

**NTIA** | NIGHT TIME INDUSTRIES ASSOCIATION



20 January 2023

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

Dear Mr Swinney

As Scotland's hospitality and licensed trade bodies, we represent a sector that generates more than £6 billion each year for Scotland's economy and employs close to 200,000 people. Our sector sustains communities and delivers great jobs across the country.

You will know from previous correspondence and conversations that hospitality continues to struggle to move towards recovery, as businesses grapple with ever increasing costs. This is happening whilst our customers attempt to manage an unprecedented cost of living crisis resulting in reduced numbers of visits to, and spend with, our businesses. Feedback from our members continues to show that even for those able to operate at something close to full capacity very few are making profit. Put simply, costs continue to outstrip income making businesses unsustainable.

Businesses are doing all they can to reduce their costs whilst continuing to deliver great experiences to their customers. The UK Government's decision to reduce energy support from the end of March has been a major blow for our businesses – a vulnerable sector highly dependent on energy. We will continue to speak with the UK Government, seeking a reversal on this decision.

However, from these discussions the UK Government highlights the fact that it has, along with the Welsh Government, introduced short-term support for businesses in the form of 75% relief on business rates for the coming financial year. This will benefit hospitality businesses in England and Wales, adding to the 50% relief they received for this full financial year.

Therefore, we ask that you urgently reconsider the absence of this support in the Scottish Budget for 23-24. As things stand our businesses are heading into a new financial year trading at a significant disadvantage to venues and hospitality settings in the rest of the UK, putting their survival at risk. Many of our members have already exhausted their financial options, with budgets set aside for expansion, acquisitions, and refurbishment now being used as vital cashflow.

From our members we are gathering further information which we will share with you in the next week or two, highlighting the current trading position they find themselves in and, likely, setting out a continued drop in their confidence for this year.

Whilst we welcome the freeze on the UBR we believe that short-term support on business rates is the only way to help ensure the survival of the greatest number of our businesses. In doing so this will enable them to provide further employment opportunities and economic growth once able to move towards recovery.

We hope that you will consider this request and find a way to support one of Scotland's greatest economic success stories. We would also welcome the opportunity to discuss these points with you in person.

With very best wishes

Yours sincerely

Leon Thompson, Executive Director, UKHospitality Scotland  
Paul Togneri, Senior Advisor, Scottish Beer and Pub Association  
Stephen Montgomery, Managing Director, Scottish Hospitality Group  
Colin Wilkinson, Managing Director, Scottish Licensed Trade Association  
Mike Grieve, Chair, Night Time Industries Association Scotland