

My Ref: MG/AB/4184
Your Ref:

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Date: 25 February 2026

Dear Chancellor

Council Motion – Business Rates

I am writing to inform you that, at its meeting on 21 January 2026, the Full Council of Stockton-on-Tees Borough Council passed a motion concerning business rates and the impact of recent national policy changes on small businesses and the hospitality sector within the Borough.

In accordance with that resolution, I enclose the full text of the motion as approved by Members.

The Council has requested that the matters raised within the motion be brought to your attention and given due consideration.

Any response you may wish to provide will be shared with Members of the Council and published alongside the relevant minutes of the meeting, in accordance with the Council's usual practice.

Yours sincerely



Mike Greene
Chief Executive

The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Sent by email to
public.enquiries@hmtreasury.gov.uk
rachel.reeves.mp@parliament.uk

**COUNCIL – 21 JANUARY 2026
MOTIONS TO COUNCIL MOTION**

Council notes that:

The Labour Government's recent Budget has introduced policies that have significantly increased the financial burden on businesses, including higher employment costs, increased taxation, and a failure to adequately support our high streets.

Small businesses, independent shops, pubs, cafés, restaurants and hospitality venues are the beating heart of our communities in the borough of Stockton, providing employment, social value, and vital gathering spaces on our high streets and in our neighbourhoods.

Many of these businesses are already operating on tight margins and facing rising costs are now being further crippled by the Labour Governments policies that show little understanding of the realities facing local employers.

Labour promised a fundamental reform of business rates, yet this reform has failed to materialise. Instead, as a result of the Budget and the forthcoming revaluation, businesses are facing substantial and unaffordable increases in business rates.

Industry estimates indicate that over the next three years, Labour Government policies will result in average increases in business rates of 76% for pubs with many other small businesses facing similarly steep rises that threaten their long-term viability. This figure comes from analysis undertaken by UK Hospitality: <https://www.ukhospitality.org.uk/hospitality-business-rates-reformunravelling-with-urgent-action-needed/>

Under previous Conservative Governments, businesses received meaningful and targeted support, which helped protect jobs and keep high streets alive during unprecedented economic challenges.

Council believes that:

The Labour Government's failure to deliver on its promises to reform business rates, combined with its broader fiscal policies, risks causing widespread business closures, job losses, and long-term damage to high streets across the country and those in our borough. Local authorities have a responsibility to speak up when national government decisions are actively harming local businesses, workers, and communities.

Council resolves:

That the Council write to the Chancellor of the Exchequer expressing this Council's deep concern about the impact of the Labour Government's Budget and business rates policies on small businesses and the hospitality sector

That the correspondence urges the Chancellor to honour Labour's commitment to fundamental business rates reform and to reverse policies that are placing unsustainable pressure on pubs, restaurants, and small businesses.

That the correspondence highlights the severe impact on businesses in the borough of Stockton-on-Tees and call for urgent, targeted support to protect jobs, sustain local enterprise, and safeguard the beating heart of our communities.

That the letter be issued on behalf of the Council by the Chief Executive