

**DEAR
RACHEL,**



For the attention of
The Chancellor of the Exchequer

18th November, 2025

Dear Chancellor,

We write on behalf of more than **200 independent, sustainable food businesses** who are part of the Better Food Traders network and all of the co-signatories at the bottom of this letter, who **represent thousands of businesses across the UK.**

Ahead of the Budget on 26th November, **we urge you to stick with your planned business rates changes**, which are expected to increase rates for large premises such as supermarkets and distribution warehouses, while lowering rates for smaller retailers and hospitality businesses. This will be a highly effective way of levelling the playing field, and it is clear that supermarkets - many of which have raised their earnings calls over the last year - can afford to pay more.

Small businesses make up 99% of the total business population in the UK, and food and hospitality play a huge part in Britain's economy and local communities. Hospitality is the third largest employer in the UK, with 3.5 million people working in the sector, while **for every pound spent in 2024, 39 pence was spent in food shops.**

Unfortunately, **more than 95%** of that food spend goes to one of the 10 large supermarket chains, while more and more **small, independent retailers are struggling or even closing.** These types of businesses are the life-blood of our high streets and communities, and the impact is huge.

We know that there is a strong correlation between areas where there is visible high street decline, and higher levels of community breakdown and perception of systemic neglect by mainstream political parties. Closure of independents also **dismantles routes to market for farmers that offer better relationships and fairer prices**, and destroys local jobs where we know pay and terms are often fairer, and the number of people employed per pound of turnover is higher.

You can read more about **How alternative food retail can make the National Food Strategy a success**, a report co-written by Better Food Traders and Foodrise, plus its sister report **Profit Over Purpose** on why supermarkets are failing people and the planet.

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Recently, the CEOs of the UK's biggest supermarkets asked you to back-track on these upcoming business rates changes, with the threat of passing on the costs to shoppers rather than absorbing them. **This is frankly outrageous** - another example of supermarkets shirking their responsibilities and putting profit before people.

Supermarkets like to talk about the narrow margins they make – that's because they choose to spend vast amounts of money on CEO pay, and marketing for UPFs and unhealthy foods that fuel the obesity crisis. **Supermarkets are constantly squeezing farmers** (farming has one of the highest suicide rates of any sector in the UK), squeezing workers and hollowing out the high streets that we need and value - taking that money away from local economies to pay institutional shareholders.

Dozens and dozens of Councils around the UK are running Shop Local campaigns in an attempt to rebuild their high streets and communities, but the fact is **we need structural change through business rates**, not piecemeal local marketing.

It's time for large food retailers to pay their share, and for smaller retailers and hospitality businesses to be supported. Please stick to your plans and bring in these much needed business rate measures.

Yours sincerely,

Julia Kirby-Smith, Executive Director of **Better Food Traders**

Carina Millstone, Executive Director of **Foodrise**

Craig Beaumont OBE, Executive Director of the **Federation of Small Businesses**

Juliane Caillouette Noble, Managing Director of **The Sustainable Restaurant Association**

James Alcock, Chief Executive of **Plunkett UK**

Emma Mosey, Chair of the **Farm Retail Association**

Robert Fraser, Executive Director of the **Real Farming Trust**

Kath Dalmeny, Chief Executive of **Sustain: The alliance for better food and farming**

Jyoti Fernandes, Co-Founder of the **Landworkers Alliance**

Nick Weir, Community Facilitator of **Open Food Network UK**

Chris Young, Coordinator, **Real Bread Campaign**

Zosia Walczak, Deputy Director of **Growing Communities**

Nick Jefferson, Founder and CEO of **Wylde Market**

Suzy Russell, Coordinator of **The Community Supported Agriculture Network UK**

Pete Russell, Founder of **Ooooby**

Steven Sidhu, Founder of **Growing Good Technology Ltd**

Lynne Davis, Founder of the **Food Data Collaboration**

Charlotte Bickler, Coordinator of **UK Grain Lab CIC**