

SUBMISSION FROM BRITISH COUNCIL OF SHOPPING CENTRES

About BCSC

BCSC is the voice of the retail property industry, promoting retail-led regeneration and growth, embracing all shopping formats and all locations. Its affairs in Scotland are run by a Scottish committee, BCSC Scotland, of which the undersigned is Honorary Secretary. The views expressed are those of BCSC Scotland and not of his firm.

Our submissions/evidence relates only to the proposed public health supplement from April 2012 on business rates for large retailers selling both alcohol and tobacco.

Key Issues

We have had the advantage of reading the submissions dated 3 and 18 October lodged by the Scottish Retail Consortium. BCSC respectfully endorses the views and conclusions of the SRC and adopts them. In particular, we are concerned about:

- The effect on supermarket profitability margins (which are already very tight)
- The general negative message conveyed about Scotland as a place to do business, and
- The lack of consultation, analysis, transparency etc all as outlined by SRC.

In addition, given the fact that BCSC is a retail *property* organisation rather than a retailers' organisation, we wish to highlight the fact that the supplement will in our view inevitably have an adverse effect on returns for investors in retail property developments, as investors will tend to shun areas with higher specific property taxes in favour of more profitable locations with lower taxes. In addition, the introduction of the supplement by secondary legislation without the consultation and analysis mentioned above sets a highly undesirable precedent which will in our view raise in the minds of prospective retail property developers and investors in Scotland questions as to the possibility of further similar unforeseen and unheralded tax hikes being introduced in future - thus further undermining the attractiveness of Scotland as a place to invest.

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