SGF Scottish Grocers' Federation

Promoting Responsible Community Retailing Since 1918

to ensure a sustainable and prosperous convenience industry in Scotlar



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John Swinney MSP
Deputy First Minister and Cabinet Secretary for Covid Recovery
The Scottish Government
St. Andrew's House
Regent Road
Edinburgh
EH1 3DG

Sent by e-mail

10th January 2023

Dear Deputy First Minister,

BUSINESS RATES RELIEF

Last month you published the Scottish Budget which set out the Scottish Government's proposed spending and tax plans for 2023 to 2024.

It was with great disappointment that we noted the opportunity was not taken to further support businesses at this critical time by offering comparable support to that available in England and Wales where – in the case of the former - the Chancellor of the Exchequer has committed to provide 75% business rates relief for properties in the retail, hospitality and leisure sectors for the 2023 to 2024 tax year, up to a maximum of £110,000 of relief per business.

We believe that the Scottish Government should act now and provide, at the very least, similar assistance in Scotland while at the same time ensuring that current supports and reliefs available are not impacted or other business-related rates increased.

Shopper footfall has yet to reach pre-pandemic levels and retail sales are subdued given the cost-of-living crisis for consumers. In addition, retailers are having to contend with







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their own pressures such as soaring business energy costs, rising inflation, and supply chain disruption.

Unfortunately, however, businesses find themselves in a situation where they do not have the access to this additional assistance which our counterparts in the rest of GB will have to help sustain and support them to continue trading during this critical period for the economy.

We welcome your decision to freeze the headline Business Rate poundage for the coming year, in line with the rest of GB. However, Scottish businesses still face a higher property rate poundage which is above that levied down south and the new tapered Small Business Bonus Scheme could significantly reduce the support available for many retail businesses with RVs between £12,001 and £15,000, which means many will face additional and potentially unsustainable costs of doing business

The retail sector in Scotland which employs close to 230,000 people will need to be a key player in driving economic growth and enabling communities to socially benefit from thriving high streets. If that is to be achieved however, they need support now.

We would be very happy to meet with you to discuss our concerns and look forward to hearing from you.

Yours sincerely

[redacted]
DR. PETE CHEEMA OBE

Chief Executive - Scottish Grocers' Federation

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Signatories

David Lonsdale, Director, Scottish Retail Consortium

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Howard Davies, Head of Policy, and Public Affairs (Acting), Booksellers Association	