

|  |
| --- |
| WRITTEN STATEMENTBYTHE WELSH GOVERNMENT |

|  |  |
| --- | --- |
| **TITLE** | **Targeted High Street Rates Relief Scheme 2018-19** |
| **DATE** | **15 March 2018** |
| **BY** | **Mark Drakeford AM, Cabinet Secretary for Finance** |

On 13 December 2017, I announced an extra £5 million of support would be made available to extend our High Street Rates Relief scheme for one further year into 2018-19.

The High Street Rates Relief scheme is unique to Wales and will provide support to around 13,000 small and medium-sized businesses across the country in 2018-19. It is fully funded by the Welsh Government.

For 2018-19, High Street Rates Relief will provide support of up to £750 on non-domestic rates bills for eligible businesses with a rateable value of up to £50,000.

Ratepayers who will benefit from the relief include those with occupied high street retail premises, such as shops, restaurants, cafes, pubs and wine bars.

To maximise the amount of support which can be provided and to ensure it is targeted at those areas and businesses affected by the 2017 revaluation, there will continue to be two tiers of relief.

The first tier will apply to eligible high street retailers with a rateable value of between £6,001 and £12,000 who are in receipt of either small business rates relief (SBRR) or transitional rates relief.

These ratepayers will receive a reduction in their rates bill of £250, except where this would reduce their bill below nil – in these cases ratepayers will receive a discount equal to the amount of their outstanding liability.

The second tier of relief will apply to eligible high street retailers with a rateable value of between £12,001 and £50,000 who saw an increase in their non‑domestic rates liability on 1 April 2017. These ratepayers will receive a reduction in their rates bill of up to £750.

This higher level of support reflects the fact these businesses are not entitled to other sources of government-funded relief, such as SBRR, and faced increases in their rates liability as a result of the revaluation carried out by the independent Valuation Office Agency.

Targeting support in this way means it is available to eligible businesses which saw increases in their liability in 2017, as well to those businesses on high streets where rates are falling but businesses are struggling as a result of economic conditions and competition from online and out-of-town providers.

My officials have worked closely with local authorities to ensure the relief is administered effectively and eligible ratepayers will be notified about their entitlement.

This extended scheme, together with our decisions to extend our £100m small business rates relief scheme into 2018-19 and to provide three-year transitional rates relief scheme from April 2017, offers vital support to ratepayers across Wales.

*Technical note*

*The eligibility criteria for qualifying businesses are listed below:*

1. *Hereditaments that are being used wholly or mainly for the sale of goods to visiting members of the public.*
2. *Hereditaments that are being used wholly or mainly for the provision of the retail services to visiting members of the public*
3. *Hereditaments that are being used wholly or mainly for the sale of food and/or drink to visiting members of the public.*

*The relief will exclude:*

1. *Hereditaments with a valuation of more than £50,000.*
2. *Hereditaments not reasonably accessible to visiting members of the public.*
3. *Hereditaments that are in out-of-town retail parks or industrial estates.*
4. *Hereditaments that are not occupied.*
5. *Hereditaments that are in receipt of mandatory charitable rates relief.*