

ABOLITION OF FEUDAL TENURE ETC. (SCOTLAND) ACT 2000

EXPLANATORY NOTES

EXPLANATORY NOTES

Financial Effects of the Act

243. The main financial effect of the Act will be the liability of former vassals to pay compensation to former superiors in respect of the extinction of feuduties. The sums involved are likely to be relatively small and provision is being made for payment by instalments where the total exceeds £50. In many cases the compensation will be very low. Former vassals may also be liable to pay compensation in cases where a former superior has registered a notice reserving the right to claim compensation in respect of development value real burdens. Compensation is also limited to an amount as would make up for any effect which the development value burden produced at the time when it was imposed in reducing or eliminating the consideration for the feudal grant.

Effects of the Act on public sector finances

244. Since most local authorities have feued large numbers of council houses, they have substantial superiority interests, and like all other superiors, they will lose the right to demand payment for consenting to variations in feudal conditions. They will, however, be compensated for the extinction of any remaining feuduties and for the loss of any development value burdens where an appropriate notice to claim such compensation has been registered.

Effects of the Act on public service manpower

245. Some extra resources may be required for the Lands Tribunal for Scotland, but these are not likely to be substantial.

Summary of the regulatory appraisal

246. It is not thought that a Regulatory Impact Assessment is required. No superior is obliged to register a notice to preserve a feudal burden as a neighbour burden or to reserve the right to claim compensation in respect of a development value burden. Each superior has to reach a judgement on whether to do so, in which case the cost, among other things, will be a factor.

Commencement

247. A number of provisions in the Act will take effect on Royal Assent, but the majority will not be commenced until the appointed day for abolition of the feudal system. This is expected to be at least 2 years after Royal Assent in order to allow transitional arrangements such as the registering (or recording) of notices to be made. It is also envisaged that the Bill on title conditions will be commenced at the same time as the Abolition of Feudal Tenure etc. (Scotland) Act.