

Motion: Urgent post-Covid Review of Business Rates in Scotland

UNLOCK THE HIGH STREET

This Council believes that healthy high streets are essential for employment, shopping and leisure but many shops and businesses were struggling even before the Covid pandemic: high street retail employment fell in more than three-quarters of local authorities between 2015 and 2018 according to the Office of National Statistics¹ and more than half of all UK consumers were shopping online before the pandemic².

This Council notes retail is among the sectors most affected by the coronavirus pandemic; the almost complete shutdown of non-essential shops between March and June 2020 and subsequent local and national lockdowns and ongoing restrictions has hit businesses hard, and the need for social distancing has changed the way many businesses operate reducing footfall. The pandemic has accelerated what in many cases has been a longer trend of lower footfall and changing shopping habits: as the Portas Review³ a decade ago acknowledged, the form and function of many high streets needs to adapt if they are to survive.

This Council welcomes the willingness of Government to acknowledge the problems and come forward with initiatives in response to these challenges but as set out in the Barclay Review on Non-Domestic Rates, the Business Rate system needs radical overhaul^{4 5}.

This Council resolves to write to the Government to encourage him to undertake an urgent review of business rates with a view to further supporting shops and businesses in recovering from the pandemic.

1 <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/population-estimates/articles/highstreetsingreatbritain/march2020#:~:text=High%20street%20retail%20employment%20fell,29%25%20in%20Great%20Britain%20overall>

2 <https://www.retail-insight-network.com/features/uk-online-shopping-growth/>

3 While the Portas Review's remit did not include Scotland, the conclusions about high streets remain relevant to Scottish town centres as well as those in England and Wales.

4 <https://www.gov.scot/publications/report-barclay-review-non-domestic-rates/>