

**P-04-446 Business Rate Relief for Welsh Charity Shops –
Correspondence from the petitioner to the clerking team,
08.11.2013**

8th November 2013

Dear Ms Giddins,

I am writing to submit comments prior to the Petition Committee's consideration of our petition on Business Rate Relief for Welsh Charity Shops (P-04-446) on 26th November 2013.

The Minister for Economy, Science & Transport has now given the Government's response to the Task & Finish Group's report into Business Rate Relief for Charities, Social Enterprises & Credit Unions.

The Charity Retail Association welcomes the fact that no immediate changes will be made to charity shop rate relief.

We remain concerned about the uncertain position for charities in Wales with regard to their fundraising, which is already having an impact on the investment strategy of our members. It was widely reported in September that the Welsh cancer charity Tenovus had abandoned its plans to open several new shops over the next two years. This will undoubtedly have an impact on the charity's income; and when the vacancy rate in Welsh town centres is estimated to be 18 per cent, it is unfortunate that retailers may be disincentivised from taking up empty units.

Over 22,600 members of the public in Wales signed our petition, in just a few short weeks, to request that the Welsh Government did not place restrictions on charity shop rate relief. This is one of the largest petitions the Welsh Assembly has ever received, and indicates that the Welsh Government would not have the support of the general public should it continue to pursue the proposals in the report.

We have consistently argued that no evidence has been presented to support the Task & Finish Group's recommendations. In addition, the majority of consultation responses did not support the recommendations on restricting charity shop rate relief. If charity shops were a real source of concern for other retailers we also believe it would be reasonable to expect more responses from commercial high street traders.

The Charity Retail Association is happy to support its members to be more involved in Business Improvement Districts and we have written to the Minister offering our assistance. In addition, we have offered support in monitoring the sales of new goods in charity shops, though it should be noted that the Task & Finish Group's report recognised that the percentage of income from new goods sales in charity shops is only 4.4 per cent.

We now hope that the Welsh Government will provide charities with the certainty to continue to invest in the Welsh high street and support their fundraising efforts, which make a vital contribution to services in Welsh communities. We reiterate our willingness to meet with the Minister in order to discuss this and outline the evidence base for our position.

I would like to thank the Committee for considering our petition.

Yours sincerely,

Warren Alexander
Chief Executive