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ISSUED ON BEHALF OF THE SCOTTISH LAW COMMISSION NOT FOR PUBLICATION OR BROADCAST BEFORE 0001 HOURS 30 APRIL 2024

RETAIL, HOSPITALITY, AND BEAUTY BUSINESSES: ENDING THE LEASE

The Scottish Law Commission today publishes a Discussion Paper on Aspects of Leases: Tenancy of Shops (Scotland) Act 1949.

Thousands of shops, cafes, pubs, restaurants, and beauty businesses lease their premises. But what happens when the lease is about to end? Can they obtain renewal? How much time do they need to find other premises?

Dating from the 1940s and last reviewed in the 1960s, the Tenancy of Shops (Scotland) Act 1949 was meant to help small businesses under pressure. Today's market is radically different. Some say the Act is neither necessary nor fit for purpose: time-consuming and costly to use, with vague wording. Others warn against removing it without reform or replacement.

In its Paper, the Commission looks at whether business tenants in these sectors should continue to have their own special rules on removal and renewal when the lease is about to end. And if they should, it proposes options for legal change. One is an extended notice period to allow tenants to find suitable alternative premises. Another is an improved Act, including mediation.

Comments are invited from anyone with an interest. Reponses to the Discussion Paper can be made until **31 July 2024**. The Paper and response form can be found on our website.

At the end of the consultation period the Commission will assess the views received and begin work towards publication of a Report containing recommendations to the Scottish Government on the law in this area.

David Bartos, the lead Commissioner on the project, said:

"The proposals in this Paper affect virtually every let shop, pub or eatery on the High Street, not to mention retail parks and shopping centres large and small. It's vital that in these difficult economic times the law is as helpful as possible to both tenants and investors. We invite everyone to have their say."

Chair: The Rt Hon Lady Paton Interim Chief Executive: Charles Garland
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FURTHER INFORMATION SECTION

- 1. The Scottish Law Commission was set up in 1965 to promote the reform of the law of Scotland. The Chair is the Rt Hon Lady Paton, a Court of Session judge. The other Commissioners are David Bartos, Professor Gillian Black, and Professor Frankie McCarthy. Ann Stewart also becomes a Commissioner today (30 April 2024) but the timing of her appointment means that she has not had any input into the preparation of the Discussion Paper. The Interim Chief Executive is Charles Garland.
- 2. Further information can be obtained by contacting the project manager Julie Bain, Scottish Law Commission, Parliament House, 11 Parliament Square, Edinburgh EH1 1RQ (Tel: 0131 244 6654; email info@scotlawcom.gov.uk).
- 3. The Paper will be available on the Commission's website at https://www.scotlawcom.gov.uk as early as possible on **30 April 2024**.

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