







The Rt. Hon. Jeremy Hunt MPThe Rt. Hon. Michael Gove MPChancellor of the ExchequerSecretary of StateHM TreasuryDepartment of Levelling Up, Housing and1 Horse Guards RoadCommunitiesLondon2 Marsham StreetSW1A 2HQLondonSW1P 4DF

8th November 2023

Business rates for the hospitality, leisure and retail sectors

Dear Chancellor, Secretary of State,

We write to you as the face of the high street, businesses that bring people together and contribute to the nation's physical and mental health. Collectively, we are an economic powerhouse, representing over 6 million employees across the hospitality, leisure and retail sectors.

At your Autumn Statement last year, you set out a generous package of business rates support recognising the economic damage wreaked by the energy crisis and inflationary costs through the economy. You correctly identified the specific burden of rates on our sectors with the extension of, and increase in, the Retail, Hospitality and Leisure (RHL) Relief, as well as freezing the business rates multiplier.

One year on, the success of these measures is shown by the resilience of businesses in our sectors, despite intense pressure. However, these pressures continue. Energy prices remain at historically high levels, we have seen soaring wage costs (in our labour-intensive sectors) and our input costs remain high. For many businesses in hospitality, leisure and retail, the crisis is far from over.

We therefore collectively urge you to continue your business rates support – prioritising a freeze in the multiplier, extension of the RHL Relief for a further year at 75% and an increase in the relief's cap to at least £2 million per business.

By providing this critical business assistance you will allow us to continue to provide our much-loved services to our communities, invest in our high streets and continue to employ millions of people in every part of the country.

An inflationary increase in the business rates multiplier and removal of reliefs would be disastrous for our sectors. It will mean business failures, job losses and boarded up properties in our high streets, denying people their livelihoods and their social pleasures.

We are optimistic sectors that know we can play an important part in people's lives. We want to grow, we want to constrain costs and we want to contribute to society – action at the Autumn Statement on business rates is needed for us to deliver on these mutual objectives.

We would welcome a meeting to discuss this further and look forward to seeing positive action in your Autumn Statement.

Yours sincerely,





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Huw Edwards, CEO, UK Active

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