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| WRITTEN STATEMENTBYTHE WELSH GOVERNMENT |

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| **TITLE** | **Extension of the high street rates relief scheme in 2019-20** |
| **DATE** | **10 December 2018** |
| **BY** | **Mark Drakeford AM, Cabinet Secretary for Finance** |

The Welsh Government launched the high street rates relief scheme in April 2017 to provide targeted support for business affected by the independent revaluation and by the growth of internet sales.

I am today extending the scheme for a further year and extending the relief available through the scheme to businesses. The enhanced scheme will go significantly further than in previous years, providing support to all retailers in Wales with a rateable value of up to £50,000.

We will make an extra £23.6m of support available in 2019-20 through the high street rates relief scheme to support Welsh businesses – this is in addition to the more than £210m we provide through our other sources of support to help businesses pay their rates bills.

The enhanced high street rates relief scheme will provide support to around 15,000 small and medium-sized businesses in 2019-20. It will be fully funded by the Welsh Government and will provide support of up to £2,500 towards non-domestic rates bills for retail properties with a rateable value of up to £50,000.

It will reduce rates bills to zero for retail properties with a rateable value up to £9,100 and reduce bills by £2,500 for properties with a higher rateable value.

As well as increasing the level of support for retailers on the high street, the enhanced scheme will support retailers in other locations. Ratepayers who will benefit from the relief include those with occupied retail premises, such as shops, restaurants, cafes, pubs and wine bars.

We estimate that around 15,000 ratepayers will be helped by the scheme, which will operate in addition to our existing relief schemes.

A further £2.4m will be allocated to local authorities to provide additional discretionary rates relief for local businesses and other ratepayers to respond to specific local issues.

This funding will be provided to local authorities through the revenue support grant in 2019-20.

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 and other bespoke reliefs, combine to offer timely and targeted support for ratepayers across Wales.

This approach makes full use of the consequential we received in the UK Autumn Budget. We have designed a scheme which fits the needs and circumstances of small businesses in Wales.

Technical note

The eligibility criteria for qualifying businesses for the enhanced high street and retail rates relief scheme are as follows.

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 not occupied.
4. Hereditaments that are in receipt of mandatory charitable rates relief.