



Rebecca Evans MS
Minister for Finance and Trefnydd,
Welsh Government,
By Email

2 November 2022

Re: Holiday Lets 2020/21

Office of Janet Finch-Saunders MS,
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The Welsh Parliament,
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Dear Minister, Rebecca,

Please refer to my declaration of interest form in terms of property ownership. I am writing with regards to concerns that have been raised with me in relation to holiday lets. At present, they need to be available for let 140 days and actually occupied for 70 days to qualify for business rates. In many instances, this results in the business qualifying for Small Business Rate Relief. However, should the aforementioned threshold not be met, holiday lets are being asked to pay Council Tax.

During 2020/21 communities across Wales were impacted by local and national lockdowns. In fact, the Professional Association of Self Caterers UK (PASC UK) has noted that it was impossible to legally advertise for let for 140 days, meaning that businesses are now being reclassified by the Valuation Office Agency (VOA) and hit with Council Tax demands.

As PASC UK have rightly summarised, the situation is currently resulting in the Welsh Government effectively fining businesses for staying within the law during Covid-19. Indeed, whilst you have publicly stated that local authorities may use their discretion to reduce the rates liability by any amount or disapply a premium, taking account of specific circumstances, it has been made clear to me that at least one local authority in Wales is refusing to use its discretion by advising that they have to act on the VOA's decision to bring the property into Council Tax for the 2020/21 financial year.

Whilst I am aware that appeals are being made by residents to the VOA, I fear that they will fail due to the strict application of the criteria. In fact, the VOA has stated that they have no discretion in applying the criteria, and that "any change of the criteria would be a matter for the Welsh Government as policy owners". Therefore, I would be grateful if you could take decisive action by making a policy decision to allow the VOA flexibility to grant appeals by businesses who can prove that they were unable to meet the criteria in 2020/21 because of Covid-19 restrictions.

Yours sincerely,



Janet Finch-Saunders MS/AS