



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
By email

22nd December 2025

Dear Rachel

I have been contacted by a number of business owners in my constituency, specifically in the hospitality trade, expressing their huge concern about the changes to Business Rates and the strain this will put on already struggling businesses.

The publicans, brewery and hotel owners have made thorough investigations of their own. These are proactive, determined, competent business owners who list being faced with increases in wages, food costs, electric costs and national insurance costs. They believe passionately in the focus of their hosteries for social cohesion as well as for young people to have their first experience in the workplace, learning valuable soft skills in the process.

Having worked through the changes to rateable values; multipliers; removal of Retail Hospitality and Leisure rates relief; transitional relief and the Supporting Small Business scheme for properties losing their RHL relief in 2026/27 they are still faced with substantial increases in their business rates. In 2026/27 these are 5%, 15% or 30%, depending on their rateable value. In 2027/28 these rates rises look like 10% or 25%, plus inflation (relative to their 2025/26 business rates); in 2028/29 the figures are 25%, 40%, 25% plus inflation (relative to their 2025/26 business rates). In the words of one of the publicans:

The review to rateable values is the latest in a string of measures that have made operating a small business so much more challenging and will lead to many closures, job losses and rural communities with nowhere to meet, socialise, celebrate and event or just enjoy a glass of wine or a pint of beer.

Another area of concern starts with the increases to the rateable values themselves. Rateable values on select village pubs in my constituency from 1st April 2026 and checked by my office show hikes from £22,500 to £61,400; from £16,000 to £31,750; from £4,050 to £11,500. There are also smaller-change and no-change examples to be found. The transitional reliefs are only projected up to 2029 thereafter the two- and three-fold increases on business rates seen at this point are the baseline for a future of more increase and unknown reliefs.

Publicans and hospitality managers have reviewed comparable businesses through the Valuation Office Agency and find huge disparities in the changes to rateable value. This certainly raises questions in their minds that the basis of valuations is imperfect and an opportunity to fix this has been missed.

Can you provide any explanations as to these widely differing changes to the rateable values?

Further, what are your longer term projections for reliefs to reduce the business rates burden

Dr Ellie Chowns MP

Member of Parliament for North Herefordshire
House of Commons, London, SW1A 0AA

for the hospitality sector?

Yours sincerely

A handwritten signature in black ink, appearing to read "Ellie Chowns".

Dr Ellie Chowns MP
Member of Parliament for North Herefordshire