

TIED PUBS (SCOTLAND) ACT 2021

EXPLANATORY NOTES

THE ACT

Schedule 2: Scottish Pubs Code Adjudicator

Part 3: Funding and other support

Chapter 2: Levy funding

Amount of levy

91. Under paragraph 13, the adjudicator can decide what proportion of the levy will be imposed on each pub-owning business in each financial year. If the adjudicator charges different pub-owning businesses different amounts, the differences must be based on the expenses the adjudicator has incurred, or expects to incur, dealing with relevant matters. Sub-paragraph (7) confirms that “expenses” includes the payroll of the adjudicator and any staff. In this way, a pub-owning business that is regularly accused of breaching the code, thus generating a significant case-load for the adjudicator, is liable to be charged more than a business that maintains good relations with its tenants and does not generate work for the adjudicator.
92. Sub-paragraph (5) requires the adjudicator to take account of non-levy income when setting the levy rate (or rates). This is to ensure that the levy provides necessary funding only. The sub-paragraph also allows the adjudicator to take account of estimated expenditure when setting the levy rate (or rates).
93. Sub-paragraph (6) states that the adjudicator must publish details of the levy, including the rate (or rates) set, and an explanation of how the rate-setting was done, including how variations among the workload generated by different pub-owning businesses were used to decide the different rates those business must pay. This will ensure transparency in the total levy amount, the separate amounts for each pub-owning business, and the methodology used.