

Rt. Hon. Mark Drakeford AM

First Minister for Wales

PS.FirstMinister@gov.wales

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Ref: 142 SUB 20

Dear Mark

Business Rates Relief

I am writing to express my concerns about the Welsh Government's decision not to extend business rates relief to properties in the retail, leisure and hospitality industries with a rateable value of £500,000 and above.

Business leaders the length and breadth of Wales have been in touch with me to set out the negative impacts that the policy will have on their businesses during this crisis. Some of the instant and most pressing concerns that I personally have are summarised in the following four points:

1. The ceiling will, for the majority, exclude supermarkets from rates relief, despite the fact they are central to the UK-wide Covid-19 response. They are one of the few sectors seeking to recruit more workers during the current crisis and the costs of rates could be a deciding factor in whether that recruitment takes place. Supermarkets in Wales should not be burdened with rates bills that equivalent premises in England will not have to pay;
2. Many hotels in Wales will be adversely affected by the limit, despite government guidance advising them to close, depriving them of any income;
3. Bluestone holiday park in Pembrokeshire will now not enjoy rates relief, despite becoming a recovery centre for people who have suffered with Covid-19;
4. I was copied into a letter that Gareth Davies has written to you about the Principality Stadium being ineligible for rates relief and the wider negative impacts that this policy will have on the Welsh Rugby Union.

I will always respect and protect your right to implement policies that are within your devolved remit but I also feel a certain sense of responsibility, during this national crisis, to air my concerns about any decision which - I believe - will have profound

impacts across the business sector. It has never been more important to support Welsh jobs and maintain the cultural and sporting fabric of our nation so that communities can look to the future with optimism.

I urge you to reconsider imposing a limit to rates relief in Wales and respond positively to the concerns expressed throughout Wales.

Personal Data

Rt Hon Simon Hart MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru