



T: 0300 244 4000
E: scottish.ministers@gov.scot

Ariane Burgess
Convener
Local Government, Housing and Planning
Committee
Scottish Parliament

26 April 2022

STAGE 1 REPORT ON THE NON-DOMESTIC RATES (CORONAVIRUS) (SCOTLAND) BILL

I am writing in response to the Local Government, Housing and Planning Committee's Stage 1 report on the Non-Domestic Rates (Coronavirus) (Scotland) Bill. I would like to thank the Committee for its consideration of the Bill.

I welcome the Committee's support for the general principles of the Bill. I am pleased that the Committee recognises the challenges of dealing with COVID and that the Scottish Government acted quickly to support businesses, and continued to do so throughout the pandemic.

The Committee has raised some important points which I have considered and respond on below. My response follows the headings used in the report.

Consultation and Engagement

A [Business and Regulatory Impact Assessment](#) (BRIA) was published on the [Scottish Government website](#), alongside other impact assessments for the Bill. I note the Committee's recognition of the engagement which has taken place with businesses and that we should have more clearly drawn the Committee's attention to the BRIA.

Principles of Taxation

I would reassure the Committee that as I explained on 15 March, our approach is informed by the Framework for Tax and we are committed to its principles, including those of certainty and engagement.

We extended Retail, Hospitality and Leisure relief into the first three months of 2022-23 in response to calls from business to avoid a cliff-edge return to rates in April. While this particular relief is limited to three months, the Scottish Budget supports a generous package of reliefs forecast at £802 million in 2022-23. This includes the UK's most generous Small

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot



Business Bonus Scheme which takes over 111,000 properties out of rates altogether (as at 1 June 2021), and a range of other ongoing non-domestic rates reliefs which have been maintained this year. Information about all the non-domestic rates reliefs available can be found on the [mygov.scot](https://www.mygov.scot) website.

Workload for Assessors

When I gave evidence to the Committee, I committed to extending the disposal deadline for appeals. I am pleased to update you that The Valuation Timetable (Scotland) Amendment Order 2022 was laid on 22 April 2022. Amongst other things, this Order sets a revised deadline of 31 December 2023 for appeals lodged in the period 1 January 2020 to 31 March 2022.

As noted in the Financial Memorandum, information on the number of outstanding appeals was provided to the Scottish Government by the Scottish Assessors Association (SAA). Should Parliament approve the Bill, I will ensure that my officials explore with the SAA how best we can provide the Committee with regular updates on the volume of appeals still to be disposed of at this time.

Support to Business

Our business support funding was developed at pace to respond to the severe economic impact of the pandemic and provide immediate support to businesses most impacted by the necessary public health restrictions. The recent Audit Scotland report '[Scotland's economy: Supporting businesses through the Covid-19 pandemic](#)' highlighted how we were able to target support at businesses that needed it most and helping them survive, protecting thousands of jobs and supporting businesses to comply with the necessary public health restrictions.

As a result of a variety of partners administering the business support grants, the management information is subject to different and proportionate measurement, governance and controls, which built on existing robust processes in those organisations. Management information was a requirement for each fund, and [business support data has routinely been published](#). For each fund, we know how much money has been paid out to specific sectors. However, we do not yet have a comprehensive picture of the total support that every individual business will have received through different funds. Our ongoing data exercise aims to identify these businesses by matching to other data sources – this will also allow us to better understand the overlap between funds.

I welcome that the committee supports the general principles of the bill, look forward to the forthcoming Stage 1 debate, and to the future stages of the bill process.

TOM ARTHUR

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot

INVESTORS IN PEOPLE[™]
We invest in people Silver

