

Business Rates and investment Call for Evidence
Submission from the Association of Convenience Stores

Chapter 2 – About you

1. In what capacity are you responding?

- As a business
- **As a Business Representative Organisation**
- As a local authority
- As a property owner
- As a rating Agent
- Other (please provide details)

2. Please provide details of the business or body you represent.

ACS (the Association of Convenience Stores) represents 50,487 local shops and petrol forecourt sites including Co-op, BP, One Stop and thousands of independent retailers, many of which trade under brands such as Spar, Budgens and Nisa. These retailers operate in all locations, such as neighbourhoods, villages, on petrol forecourts and in city centres, but our primary trading location is in secondary shopping areas close to where people live and work.

ACS welcomes the opportunity to respond to this consultation and supports HM Treasury's decision to examine the relationship between business investment and the business rates system. We agree that understanding how business rates influence investment decisions is essential to delivering a fairer system that supports growth, competitiveness and long-term confidence for businesses operating from physical premises.

Business rates are a significant fixed cost for convenience retailers, directly shaping business planning and investment decisions in a sector with already tight profit margins. Over the past year, the convenience sector paid approximately £307 million in business rates, up from £199 million the previous year. Following the expiry of COVID-19 reliefs and the RV increases at the 2026 revaluation, we expect this to rise to £318 million in 2026/27 and £415m in 2027/28 under the business rates package announced at the 2025 Budget.

Local shops are facing significant increases in business rates as a result of the 2026 revaluation and the withdrawal of reliefs, and while the introduction of lower Retail, Hospitality and Leisure multipliers was welcome, these changes do not go far enough to offset rising costs. Transitional relief will delay the impact of higher bills, but it does not remove it, with many retailers still facing increases of several thousand pounds. Rising fixed costs directly constrain retailers' ability to invest, retain staff and continue providing essential community services, and without further action higher business rates risk undermining jobs, investment and the long-term viability of local shops.

The majority of convenience stores represented by ACS are valued using the zoning method, which assesses retail premises primarily on floor area and layout. However, ACS also represents 8,279 petrol forecourt stores (around 16% of the sector), which are typically valued using the receipts and expenditure methodology, meaning that investment and changes in trading performance can have a more direct and less predictable impact on Rateable Values.

3. Where in England are you based?

- East of England
- East Midlands

- London
- North East
- North West
- South East
- South West
- West Midlands
- Yorkshire and the Humber
- **National**
- Other (please provide details)

4. What sector are you representing? Retail

5. How many properties do you occupy? There are 42,159 stores in England. 89% of independent retailers offer one store.

6. What is the approximate cumulative Rateable Value (RV) of your property portfolio?
N/A

7. Do you own some or all of the properties your business occupies? Please provide details of the breakdown.

For retailer “multiples” (retail businesses operating chains of 10 or more stores under a centrally owned fascia), which account for 29% of the sector, 16% of store operators own their premises, while 84% rent their stores.

For independent retailers (including symbol group retailers), which make up 71% of the sector, 46% own the properties they occupy and 54% rent their premises.

8. If you are representing an individual business:

- What is the size of your business?
 - o Micro (10 employees or fewer)
 - o Small (50 employees or fewer)
 - o Medium (250 employees or fewer)
 - o Large (over 250 employees)

N/A

9. If you are a Business Representative Organisation, what types of businesses do you represent? Convenience stores and petrol forecourt sites

10. If you are a landlord, how many properties do you own? N/A

11. If you are a landlord, what types of businesses do you typically lease properties to? N/A

Chapter 3 – The role of business rates in investment decisions

12. In your business or sector, are property improvements typically undertaken by the property owner or the occupier?

46% of independent retailers own the premise they occupy. For these retailers, they would choose themselves to make investments linked to day-to-day trading and operational efficiency, such as refrigeration, shelving, layout changes, security systems, energy efficiency measures, and compliance-related upgrades.

Where the occupier and property owner are different, improvements can be taken by either or both parties, depending on the ownership and leasing arrangements in place. In these cases, occupiers commonly fund and deliver internal fit-out and trading-related improvements, while property owners are more likely to be responsible for structural works, fabric of the building, and major external or compliance-driven upgrades. In many cases occupiers still invest in improvements to leased premises where these are essential to maintain viability or meet regulatory requirements.

13. In your business or sector, do property investments typically occur on existing premises, or do other constraints require relocation or the acquisition of new property?

For independent retailers, investment typically occurs on existing premises, as retailers generally prioritise improving and adapting current stores, with relocation or acquisition of new premises occurring less frequently and usually only where constraints such as lease expiry, redevelopments or changes in local demand make this unavoidable.

ACS Voice of Local Shops Survey (Nov 2025) of over 1000 independent retailers found that roughly 3% of retailers plan to buy new stores over the next 12 months, and 15% of retailers plan on investing in refurbishing or improving their existing store(s).

For retailer multiples, this can differ, as larger chains are more likely to relocate or acquire new premises as part of wider estate optimisation, consolidation, or format changes.

14. What is a typical investment in your business or sector that affects your business rates? Please provide specific examples (for example, capital-intensive projects, expanding floor space, opening a second site or moving to a bigger property) including relevant financial figures and other specific details.

Typical investments that can affect business rates are usually incremental improvements to existing premises, rather than large-scale expansion, but they can still lead to increases in rateable values.

Common examples include store refits and layout changes, such as expanding sales areas, installing new shelving or counters, and upgrading refrigeration. Retailers also regularly invest in CCTV, security shutters, alarms, and staff safety measures, particularly in response to rising levels of retail crime. While essential for safe operation, these investments can contribute to an increase in RV.

More capital-intensive investments can include expanding floor space, adding storage areas, or opening a second site or relocating to a larger property, though these are less common and typically only undertaken where demand and financial viability are clear.

Below is information on the typical types of investments that retailers make in their stores which may impact Rateable Values, along with the percentage of retailers planning to make these investments in the next 12 months. (Data collected from ACS Investment Tracker November 2025)

Areas of investment that may impact RV	Independents*	Multiples
Refrigeration (inc cabinets)	41%	71%
Internal building maintenance	11%	73%
Full store refits	4%	61%
Store signage	19%	60%
Crime prevention measures (e.g. CCTV, shutters)	17%	11%
Shelving (fixed installations)	25%	0%

Air conditioning	11%	0%
Store access improvements (e.g. disabled ramps)	8%	0%
Parking provision	8%	0%

*inc symbol groups

15. What is the typical lifecycle for these investments and their major decision points?

Investment decisions in the convenience sector are often shaped by lease structures and repair obligations, particularly for leasehold premises. Retailers are commonly responsible for internal repairs on a 5–7 year cycle and external repairs on a 3–5 year cycle, as set out in lease terms. In practice, these costs are frequently deferred and crystallise at key lease events such as rent reviews, renewals or break points, but they still need to be accounted for across the full lifecycle of occupation. Since COVID-19, retailers report that maintenance and repair costs have risen sharply, driven by higher construction material prices ([see data from DBT](#)) and increased skilled labour costs, materially affecting investment planning and viability.

Refrigeration is consistently cited as the largest and most significant area of capital investment for convenience retailers. While the refrigeration units themselves are not typically rateable, replacement programmes are often delivered as part of wider store refits or reconfigurations, which can result in changes to the layout, use of space, and overall rental value of the property and therefore drive changes in Rateable Value. Historically refurbishment programmes were based on a 10–12 year lifecycle, but many retailers now plan on a minimum lifecycle of 14 years or more for refrigeration plant and cases. In practice, replacement decisions are often performance-led rather than age-led, informed by energy efficiency, refrigerant regulations, frequency of breakdowns and callouts, and compliance with evolving F-gas requirements. Retailers are increasingly investing in CO₂ or A2L systems, which are substantially more capital-intensive but deliver long-term environmental benefits and improved energy. For larger operators, these programmes can represent capital investment running into tens of millions of pounds, requiring long-term planning and confidence in future operating costs.

Similar considerations apply to pallet racking and other fixed storage installations, which are typically only upgraded as part of wider refits, changes to store format or stock handling, or the introduction of new ranges and services, and can also contribute to changes in how space is used and, in turn, the property's Rateable Value.

Major investment decisions are typically assessed through formal financial governance processes, with projects required to demonstrate acceptable payback periods and long-term benefits. Alongside refrigeration, retailers have undertaken dedicated roll-out programmes for remote monitoring and controls for mechanical, electrical and refrigeration systems, LED lighting, electronic shelf-edge labels and self-scan tills. While these investments are not always compliance-driven, they are pursued where they improve energy efficiency, reduce waste, enhance the customer experience and deliver operational savings, and are approved only where anticipated returns can be evidenced.

Refrigeration replacement is often accompanied by wider store reconfiguration, including changes to the mix of chilled and frozen space, internal layout adjustments to reflect local demographics and trading patterns, and updates to internal and external signage and graphics. Fixed shelving is typically replaced only where non-standard configurations limit operational efficiency or where upgrades are required to support new systems such as electronic shelf-edge labels.

These investment decisions are closely linked to broader cost pressures and strategic decision points. Retailers assess expected payback periods, energy cost savings, regulatory compliance and interactions with complementary investments such as solar PV, which together can reduce operating costs over time. However, rising fixed costs – including labour costs, changes to National Insurance and uncertainty in energy markets – can shorten acceptable payback periods and lead retailers to delay, scale back or reprioritise investment.

In some cases, these cumulative pressures have contributed to difficult decisions to close or consolidate marginal stores, particularly where the scale of required capital investment cannot be justified by expected returns, underscoring the importance of a business rates system that supports, rather than deters, long-term investment.

16. How do business rates specifically influence investment decisions versus other factors? For example, other elements of the tax system, UK competitiveness, borrowing costs, labour costs, regulatory requirements, expected timeframes in which to see additional profit. If possible, please provide examples of specific investment decisions.

Business rates are a material and ongoing factor in investment decisions for retailers because they are a fixed cost linked to physical premises and must be paid regardless of profitability. In a sector characterised by low margins and high fixed operating costs, this means business rates often weigh more heavily and more immediately on investment decisions than more flexible costs.

The impact of business rates on investment behaviour was clearly demonstrated during COVID-19. In 2020, when retailers received 100% business rates relief, 61% of retailers used this headroom to invest in store safety measures and new services, while 39% used it to cover essential operating costs. This shows that when the burden of business rates is reduced, retailers do invest – either in improving their businesses or in maintaining viability – whereas higher and uncertain rates liabilities crowd out that investment.

Compared with other elements of the tax system, such as corporation tax, business rates are not linked to profitability and are therefore perceived as higher risk when considering investment. Investment that improves or expands a property can directly increase Rateable Value and therefore permanently increase tax liabilities, even where commercial returns are uncertain or realised only over the long term. This creates a clear disincentive to undertake improvements that would otherwise support productivity and competitiveness.

Rising labour costs, including increases in the National Living Wage and employer National Insurance contributions, further constrain investment capacity. According to ACS' 2025 Employment Survey, 50% of retailers plan to reduce the amount they invest in their businesses as a result of rising labour costs introduced in April 2025. In this context, the prospect of a higher and permanent business rates bill, or the loss of relief, is often decisive in delaying, scaling back or cancelling investment plans.

Regulatory requirements are another important driver of investment, particularly where retailers must upgrade stores to meet new obligations, such as investment in security measures in response to rising retail crime, energy efficiency upgrades to meet Minimum Energy Efficiency Standards, and installations linked to the Deposit Return Scheme. However, where these compliance-driven investments also risk increasing business rates, they are more likely to be limited to the minimum required rather than more ambitious, productivity-enhancing upgrades.

Borrowing costs and access to finance also shape decisions. Many independent retailers are risk-averse and self-fund investment, with limited appetite or ability to take on external financing, particularly in a high-interest-rate environment. Where an investment is likely to increase business rates, retailers are more likely to defer or reduce its scale unless the payback period is short and highly certain.

Overall, business rates interact with other cost pressures to create a cumulative disincentive to invest in physical premises. Even where an investment would improve productivity, safety or customer experience, the risk of a higher and permanent rates bill often pushes retailers towards minimal, compliance-only upgrades rather than the more ambitious investment needed to support long-term growth.

17. How do business rates factor into your decisions about property ownership, development, or refurbishment?

N/A

18. How do you factor revaluations into business planning (at an individual property level and across your portfolio)? If possible, please provide examples.

N/A

19. What are the benefits and downsides of a system where the property occupier is liable for business rates, versus the owner?

Where the occupier is liable, the business using the property can factor the cost into day-to-day operating decisions. However, this can also create a downside as they do not control the long-term condition or structure of the property, and where investments made by occupiers can lead to higher and permanent liabilities.

On the other hand, where the owner/landlord is liable (and not running the business) costs may be passed on through higher rents and reduced transparency for occupiers.

On balance, ACS would support retaining occupier liability, provided the system better protects occupiers from disproportionate increases in liability resulting from necessary or compliance-driven investment.

20. What changes could be made to the administration of the system to support business investment?

Administrative reform of the business rates system would play an important role in supporting business investment by reducing uncertainty, improving timeliness, and lowering compliance burdens, particularly for small and independent retailers.

A key priority is improving the Check, Challenge, Appeal (CCA) process, which is currently slow and resource-intensive. Many retailers face long delays in resolving challenges to their Rateable Values, leaving them with prolonged uncertainty over liabilities and potential backdated bills. This uncertainty directly discourages investment, as retailers are reluctant to commit capital while their rates position remains unresolved. Streamlining the CCA process, improving case handling times, and ensuring the VOA/HMRC is adequately resourced would give businesses greater confidence to invest.

The introduction of new duty to notify and annual reporting requirements also risks increasing administrative burden without delivering proportionate benefits. For many retailers, property details change infrequently, yet businesses will still be required to engage annually with the system. For small retailers in particular, it is often unclear which changes

are material for valuation purposes, increasing the risk of accidental non-compliance and disputes.

To support investment, the system should adopt a more proportionate and practical approach, including allowing ratepayers to submit a simple “no material change” declaration where appropriate, and making greater use of pre-populated information already held by the VOA. Clear guidance and a more supportive compliance framework would reduce the need for professional advice, lower administrative costs, and allow retailers to focus resources on investment rather than navigating complex reporting requirements.

Chapter 4 – Transforming Business Rates: reforms to incentivise investment

21. Do you have any specific examples where ‘cliff-edges’ in the system have been, or will be an impediment to investment?

Yes. There are several clear examples of “cliff-edges” within the business rates system that act as a direct impediment to investment in the convenience sector, particularly when combined with revaluation-driven increases in Rateable Value.

One of the most significant cliff-edges relates to Small Business Rate Relief (SBRR). Businesses with a RV of £12,000 or below receive 100% relief, with tapered relief up to £15,000. Even relatively modest investment – such as a small refit, security upgrades, or energy efficiency improvements – can push a property above these thresholds, resulting in the sudden loss or sharp reduction of relief and a disproportionate increase in rates payable. This creates a strong disincentive for retailers to invest in improvements that would otherwise support productivity, safety, or compliance.

A further cliff-edge exists at the point where properties move from the small business multiplier to the standard multiplier with their RV increasing to >£50,000. Retailers whose properties sit close to this threshold may face a steep increase in liability if investment or revaluation pushes them over the limit, even where the underlying improvement is modest and the commercial return uncertain.

While transitional relief can soften the immediate impact of revaluation increases, it does not remove the underlying increase in liability and can still result in significant year-on-year rises, creating ongoing uncertainty and reducing retailers’ willingness to invest.

22. What types of investment would be supported by a move to a slice-based system?

A move to a slice-based system would support incremental and necessary investment in the sector by reducing the risk of sudden and disproportionate increases in business rates when RVs rise. It would encourage retailers to invest in store refits, refrigeration, energy efficiency measures, security and safety improvements, accessibility works, and compliance-driven upgrades, by ensuring that only the portion of value above a threshold is subject to a higher multiplier.

23. What are the wider benefits or downsides of a slice-based tax?

A slice-based tax could deliver wider benefits by reducing cliff-edges and improving predictability, particularly for retailers whose Rateable Values sit close to key thresholds. By ensuring that only the portion of value above a threshold is charged at a higher rate, a slice-based system would smooth increases in liability and reduce the risk of sudden and disproportionate rises following modest investment or revaluation.

However, it is important to recognise that the current system works reasonably well for much of the convenience sector, as the majority of stores have Rateable Values well below £51,000 and benefit from the small business or retail multipliers. Any reform should therefore retain a larger “slab” at the bottom of the system, preserving simplicity and certainty for smaller properties, and only move to a slice-based approach above an appropriate threshold, such as £51,000, where cliff-edge effects are most acute.

In particular, Small Business Rate Relief (SBRR) must be maintained and protected, as it plays a critical role in supporting the smallest, low-margin retailers, especially those in villages, neighbourhoods and secondary shopping areas. A slice-based system should complement, not replace, SBRR, and must avoid introducing additional complexity or uncertainty for businesses that currently rely on this relief. If poorly designed, there is a risk that reform could dilute support for smaller retailers or increase administrative complexity without delivering meaningful investment benefits.

Overall, a targeted and carefully phased approach – retaining simplicity at the lower end while introducing slices only where they address genuine cliff-edges – would maximise the benefits of reform while minimising the downsides for small retailers.

24. What types of improvements have you considered, but not taken forward because of business rates? Where possible, please provide specific examples where Improvement Relief (IR) has factored into these decisions.

N/A

25. Are there any other aspects of IR that you would like to make the Government aware of that would support investment?

Improvement Relief is a positive and welcome step in supporting business investment, as it allows retailers to undertake structural improvements to their premises without immediately facing higher business rates. For example, where a retailer invests in expanding their shop floor or carrying out a major refurbishment, Improvement Relief provides a period in which costs can begin to be recovered before an increased Rateable Value translates into higher liability.

However, the current design of Improvement Relief is too narrow and limits its effectiveness in encouraging the types of investment that retailers are most likely to make. In particular, the scheme excludes increases in Rateable Value arising from the installation of plant and machinery, such as shelving, refrigeration units, and air conditioning systems. These investments are central to modernisation, operational efficiency and environmental improvement, yet retailers currently face higher business rates almost immediately when undertaking them.

Improvement Relief should therefore be expanded to include qualifying plant and machinery, especially where upgrades support energy efficiency, decarbonisation and compliance with Minimum Energy Efficiency Standards (MEES). This would better reflect how retailers invest in practice and would support long-term reductions in operating costs.

To genuinely incentivise investment, the relief period should also be extended beyond the current 12 months. A longer period of at least three years would better align with typical investment cycles in the convenience sector and provide retailers with sufficient time to recoup costs and realise returns. This is particularly important given that the majority of retailers fund investment from their own reserves and take a cautious approach to capital spending.

There are also lessons to be drawn from the Scottish Business Growth Accelerator Relief, which provides a more comprehensive approach by including certain plant and machinery. Adopting a similar model in England would ensure that necessary and beneficial upgrades are not discouraged.

Finally, CCTV and security systems should be excluded from business rate valuations. Retailers should not face higher rates as a result of investing in crime prevention measures that protect staff, customers and property. Exempting CCTV would encourage further investment in safety at a time when retail crime remains a significant concern.

26. To what extent does Empty Property Relief (EPR) influence your business's decisions to acquire, hold, invest in, or dispose of empty properties?

N/A

27. What are the main factors that contribute to bringing an empty property into use within your sector? Please provide details.

The main factors that contribute to bringing an empty property back into use in the convenience sector are affordability, suitability of the premises, and certainty over ongoing costs.

For retailers, the total cost of occupation is critical. This includes rent, business rates, fit-out costs, and ongoing operating expenses such as labour and energy. Properties are more likely to be brought back into use where rents and rates are set at a level that reflects local trading conditions and allows a viable business model to operate.

The condition and suitability of the property also plays a major role. Many vacant units require significant upfront investment to meet regulatory requirements, including MEES, as well as costs associated with refits, refrigeration, shelving, accessibility works and security measures. Where these costs are high or uncertain, retailers are less likely to invest.

Certainty and predictability within the business rates system is another important factor. Retailers are more willing to take on vacant properties where they have confidence in future liabilities and are not exposed to sudden or disproportionate increases in rates shortly after occupation.

Targeted incentives can also play a decisive role in encouraging reoccupation. One effective example is [Scotland's Fresh Start Relief](#), which provides businesses that move into certain long-term empty properties with a 100% business rates discount for their first year of occupation, provided the property has been vacant for a minimum period and meets eligibility criteria.

By reducing rates liability during the critical first year of trading, Fresh Start Relief helps offset the high upfront costs associated with bringing a vacant unit back into use, including fit-out, compliance and staffing costs. Introducing a similar scheme in England would lower barriers to entry for retailers, encourage earlier reoccupation of empty properties, and support investment in local high streets and neighbourhood parades.

28. The government is committed to tackling avoidance, while also ensuring that EPR supports business investment. How can the government best meet those aims through reform?

Measures to tackle avoidance, such as tightening the definition of occupation and limiting practices designed solely to trigger EPR, are important to ensure fairness and maintain confidence in the system. However, reforms should clearly distinguish between deliberate

avoidance and landlords who are genuinely struggling to secure tenants due to market conditions, regulatory requirements, or high operating costs. A proportionate approach is essential to avoid discouraging legitimate investment or worsening long-term vacancy.

At the same time, reform should focus more strongly on positive incentives for reoccupation. Policies that reduce the upfront costs of bringing properties back into use – such as time-limited reliefs for new occupiers, support for meeting regulatory requirements like Minimum Energy Efficiency Standards, or schemes similar to Scotland’s Fresh Start Relief – would do more to support business investment than punitive measures alone.

Finally, improved valuation accuracy and administrative efficiency, including a faster and more effective Check, Challenge, Appeal (CCA) process, would help ensure that business rates liabilities reflect economic reality. This would reduce disputes, increase confidence, and encourage both landlords and retailers to invest in bringing vacant properties back into use, while ensuring that avoidance is addressed in a fair and targeted way.

29. EPR has a reset period of 13 weeks. What are the typical lease durations of occupants of non-domestic properties?

30. What is a typical number of days per year that short-term lets are (a) available to let and (b) actually let?

Don’t know

31. What evidence is there that SBRR is being used by second home owners whose main aim is not to operate a local business but to manage tax liabilities?

Don’t know

32. How could SBRR be reformed to limit its use by second homeowners who are not mainly operating a local business while maintaining support for those who are?

Don’t know

33. Does the current system for monitoring and enforcing which short-term lets qualify for business rates work effectively?

Don’t know

Chapter 5 – Valuations on the Receipts and Expenditure methodology

34. Has the process and methodology of your R&E valuation impacted your ability to plan and/or implement your investment decisions, either for the 2026 revaluation or previous revaluations? Please include:

- a) Detail on the projects, for example timescale, location, planned spend, and why you planned to make that investment
- b) Any impact on consumers, other businesses, or your local community of changes to investment plans
- c) Any impact on the wider economy and growth, trade, tourism, regional regeneration or connectivity
- d) Where your liabilities have changed, how you have decided between reducing/increasing investment and passing through additional costs or savings to your customers and why

N/A

35. Is there evidence that valuer judgements make outcomes on R&E more unpredictable than other methodologies? If so, please explain.

ACS also represents 8,279 petrol forecourt stores (around 16% of the sector), which are typically valued using the receipts and expenditure methodology, meaning that investment and changes in trading performance can have a more direct and less predictable impact on Rateable Values.

Under R&E, valuations depend on assessments of maintainable trade, costs, margins and appropriate returns, all of which require significant professional judgement and can vary depending on assumptions and interpretation. This means that similar sites can receive materially different outcomes, and that changes in trading performance or investment can translate into uncertain and difficult-to-forecast changes in liability at revaluation.

A particular challenge for petrol forecourts is the treatment of duty-laden products. Categories such as fuel, tobacco and alcohol can drive high turnover figures but do not necessarily reflect underlying profitability or value to the business. Without a transparent and consistent approach to how these products are reflected in R&E valuations, there is a risk that turnover-based assessments overstate the economic capacity of the business, further increasing uncertainty and reducing predictability for investment planning.

36. Are there elements of the methodology or its application which make your rateable value challenging to predict? If so, which elements and why are they challenging to forecast?

37. What approaches would provide you with greater predictability and stability for your valuation? Please include:

- a) Why this approach would provide greater predictability
- b) Any downsides and mitigations, such as less responsiveness to market conditions or specifics of your property

38. What are the advantages and disadvantages of more direct government involvement in valuation, such as intervention to prescribe aspects of a property's valuation?

39. Is there a different approach to valuation or calculating your rateable value that would provide a more appropriate basis for business rates liabilities, and why?

40. Are there aspects of the property tax system and valuation in other countries you either operate in or directly compete with that better enable high-value, long-term investment? If so, what are they and why are they effective?

Pre-list discussion process and transparency

41. Are there wider changes government should consider to the business rates system that would better enable high-value, long-term investment?

Yes. There are several wider changes the Government should consider to ensure the business rates system better enables high-value, long-term investment. Some of these points were made earlier in the consultation but have been repeated here:

- **Strengthen and expand Improvement Relief** to better support long-term investment, including extending eligibility to cover investments that facilitate decarbonisation and energy efficiency, helping retailers meet Minimum Energy Efficiency Standards (MEES) without facing immediate increases in business rates.
- **Extend Improvement Relief from 12 months to at least three years**, aligning the relief period more closely with typical investment cycles and allowing businesses sufficient time to recover costs and realise returns before facing higher liabilities.
- **Remove CCTV and security measures from rateable value assessments**, ensuring retailers are not penalised for investing in crime prevention and staff safety at a time of heightened retail crime.
- **Draw on the Scottish Business Growth Accelerator model**, which provides relief for certain property improvements, including plant and machinery, offering a more comprehensive approach to encouraging modernisation and productivity-enhancing investment.
- **Introduce a Fresh Start-style relief in England, similar to Scotland's Fresh Start Scheme**, providing time-limited rates relief for businesses that occupy long-term empty properties, reducing barriers to entry and encouraging investment in vacant units.
- **Index Small Business Rate Relief (SBRR) thresholds**, ensuring that rising Rateable Values at revaluation do not unintentionally push small, low-margin businesses out of eligibility and create new barriers to investment.
- **Provide business rates relief for reverse vending machines**, recognising that retailers may be required to host these installations to comply with Deposit Return Scheme requirements and should not face increased rates as a result of compliance-driven investment.

42. Does your business take part in pre-list discussion with the VOA?

N/A

43. How easy is it for your business to share the necessary / requested information with the VOA to support an accurate valuation on complex points? Please include:

NOTE: Responding to this question as a trade body, reflecting the experiences and feedback of our members rather than the position of any single business.

In general, many convenience retailers – particularly small and independent operators – find it challenging to share the necessary information with the VOA in a way that is proportionate and clearly understood, especially where valuations involve more complex points.

a) Time and capacity

Retailers typically operate with limited administrative capacity, and for many members property details change infrequently year to year. The introduction of annual confirmation requirements and short notification windows for changes will therefore add a time burden that is difficult to justify where there has been no material change. This is particularly challenging for small businesses without dedicated property or finance teams.

b) Compatibility with financial reporting arrangements

Information requested by the VOA is not always aligned with how small retailers structure their internal financial reporting. Many retailers do not routinely break down information in the format required for valuation purposes, meaning additional work or professional advice is often needed. This creates extra cost and complexity, particularly for businesses operating on tight margins.

c) Understanding of how evidence is used

There is often limited clarity among retailers about which changes are material for valuation purposes, how submitted evidence is used, and why specific information is required. Without access to professional rating advice, this increases the risk of inadvertent non-compliance or over-reporting, which can undermine confidence in the system.

These challenges are being introduced alongside well-documented resourcing and capacity pressures within the VOA and HMRC, including delays in valuations and in resolving appeals. Without sufficient investment in staffing, systems and guidance, the increased volume of data risks leading to backlogs, inconsistent case handling and further disputes, prolonging uncertainty for businesses.

To address these issues, ACS supports the introduction of a “no material change” declaration for annual returns, alongside pre-populated forms using data already held by government, to reduce administrative burden while still supporting accurate valuations.

44. Which areas of the pre-list discussion process supported your ability to understand your valuation and ensure it was accurate?

N/A

45. Which, if any, elements of the pre-list discussion process could be improved and why?

Don't know.

46. How can government and the VOA better communicate with ratepayers to build confidence and predictability into the system?

Government and the VOA can build confidence and predictability by providing clearer, more consistent communication on what information is required, how it is used in valuations, and which changes are material for rateable value. Practical guidance written for small businesses, earlier engagement ahead of revaluations, and more transparent explanations of valuation outcomes would help retailers better understand their liabilities. Improving response times and providing clearer timelines for valuations and appeals would further reduce uncertainty and increase confidence in the system.