



Law Society
of Scotland

70
Years
1949-2019

Written evidence

Non-Domestic Rates (Scotland) Bill

May 2019



Introduction

The Law Society of Scotland is the professional body for over 11,000 Scottish solicitors. With our overarching objective of leading legal excellence, we strive to excel and to be a world-class professional body, understanding and serving the needs of our members and the public. We set and uphold standards to ensure the provision of excellent legal services and ensure the public can have confidence in Scotland's solicitor profession.

We have a statutory duty to work in the public interest, a duty which we are strongly committed to achieving through our work to promote a strong, varied and effective solicitor profession working in the interests of the public and protecting and promoting the rule of law. We seek to influence the creation of a fairer and more just society through our active engagement with the Scottish and United Kingdom Governments, Parliaments, wider stakeholders and our membership.

We welcome the opportunity to provide written evidence to the Local Government and Communities Committee on the Non-Domestic Rates (Scotland) Bill. We have the following comments to put forward for consideration.

General comments

We welcome introduction of the Bill which seeks to implement many of the recommendations of the *Barclay Review of non-domestic rates*¹.

Section 2 of the Bill provides for the revaluation of properties subject to non-domestic rates every 3 years, rather than every 5 years. We consider that this will help to ensure that valuations better reflect the market circumstances and rental values than at present and this will help to improve certainty for businesses. We note that this change links to some extent with proposals in sections 6 – 9 of the Bill in relation to appeals. We note that more frequent valuations will require additional resources and consideration should be given as to how these increased demands will be met as well as possible opportunities for efficiencies or improvements to existing systems.

In relation to section 3, we consider it appropriate that new properties are entered on the valuation roll when they come into existence, although note the relief which is available for 12 months from their first occupation. We consider that this will help to ensure that the roll accurately reflects the properties in existence and liable for rates.

In relation to sections 6 to 9, we believe that avoiding unnecessary appeals and developing a culture of 'right first time' decision making is important. There may be capacity, for instance, to include a reconsideration element within the process in advance of any appeal to the Valuation Appeal Committee.

¹ <https://www.gov.scot/publications/report-barclay-review-non-domestic-rates/>

In relation to section 13, and the powers of local authorities to be able to recover unpaid instalments, we note the similarities with the process for unpaid Council Tax. We have previously highlighted the importance of discretion in the recovery process, as in situations of financial distress where an instalment is unaffordable are unlikely to improve on demand of payment in full. We have also highlighted, in relation to prescription and limitation of Council tax, the importance of looking to resolve any mistakes in determining liability that could allow a significant financial obligation to accrue over time.

For further information, please contact:

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