barclay Review of Non-Domestic Rates

⁶ SRC reaction to ONS data on 3/10/18 showing 4.1% fewer Scottish shops over 4 years

⁷ SPICe briefing on Non-Domestic Rates Bill, 14/5/19, p33 – Bill could see a 25% reduction in number of appeals

every ten retail premises in Scotland's town centres is empty⁸, a visible manifestation of the changing nature of the industry and how the economics of investing in retail premises is being undermined by rising property costs. During the previous valuation period commercial property valuations reflected the top of the market, from early 2008, and the retail and trading world had to live with this for a sustained period despite economic reality having moved on dramatically in the years after that. High valuations coupled with a high tax rate act as a barrier to improve, extend or move into new retail premises, more so now there is often a viable and lower cost alternative to trading from physical property i.e. online retailing.

14. We note that the next commercial property revaluation is envisaged to come into force in 2022 in Scotland, but in 2021 in England and Wales, and 2020 in Northern Ireland. As stated in our response to the 2018 Barclay Implementation consultation, our preference would be for an aligned timetable, thus making the system simpler and easier for firms operating across different parts of the UK. We understand too there would be some benefits for Assessors for an aligned timetable⁹ in terms of sharing expertise and resources.

Business growth accelerator

15. The SRC backs the principle behind this policy which came into effect in April 2018, and the Bill seeks to make this change permanent. Including properties eligible for this relief on the valuation roll should aid transparency. We support removing the need for ratepayers to apply for this relief.
16. Our colleagues in the BRC have called for a similar policy to be adopted¹⁰ in England, albeit they suggest a period substantially greater than 12 months for delaying the imposition of rates when an existing commercial property is expanded or improved, as this would better allow firms to recoup the cost of property investments.

Collection of information from ratepayers and improved transparency

17. We support the proposal in the Bill to make it easier and simpler to gather information from ratepayers in order to inform commercial property valuations, including use of email rather than postal mail for data collection, and moving from criminal to civil penalties for non-compliance. Including properties such as public parks and buildings in public parks (e.g. cafes) onto the valuation roll should aid transparency.

Reform to valuation appeals

18. As outlined above, more regular commercial property revaluations should lessen the appetite for appeals, as should the Bill's provisions for giving ratepayers longer to respond to requests from Assessors for information. We remain sceptical of

⁸ SRC/Springboard vacancies monitor, May 2019

⁹ SPICe briefing on the Non-Domestic Rates (Scotland) Bill, p33

¹⁰ BRC response to the Treasury Select Committee's 2019 inquiry into Business Rates

the notion of introducing charges for rates appeals, which the Bill proposes, as our members already believe they are paying quite enough already towards business rates. If Ministers proceed to introduce fees for appeals then they ought to be refundable if the ratepayer is successful and should be set at a modest level so as not to deter considered challenges, balanced by a realistic deadline and ratepayers having sufficient access to information on how the initial valuation was determined.

Other aspects to business rates not covered in the Bill

19. The thrust of the Bill is positive, however this should not be the limit of our ambition as progress on business rates overall remains uneven. The overall burden remains onerous, with many ratepayers liable for the headline rate, plus the large firms' supplement, and a Business Improvement District levy on top. Rates are at their highest for 20 years, and retailers witnessed a further £13.2 million uplift in their annual rates bills in April 2019, hindering their ability to reinvent themselves for the future.
20. Indeed, the business rate poundage (tax rate) has increased from 40.7% to 49% since the start of this decade. For the 22,000 commercial premises (of which 5,128 are retail premises) subject to the large business rates supplement, the comparable figures are 41.4% and 50.6%.
21. We therefore welcomed the Budget decision to *bear down on the headline poundage rate. Whilst we would have liked Ministers to have gone further, the below-inflation rise was at least an explicit acknowledgement of our concerns. This decision to strike a headline poundage rate a touch below that which applies in England will shave £1.9 million off the rates bills of retailers in this financial year than would otherwise be the case. That said, their rates bills still increased by more than double the uplift in Scottish retail sales of 1%¹¹ over the past 12 months. The early announcement of a CPI-linked uplift for 2020-21 does give firms' predictability for budgeting purposes.*
22. Returning to a substantially lower poundage rate is unlikely to happen overnight, which is why we seek a timetabled plan over the short to medium term to lower the rates burden, coupled with restoration of parity and the level playing field with England on the large firms' supplement. This would increase retailers' confidence about investing in new and refurbished shop premises.
23. 23% of commercial premises liable for the large business rates supplement are shops, making it more expensive to operate on our high streets and retail destinations. We remain unclear why retail and other commercial properties subject to the supplement are thought to be better placed to pay more than their English counterparts or competitors, which is at odds with the Bill's Policy Memorandum which talks of "making Scotland the most competitive place to do business"¹². Indeed, the Barclay Review said this higher supplement 'damages perceptions' of Scotland as a place to invest, and recommended the level playing

¹¹ SRC's Scottish Retail Sales Monitor, May 2019

¹² NDR Bill Policy Memorandum, p1

field be restored by April 2020. The *large business rates supplement remains twice that which applies in England and costs firms £65 million extra each year, of which retailers account for £14.1 million. This higher rate* raises the hurdle for attracting commercial investment, making investment decisions more marginal and increasing the attractiveness of investment in digital routes to market instead. Eradicating this discrepancy would mark a positive step towards delivering on promises of a globally competitive business environment, and the Committee could usefully examine the government's timeline for *eliminating the surcharge*.

24. Scotland's rates system has been bedevilled by ad hoc rates supplements over recent years, including the large retailer levy in 2012-15, the 2016 doubling of the large business rates supplement, and the (recently rejected) proposal for a levy on out of town premises. A moratorium on new or additional levies or supplements should be put in place.
25. While small firms' rates relief is a welcome recognition of the need to keep down costs for firms, three quarters of retail employment is with firms who do not qualify. Ministers are forecasting that the annual cash value of rates reliefs will have increased by £159 million over the 4 years until 2019/20, to £750 million¹³, a 27% uplift. The value of reliefs as a share of the total take from business rates rises over the same period, from 21.6% to 26.9%. The system only seems to function through myriad exemptions and reliefs that continue to grow as an overall proportion of the total amount paid in business rates. The use of these sticking plasters underlines the need for more regular revaluations, as envisaged in the Bill, so that the rates system better reflects trading conditions and delivers more accurate bills.
26. *Local authorities have the power to cut business rates in their areas, however only two of the 32 councils did so in 2018-19. Indeed only three in total have done so, and for a time-limited period, since councils gained this power from the 2015 Community Empowerment Act. The Committee could usefully examine progress on this and question* efforts thus far to get more local authorities to capitalise on this opportunity to support high streets and town centres.
27. The Budget accord with Green MSPs introduces other relevant aspects. We note plans to allow councils to introduce workplace parking levies, however we understand business rates are already paid on such parking spaces, so this potentially introduces double taxation. The proposed devolution of empty property rate relief to councils would be concerning if it was a step towards repatriating control over the poundage rate to local authorities. SRC has supported local flexibilities such as the local discretionary rates relief arising from the Community Empowerment Act, Business Improvement Districts, and the Business Rates Incentivisation Scheme, however we are firmly opposed to repatriating control over the poundage rate to local authorities.
28. Furthermore, the Budget accord contains a commitment to cross party talks on replacing council tax. SRC is open to reform or replacement of council tax, however any changes should take into account the potential impact on consumer spending,

¹³ Ministerial reply to written PQ S5W-20612 answered on 8 January 2019

any potential administrative implications for employers, and any implications for business rates. We would be concerned if the talks alighted on wider aspects of local government finance including rates without an opportunity for stakeholders to contribute before decisions are made, especially with so much effort having gone into the Barclay Review and its implementation.

29. The Scottish Government's plans for a deposit return scheme for drinks containers will require retailers and others to refit their stores and premises in order to take back and store drinks containers. In many instances this will involve store refits and the purchase of reverse vending machines, with a potential upfront cost of up to £100 million¹⁴. At present it is unclear what financial support package will be forthcoming for the purchasing and installation of these machines. We are concerned these mandated changes could be classed as improvements and consequently affect the rateable value of the shops and other premises which host them. Conceivably an extra rates liability may affect a property's entitlement to reliefs such as the Small Business Bonus or bring them into scope for the large business supplement. The Committee may wish to enquire further on this.

Scottish Retail Consortium
May 2019

¹⁴ SRC response to Scottish Government's announcement of the system design for DRS, 8 May 2019

Written Submission from the Scottish Tourism Alliance

ABOUT THE SCOTTISH TOURISM ALLIANCE

The Scottish Tourism Alliance (STA) is the representative body for Scotland's tourism industry.

The focus of the STA is to shape and influence the creation of industry friendly policy through evidence to enable Scotland's tourism industry to reach its growth potential. The STA represents the whole of Scotland's tourism industry; our organisation comprises over 250 trade associations, businesses, destination groups and other organisations with an interest in tourism spread across all regions and destinations in Scotland. From suppliers to industry, producers, financial bodies, colleges and universities, local authorities to tourism businesses, our membership is wide and varied.

We are able to offer the best possible representation of the issues and challenges we face as an industry through continuous engagement with more than 70% of tourism businesses in Scotland and Scottish Government and policy makers.

The STA also leads the facilitation, co-ordination, ongoing development and delivery of the national tourism strategy.

RESPONSES

1. The Scottish Government's [overall programme of Non-Domestic Rates reform](#), and how the Bill fits into this.

The Scottish Tourism Alliance (STA) welcomes the opportunity to contribute views on the Non-Domestic Rates (Scotland) Bill, having campaigned as part of a coalition for a reform of the business rates system with our counterparts, UK Hospitality and the Scottish Licensed Trade Association which successfully brought about the cap in the rates increase of 12.5% (real term). The STA supported the independent examination of the business rates system which led to the establishment of the Barclay Rates Review and submitted evidence throughout the review process.

2 How the Government has responded to the Barclay review, in particular on those recommendations it has rejected in full or part.

Specific proposals in the Bill

The Committee welcomes views on:

While the STA is in support of the majority of the content of the Non-Domestic Rates (Scotland) Bill, we firmly advocate the view that the business rates system is still in

need of reform. Scotland's tourism industry continues to operate under enormous pressure (due to the rising costs of doing business, the costs of regulation on our industry, constrained domestic budgets, the threats that Brexit poses to our industry in numerous forms) and tourism businesses continue to be challenged in regard to the vast amount of money they are required to pay as a result of the calculation methodology for non-domestic rates.

3. Section 2 of the Bill which provides that revaluation of properties subject to non-domestic rates would be carried out every 3 years rather than every 5 years.

We have consistently suggested that three-year valuations should be introduced with the reduction to a one-year Tone Date. This is a positive move and one which the STA had pressed for throughout our campaigning process. Having a system that flexes with economic conditions over the course of the period from when valuations are undertaken to when they come into effect is a sensible approach and one which we are pleased to have seen adopted.

4. Section 3 of the Bill, which (together with section 9) makes provision in relation to new or improved properties. These delay the point at which non-domestic rates are increased because a property has been expanded or improved, or at which a new build property begins to incur liability to non-domestic rates. The underlying aim is to incentivise development and investment in business properties.

The Scottish Tourism Alliance is supportive of this proposal which will encourage investment and entrepreneurship within Scotland's tourism industry.

5. Section 4, which aims to increase the degree to which parks are subject to non-domestic rates, in recognition of the commercial activities that take place in some parks (eg the running of a café).

No view

6. Section 5, intended as a measure to address a perceived "loophole" that enables owners of holiday homes to avoid both council tax and non-domestic rates by making it more difficult to enter a home on the roll (and, through this, to then claim relief under the small business bonus scheme).

The STA acknowledges that all businesses should effectively be 'paying their way', especially businesses that may be enjoying an element of subsidy or relief. We feel that in the interests of fairness, there may be a case for reviewing the Small Business Bonus Scheme (as proposed by Barclay) with a view to the introduction of a scheme whereby all business pay contribute in some form. We would however want that in any such review special dispensation or allowances be afforded to those small business operating in the tourism sector given the significance and dependency of the small

tourism business contribution in helping grow and sustain a vibrant visitor economy especially in the rural communities.

7. Sections 6-9, which aim to reduce the current high rate of valuation appeals, which the Scottish Government perceives as speculative. (Increasing the frequency of ratings revaluations in section 2 is also seen as a component of this reform.)

The Scottish Tourism Alliance supports the move to reduce the rate of valuation appeals.

8. Section 10, which removes eligibility to claim charitable relief from non-domestic rates from mainstream independent schools, and section 11 which gives the Scottish Ministers the power to issue guidance to local authorities on the appropriate way to use their powers to grant sports club relief.

No view.

9. Section 12, which aims to address what the Scottish Government describes as a known tax avoidance tactic concerning unoccupied or under-used properties.

All ratepayers should be valued at a fair and reasonable level and there should be no justification to subsidise other ratepayers. Rules should be transparent, applied equitably and there should be provision for appeal. The STA welcomes the Growth Accelerator and relief for unoccupied properties. We would advocate an approach that offers clarity for developers and ratepayers and makes very clear what the role of Scottish Assessors and councils is to allow consistency and flexibility. We are also of the view that the need for ratepayers to make applications for these measures should be removed to simplify the process further and reduce cost.

10. Section 13, which will enable councils to initiate debt recovery proceedings for unpaid rates sooner.

A six-month extension seems fair providing there is evidence to indicate that the current 42 days is leading to an abuse of the relief.

11. Sections 14, 18, 19 and 22, which together aim to strengthen the power of assessors to obtain the information they need to carry out their role, and sections 15, 16, 17, 20, 21 and 22 which give local authorities increased powers to obtain information from ratepayers, in order to ensure that the information they have is accurate, and to reduce the risk of fraud.

We support legislation that allows assessors to have access to the most accurate information available to ensure a level playing field for all non-domestic rates payers

and to reduce the risk of fraud and to make it easier and simpler to gather information from ratepayers in order to inform commercial property valuations.

12 Part 4 of the Bill, which give the Scottish Ministers the power to make anti-avoidance regulations to prevent ratepayers gaining an advantage from avoidance arrangements that are considered artificial, and sets out definitions of “advantage” and “artificial”.

Other

As above

13. Do you have any other comments about the Bill? In particular, is there anything not in the Bill concerning non-domestic rates that should be in the Bill?

The STA is of the view that the business rates system should continue to flex with economic conditions, is competitive, that no ad hoc levies or supplements are introduced and that there is a plan introduced in the near future to lower the overall rates burden for tourism businesses.

We welcome the Finance Secretary’s rejection of a new rates levy on commercial premises out of town and particularly the proposals within the Bill for frequent revaluations of non-domestic properties.

Having a business rates system in place which decreases the likelihood of fluctuations in values between revaluations is welcomed; one which reduces the need for businesses to go through the appeal process. We do not believe it is right to charge businesses who wish to appeal against their valuations and at the very least, these charges should be refundable.

Rates are the highest in 20 years, significantly constraining the opportunities for tourism businesses to reinvest in their product to offer the ‘quality, authentic experience’ to visitors which lies at the heart of Scotland’s tourism strategy. The current rates system discourages entrepreneurship within the tourism industry and erodes profit and ambition for many tourism businesses.

The STA would like to see a substantially lower poundage rate, supported by a level playing field environment in relation to the large business supplement in England. The current disparity significantly harms Scotland’s reputation for being ‘the most competitive place to do business’ and for being a destination for investment, particularly within the tourism sector.

The STA is also of the view that there should be a moratorium on any new or additional levies or supplements.

The business rates system needs to better reflect economic conditions and ensure a more accurate return from businesses.

Local Government and Communities Committee

19th Meeting, 2019 (Session 5), Wednesday 26 June 2019

Subordinate Legislation

Overview of instruments

1. The following instruments, subject to negative procedure, is being considered at today's meeting:
 - The Private Landlord Registration (Information) (Scotland) Regulations 2019 (SSI 2019/195);
 - The Local Government Pension Scheme (Miscellaneous Amendments) (Scotland) Amendment Regulations 2019 (SSI 2019/204)

The Private Landlord Registration (Information) (Scotland) Regulations 2019

Background

2. These Regulations prescribe the information that a person must provide in order to make a valid application for registration as a landlord or for details of a person's registration to be amended. The information prescribed is in addition to that prescribed in the Antisocial Behaviour etc. (Scotland) Act 2004 and will not be available to members of the public. Regulation 2 and Part 1 of the schedule prescribe the information. Regulation 3 revokes the instruments set out in Part 2 of the schedule. Regulation 4 makes saving provision in relation to applications and notices received by a local authority before 0900 hours on 16 September 2019. The policy note for the instrument is attached at **Annexe A**.
3. An electronic copy of the instrument is available at:
http://www.legislation.gov.uk/ssi/2019/195/pdfs/ssi_20190195_en.pdf
4. No motion to annul this instrument has been lodged.

Delegated Powers and Law Reform Committee consideration

5. The Delegated Powers and Law Reform Committee (DPLRC) considered the instrument at its meeting on [18 June 2019](#) and determined that it did not need to draw the attention of the Parliament to the instrument on any grounds within its remit.

The Local Government Pension Scheme (Miscellaneous Amendments) (Scotland) Amendment Regulations 2019

Background

6. These Regulations provide that the entitlement to retire after reaching the age of 55 also applies to deferred pension members and change the requirements for

co-habiting partner pensions in the scheme. They also correct inaccurate references and ensure that the provisions in the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 continue to have effect in the 2018 scheme. The policy note for the instrument is attached at **Annexe B**.

7. An electronic copy of the instrument is available at:

http://www.legislation.gov.uk/ssi/2019/204/pdfs/ssi_20190204_en.pdf

8. No motion to annul this instrument has been lodged.

Delegated Powers and Law Reform Committee consideration

9. The Delegated Powers and Law Reform Committee (DPLRC) considered the instrument at its meeting on [18 June 2019](#) and drew the instrument to the attention of the Parliament on reporting ground (j) as the Regulations fail to comply with the requirements of section 28(2) of the Interpretation and Legislative Reform (Scotland) Act 2010.
10. The instrument was laid before the Parliament on 11 June 2019 and comes into force on 28 June 2019. This does not respect the requirement of section 28(2) that at least 28 days should elapse between the laying of an instrument which is subject to the negative procedure and the coming into force of that instrument.
11. The Scottish Government explained its reasons for not complying with section 28(2) in a letter to the Presiding Officer. The letter explains that the instrument corrects two minor errors in the Local Government Pension Scheme (Miscellaneous Amendments) Regulation 2019 (SSI 2019/161), which were laid before the Scottish Parliament on 2 May 2019 and come into force on 28 June 2019. It also confirms that the DPLRC accepted this form of corrective action in response to the errors at its meeting on 21 May 2019. This correspondence can be found in Annex B of the DPLRC's 33rd Report 2019, [Subordinate Legislation considered by the Delegated Powers and Law Reform Committee on 18 June 2019](#).
12. The DPLRC found the failure to comply with section 28 to be acceptable in the circumstances.

Committee Consideration

13. The Committee is not required to report on negative instruments, but should it wish to do so, the deadline for reporting on SSI 2019/195 is 9 September 2019 and on SSI 2019/204 is 16 September 2019.

Procedure

14. Negative instruments are instruments that are "subject to annulment" by resolution of the Parliament for a period of 40 days after they are laid. This means they become law unless they are annulled by the Parliament. All negative

instruments are considered by the Delegated Powers and Law Reform Committee (on various technical grounds) and by the relevant lead committee (on policy grounds).

15. Under Rule 10.4, any member (whether or not a member of the lead committee) may, within the 40-day period, lodge a motion for consideration by the lead committee recommending annulment of the instrument.
16. If the motion is agreed to by the lead committee, the Parliamentary Bureau must then lodge a motion to annul the instrument to be considered by the Parliament as a whole. If that motion is also agreed to, the Scottish Ministers must revoke the instrument.
17. Each negative instrument appears on the Local Government and Communities Committee's agenda at the first opportunity after the Delegated Powers and Law Reform Committee has reported on it. This means that, if questions are asked or concerns raised, consideration of the instrument can usually be continued to a later meeting to allow the Committee to gather more information or to invite a Minister to give evidence on the instrument. Members should however note that, for scheduling reasons, it is not always possible to continue an instrument to the following week. For this reason, if any Member has significant concerns about a negative instrument, they are encouraged to make this known to the clerks in advance of the meeting.
18. In many cases, the Committee may be content simply to note the instrument and agree to make no recommendations on it.

POLICY NOTE**THE PRIVATE LANDLORD REGISTRATION (INFORMATION) (SCOTLAND)
REGULATIONS 2019****SSI 2019/195**

The above instrument was made in exercise of the powers conferred by sections 83(1)(d) and 141(2)(b) of the Antisocial Behaviour etc. (Scotland) Act 2004 and all other powers enabling them to do so. The instrument is subject to negative procedure.

Purpose of the instrument

This instrument expands the prescribed information that must be provided in an application for landlord registration. The instrument will require landlords to confirm whether they comply with existing duties in relation to property condition and management standards. The overarching aim to improve standards in the private rented sector.

Policy Objectives

The Antisocial Behaviour etc. (Scotland) Act 2004 (“the 2004 Act”) makes provision for private landlords to apply to the relevant local authority for entry on the register of landlords.

Applicants must provide the prescribed information.

Despite the current registration process, the available evidence, including for example in relation to property condition and tenancy deposit protection, shows that some private landlords continue to let houses without meeting their legal obligations.

The policy broadens the prescribed information, requiring applicants to be more explicit about their compliance with existing legal responsibilities in relation to property management and condition.

The policy aims to:

- raise awareness about landlord responsibilities;
- identify where further advice or support may be required;
- ensure that local authorities have more information on which to carry out the fit and proper person test; and
- improve confidence that anyone who is approved and entered onto the register is a suitable person to let houses.

The overarching objective is to make better use of the landlord registration process to contribute towards raising housing standards in the Private Rented Sector to provide good quality housing for all tenants.

Consultation

A full public consultation ran for 12 weeks from 15 March to 7 June 2018, supported by a series of stakeholder events held across Scotland. Consultation responses were received from a range of stakeholders, including housing associations and local authorities; lettings and professional organisations; tenant, resident and landlord representative organisations; individuals and those with an interest in property condition and safety.

A full list of those consulted and who agreed to the release of this information is attached to the consultation report published on the Scottish Government website. It includes Shelter Scotland; Scottish Association of Landlords & Council of Letting Agents; Convention of Scottish Local Authorities; Scottish Land and Estates; Chartered Institute of Housing and private individuals. Responses to the consultation indicated broad support for the proposals to require landlords to be more explicit about compliance with their legal duties.

Further consultation took place with local authorities to assess the impact of the new prescribed information on checking applications for compliance with the requirements of registration and provision of advice and support to applicants.

Impact Assessments

An Equality Impact Assessment (EQIA) has been completed. The assessment found that the policy is not discriminatory and has no significant issues that will impact negatively on any of the equality groups. The EQIA notes that a Fairer Scotland Duty assessment is not required.

A Child Rights and Wellbeing Impact Assessments (CRWIA) screening has been completed and will be published on the Scottish Government's website with the EQIA.

Financial Effects

Costs fall to the Scottish Government for upgrading the internet-based service to accommodate the new prescribed information within the application process. There will be little financial impact for landlords who currently meet their legal responsibilities. There may be costs to landlords who need take steps to comply with the law, for example by carrying out work to ensure that houses they let meet the repairing standard.

Landlord registration application fees will increase from 11 June 2019 to reflect the higher costs of administration for local authorities, including additional work expected to arise from the changes in prescribed information. However, the fees remain reasonable and proportionate to the overall costs of registration. For example, a landlord with a single property the change equates to an increase of £14 over a three-year registration period.

A Business and Regulatory Impact Assessment (BRIA) has been completed and is attached.

The assessment concluded that the policy will have minimal impact on businesses and will not adversely affect competition in the market place.

Scottish Government
Housing and Social Justice Directorate
20 May 2019

POLICY NOTE**The Local Government Pension Scheme (Miscellaneous Amendments)
(Scotland) Amendment Regulations 2019****SSI 2019/204**

The above instrument was made in exercise of the powers conferred by section 7 of the Superannuation Act 1972() (“the 1972 Act”) and sections 1, 2 and 3 and schedule 2, paragraph 3(b) of the Public Service Pensions Act 2013 (“the 2013 Act”). The instrument is subject to negative procedure.

Purpose of the instrument. These Regulations provide that the entitlement to retire after reaching the age of 55 also applies to deferred pension members and change the requirements for co-habiting partner pensions in the scheme. They also correct inaccurate references and ensure that the provisions in the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 continue to have effect in the 2018 scheme.

Policy Objectives

These regulations deliver improvements to the administration of the scheme, taking into account the application of the principal 2018 Regulations where areas for clarification have been sought or a change in approach has been requested.

Consultation

To comply with the requirements of Section 21 of the Public Service Pensions Act 2013, the Scottish Public Pensions Agency conducted a twelve week consultation which was circulated to interested parties via email on the 18 December 2018 until the 11 March 2019. The consultation received 13 responses. These included suggestions to simplify administration of the scheme and to clarify wording.

A full list of those consulted and who agreed to the release of this information is attached to the consultation report published on the Scottish Government website¹. It includes extending the pensions flexibility which introduced an option to take an 'Uncrystallised Funds Pension Lump Sum' (UFPLS) from a member's AVC provider, currently only available to current members, to members of previous schemes.

Also changes which re-instate the wording that requires employers to use the full unreduced pensionable pay when calculating ill-health benefits after a member reduces their hours due to ill-health. This change is backdated to the 2014 regulations which came into force on 1 April 2015.

¹ <https://pensions.gov.scot/local-government/scheme-governance-and-legislation/consultations>

In response to requests from stakeholders, changes have been introduced requiring pension contributions to be paid automatically for the first 30 days of an absence, to ensure that members do not lose pension benefits and to assist in the administration of the Scheme.

Impact Assessments

These Regulations have no new impact on business or the voluntary sector as they are amending Regulations to improve administration of the scheme and to implement other UK government policies.

Financial Effects

These Regulations have had no new Business and Regulatory Impact Assessment (BRIA) carried out upon on them as the financial aspects of these regulations remain unchanged.

Scottish Ministers confirm that no BRIA is necessary as the instrument has no financial effects on the Scottish Government, local government or on business.

Scottish Public Pensions Agency
An Agency of the Scottish Government
June 2019