



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Dame Caroline Dinenage MP
Chair, Culture, Media and Sport Committee
House of Commons
Palace of Westminster
London
SW1A 0AA

12 March 2020

Dear Dame Dinenage,

Thank you for your letter of 8 January to the Chancellor setting out the Culture, Media and Sport Committee's concerns regarding the impact of business rates reforms on hospitality and entertainment venues. I am replying as Minister responsible for the UK tax system. I am sorry for the delayed response.

As you will be aware, at the Budget, the Valuation Office Agency announced updated property values from the 2026 revaluation. This revaluation is the first since the pandemic, which has led to significant increases in rateable values for some properties. The Government has also been unwinding the temporary business rates relief for the retail, hospitality and leisure (RHL) sectors since the pandemic.

In recognition of the impact of the revaluation on bills, at the Budget, the Government announced a £4.3 billion business rates support package, including to cap large overnight bill increases that some properties would otherwise have seen as a result of the 2026 revaluation. The Government has also announced that every pub and live music venue will receive 15% off its new business rates bill on top of the support announced at Budget in 2026/27, ahead of their bills being frozen in real terms for a further two years.

The Government is also introducing new permanently lower tax rates for eligible RHL properties. These new tax rates are worth nearly £1 billion per year and will benefit over 750,000 properties, including entertainment venues such as cinemas and music venues.

In preparing for the Budget and since, the Government considered a wide range of evidence and data on the impact of the revaluation and the support package on different types of properties.

There is publicly available information on the 2026 revaluation published by the Valuation Office Agency, which can be found online here: [Non-domestic rating: change in rateable value of rating lists, England and Wales, 2026 Revaluation \(draft list\) - GOV.UK](#).

The Treasury also published a document setting out the effects of the new multipliers at the Budget, which can be found online here:

<https://www.gov.uk/government/publications/effects-of-the-business-rates-retail-hospitality-and-leisure-multipliers-and-high-value-multiplier/effects-of-the-business-rates-retail-hospitality-and-leisure-multipliers-and-high-value-multiplier>.

More broadly, all pubs and hospitality venues will be allowed to extend opening hours for Home Nation games in the later stages of the Men's Football World Cup this summer. The Government will also legislate to increase the number of Temporary Events pubs and other hospitality venues can hold, whether that is to help them screen other World Cup games, or host community and cultural events.

I hope this response is helpful. Thank you for the Committee's continued interest on this important issue.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'DM Tomlinson', written in a cursive style.

DAN TOMLINSON MP
EXCHEQUER SECRETARY TO THE TREASURY