

Mark Drakeford announces details of High Street Rates Relief Scheme

The scheme will support almost 15,000 shops, restaurants, pubs and cafes, including those which have seen their rates increase as a result of the independent Valuation Office Agency's (VOA) revaluation, which comes into effect on April 1.

The high street rates relief scheme will also provide support to other retailers – some of whom have seen their rates decrease as a result of revaluation – who are struggling in the face of economic conditions and competition from online and out-of-town providers.

Eligible retailers will receive up to £1,500 off their non-domestic rates bill if they have a rateable value of £50,000 or less in the 2017 18 financial year.

To maximise the amount of support which can be provided and ensure it is targeted at areas and businesses most in need, there will be two tiers of relief available.

The first tier of relief will apply to high street retailers with a rateable value of between £6,001 and £12,000 who are already receiving either small business rates relief (SBRR) or transitional rates relief. They will receive a reduction in their rates bill of £500 or, if their bill is less than £500, it will be reduced to nil.

The second tier of relief will apply to eligible high street retailers with a rateable value of between £12,001 and £50,000 which are experiencing a rates increase from April 1. These ratepayers will receive a reduction in their rates bill of £1,500.

They will receive a higher level of support to reflect the fact they are not receiving other support, such as SBRR, and may be facing large increases in their rates following the revaluation.

High street rates relief is unique to Wales and will provide crucial support to small and medium businesses at this time – it is estimated that this will benefit almost 15,000 businesses.

The targeted rates relief scheme will be provided through a special grant made to each local authority.

Announcing the details today, Professor Drakeford said:

“Some retailers across Wales are concerned about increases in their rates as a result of the VOA's revaluation.

“We are therefore providing a further £10m to help businesses in

those communities which have been adversely affected.

“This new scheme is in addition to the £10m transitional relief scheme, which will also be available from April 1 and the £100m tax cut for small businesses in Wales provided by small business rates relief. It will provide vital support to ratepayers on high streets across Wales and offer these businesses extra support.

“Work is already underway to develop a new permanent small business rates relief scheme for 2018. We are listening to the feedback we have received so we can make the scheme as fair, reasonable and transparent as possible.”

The Welsh Government has been working closely with local authorities to develop the scheme and prepare for its implementation.

Retailers can find out whether they are eligible for the high street rates relief scheme in 2017-18 by contacting their local authority. Accompanying guidance will be provided to local authorities to support the effective administration of the relief.

Ben Cottam, Head of External Affairs for FSB Wales, said:

“We welcome that the Welsh Government has made good on its commitment to easing the pressure on high street businesses affected by the introduction of new levels of business rates. We also welcome the Government’s engagement with FSB on this issue in recent months. We would now encourage local authorities to engage quickly with businesses to ensure that all those who are entitled to this relief receive it as quickly and simply as possible.

“This will go some way to providing breathing space for many businesses whom we know have been concerned about the impact of new rates bills on their business.”