

## The business rates dilemma: to survive or to thrive?

# Treasury announces £100m lifeline for ailing pubs after business rates backlash

**T**he Treasury has announced a new support package for pubs worth around £100m a year.

Under the plans, pubs will receive a 15 percent cut to new business rates bills from April, followed by a two-year real-terms freeze. The government will also review how pubs are valued for business rates, with changes to be implemented for the 2029 revaluation. In addition, £10m of funding has been allocated to the Hospitality Support Fund over three years to help more than 1,000 pubs provide community services such as cafés, village stores and play areas.

"We welcome the gov-

### BUSINESS RATES

The government has unveiled an **emergency support package** for pubs amid warnings of closures and job losses - but will it be enough to save the sector?



ernment looking at ways to support pubs, which have unique social value and are a vital employer," commented Emma McClarkin, chief executive of the British Beer and Pub Association. "In the long term we want to work with government to help pubs thrive through permanent, meaningful business rates reform, a beer duty cut, a fundamental regulatory reset and mitigation of soaring employment costs."

Downing Street also said a new High Street Strategy would be pub-

lished later this year "to help ensure retail, leisure and hospitality businesses can thrive, as the bedrock of strong communities".

Chancellor Rachel Reeves concluded: "If we're going to restore the pride in our communities, we need our pubs and our high streets to thrive. We're backing British pubs with additional support, and our new High Streets Strategy will help tackle the long-term challenges that our much-loved retail, leisure and hospitality businesses have faced."

# Support the high street or lose it: GBG signals the danger signs to government and local authorities

**Peter Hannibal**, chief executive of the Gambling Business Group, has issued a stark message to the government and local authorities: we are in danger of losing the high street if we fail to address the business rates elephant in the economic room.



“The government's support package announced for pubs this week is an important step towards addressing the threat facing high street locals around the country,” Peter Hannibal told Coinslot. “But it will only serve to slow the decline of town centre and seaside economies. The business rates support programme stops at £100m and does not extend into the broader hospitality sector - and every business on the high street recognises that they cannot exist without thriving neighbours, all driving footfall and delivering a versatile vibrant retail offering.”

The GBG represents businesses from virtually every sector of the land based hospitality sector through its core membership from gambling, gaming and amusements, to its partnerships with organisations such as

UK Hospitality and the BBPA.

And its message is echoed across the board. “Our members play a significant role in the high street economy: they are currently one of the most important investors in retail units across the UK. This investment amounts to hundreds of millions of pounds, aimed at reviving many fading high streets, bringing employment and footfall throughout. But the costs of running these regeneration businesses is becoming a block. And it starts with a rampaging business rates model which, quite frankly, is unaffordable given the breadth of additional costs applied exclusively to our businesses through regulatory costs and the new Gambling Levy. It's unsustainable which is why it's so important to extend the business rates support package across the retail sector.”

This year, the gambling sector has

had to find an extra £100m to fund the Gambling Levy, and that is an ongoing annual cost. The irony isn't lost on Hannibal: “The government is giving the pub sector £100 million this year to ease the rates pressures on pubs and to, what they think, save pubs from extinction. Our industry is paying £100 million annually to the Gambling Levy to fund research and support gambling harm projects. The economic equivalence is incomprehensible. The high street needs far more than a £100 million business rates package to deliver regeneration - because the loss of the high street, and indeed the seaside sector is unimaginable and will never be recovered.”

Hannibal's call to both the government and the local authorities is to extend the business rates support package to all retail units including gambling, gaming and amusements operators. “The government seems

to have taken this U-turn as a defensive measure - it's there to protect pubs already on the edge of closing. But extending the rates package to other sectors will have an additional effect: it will act as a revenue driver. It will release funds for investment and growth. And that surely must be a priority for the government and local authorities. We cannot have any more shuttered shops on the high street. We have to halt the daily announcements of retail units closing down.”

And he concluded: “We need to expand our focus beyond saving businesses from going under to encouraging businesses to invest. That's why we need a business rates support package across the board. There are businesses ready to grow - and they need the confidence to do so - reducing the business rates bills is a crucial part of that model.”