

High street retailers to get £2,500 cut to their rates bills

The Welsh Government is investing £23.6 million to enhance and extend the high street rates relief scheme in 2019-20.

Around 15,000 businesses, including shops, restaurants, cafes and pubs will receive enhanced support to pay their rates bills from April 2019.

Professor Drakeford said:

“The high street is at the heart of local communities, providing a central hub for people to shop, eat and socialise.

“The current economic conditions and competition from the internet and out-of-town shopping centres, have hit some high street businesses hard.

“This enhanced high street rate relief scheme for 2019-20 will ensure more ratepayers across Wales receive support to pay their bills and can continue to provide much-needed services to their local communities.”

The Welsh Government set up the high street rates relief scheme in April 2017 to provide bespoke support to retailers affected by the 2017 revaluation by the independent Valuation Office Agency and by the growth in internet sales.

It was extended into 2018-19 to provide further support for high street businesses.

The enhanced scheme for 2019-20 will go further than in previous years providing eligible businesses with up to £2,500 off their non-domestic rates bills.

Some 15,000 retailers throughout Wales with a rateable value of up to £50,000 will benefit from the scheme and rates bills will be reduced to zero for properties with a rateable value of up to £9,100.

Local authorities will also receive an additional £2.4 million to provide discretionary rates relief allowing them to respond to specific local needs. This funding will be provided to councils through the revenue support grant in 2019-20.

Together, an extra £26 million will be made available to help small businesses pay their bills in 2019-20 – this is the full consequential Wales received in the UK Autumn Budget as a result of decisions made in relation to business rates in England.

The enhanced high streets rate relief scheme is in addition to the wide range of support, which the Welsh Government provides to small businesses in Wales.

Every year, it provides more than £210 million to help businesses pay their rates bills and last year the Welsh Government announced a £100 million programme of targeted regeneration investment to support businesses in areas which need it most and a £20 million town centre loans fund to help bring underused, empty or derelict sites in town centres back to life.

Professor Drakeford added:

“This extension to the high street rates relief scheme and the additional funding for discretionary rates relief, together with the permanent small business rates relief scheme, which has been in place since April 2018, combine to offer timely and targeted support for ratepayers across Wales.”