

**LOCAL GOVERNMENT AND REGENERATION COMMITTEE**

**LOCAL GOVERNMENT FINANCE (UNOCCUPIED PROPERTIES ETC.)  
(SCOTLAND) BILL**

**SUBMISSION FROM ENTERPRISE NORTH EAST TRUST (ENET)**

Enterprise North East Trust (ENET) is a not for profit private limited company. Its vision is to generate and recycle wealth, to energise and inspire individuals, as a result improving the economic prospects of its communities. ENET currently delivers the Business Gateway service on behalf of Local Authorities in Grampian and Tayside; manages a Business Centre portfolio of some 80,000 square feet from 17 different locations around the north-east of Scotland; delivers programmes tailored to support and develop entrepreneurs of any age.

The views below are ours as an organisation involved in supporting new and small businesses but also from our experience as a Landlord providing workspace ideally suited to the SME market too.

There is widely accepted to be a particular issue with the amount of empty properties on High Streets throughout the country and we would suggest that retail properties need to be separately considered to other non-domestic properties.

The initiatives currently available for Rates ie. Small Business Support Scheme, are very supportive and encouraging to new and small businesses. The removal of such a scheme would have a detrimental effect for sure on many small businesses where, regardless of operating sector, rent and rates are normally the largest overheads being carried.

For property owners or landlords, the empty relief scheme is helpful but in no way detracts from a property owners ultimate desire to relet – it could be argued therefore, that it is currently well balanced. The removal of empty relief would, we suggest, have a negligible impact on a Landlords ability to let. With particular regard to High Street premises – the larger issue may lie with either a lack of retail based businesses looking to position themselves in the High Street (and thereby looking at alternative markets for selling i.e. home based/market selling/internet etc) or a lack of retail businesses starting up in what is an incredibly difficult and challenging sector, certainly in present times.

If you consider the current model of relief on empty properties, it is arguable whether any Landlord would rather pay an ongoing charge for rates of 50% (of the annual rates bill) as opposed to 'negotiating' on rental. This may not be the case for all Landlords of course but we would suggest that the decision to remove empty rates relief is not going to have such a huge effect on filling High Street units in particular.

It may be that other sources of support and relief would be better for Government to consider by way of rental support (rent capped at market rates or below to avoid grip of greedy Landlords) for an initial set period to (1) encourage let of vacant high street units and (2) encourage new and small businesses to move into such units.

In addition, delegated authority to individual Local Authorities to tailor relief or support in others way, on non-domestic rates would surely help address particular problem spots in local areas, whether it be on high street properties, retail properties or other.