

Chair of the Economy Committee



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The Right Honourable Rishi Sunak MP
Chancellor of the Exchequer
House of Commons
London
SW1A 0AA

Sent by email to: Action.Chancellors@hmtreasury.gov.uk

23 September 2020

Dear Chancellor,

Supporting London businesses through the COVID-19 pandemic

I am writing to you on behalf of the London Assembly Economy Committee to share findings and recommendations arising from our recent investigation into the impact COVID-19 has had on businesses in London.

Over the month of June 2020, the Economy Committee held an investigation into the challenges faced, and support needed by businesses in London during and after the COVID-19 pandemic. To support this investigation, the Economy Committee met with Deputy Mayors of London Rajesh Agrawal and Justine Simons OBE, plus representatives from national and London-focused business groups.¹ Over the course of the investigation, Committee Members gained insight into the range of challenges London's businesses have faced since the Government rightly implemented lockdown measures to contain the spread of COVID-19.

The Economy Committee takes this opportunity to recognise the valiant efforts of businesses large and small, throughout the country, to endure through this crisis and support the communities in which they are based, particularly those that have extended the range of their services beyond their usual calling.

The Economy Committee also welcomes the unprecedented measures put in place by the Government and recognises the role it has played in saving jobs and livelihoods throughout the country. However, it is the Economy Committee's view that more must be done to help protect London's businesses and aid the capital's economic survival and recovery.

¹ The guests were: Richard Burge, Chief Executive, London Chamber of Commerce and Industry; Caroline Julian, Director of Policies and Programmes, Creative Industries Federation; Helen Clark Bell, CEO, Love Wimbledon Business Improvement District; Laura Citron, CEO, London & Partners; Bernard Donoghue, Director, Association of Leading Visitor Attractions; Rowena Howie, London Policy Chair, Federation of Small Businesses; David Sheen, Public Affairs Director, UK Hospitality; and Kate Nicholls, CEO, UK Hospitality.

Accompanying this letter is a supporting document that expands further on the views of the Economy Committee, and provides the evidence heard in the meeting that substantiates the Committee's conclusions and recommendations. The Economy Committee calls on the Government to:

Review the current range of business support measures (see pages 1-4 of the supporting document)

- 1) The Government should urgently review and raise the threshold for the Retail, Hospitality, and Leisure Grants Scheme for businesses in London.
- 2) The Government should require banks involved in Government backed loan and grant schemes to provide in-person support to SMEs that require it.
- 3) The Government should review its plans to end the Coronavirus Job Retention Scheme, with a view to extend it beyond October 2020 in certain sectors, and base tapering of the scheme on the performance of the economy.

Support the hospitality and tourism sectors' recovery (see pages 4-6 of the supporting document)

- 4) The Government should review the introduction of business taxes for hospitality and tourism operators with a view to giving businesses the best chance of success.
- 5) The Government should review its guidance for hospitality venues, with a view to strengthening social distancing provisions.

Help the cultural and creative industries rebuild (see pages 7-9 of the supporting document)

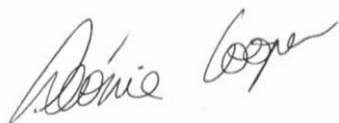
- 6) The Government should include the cultural and creative industries in the Government's COVID-19 recovery plan.
- 7) The Government should establish an enhanced furlough package for the cultural and creative industries, reflecting the long-term challenges they face and the nature of their business models.

The Committee urges you to implement these recommendations, to build on the measures taken by the Government so far. It is vital that further action is taken to help protect London's businesses and aid the capital's economic survival and recovery.

We would be grateful to receive your response to this letter by 14 October 2020. Please send your response by email to the Economy Committee's Clerk, Lauren Harvey (lauren.harvey@london.gov.uk).

Yours Sincerely,

Léonie Cooper



Chair, London Assembly Economy Committee