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Reference:

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Councillor Danny Beales
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Addressed to:

- Prime Minister Boris Johnson
- Chancellor of the Exchequer
- Kwasi Kwarteng Secretary of State at the Department of Business, Energy and Industrial Strategy
- Her Majesty's Treasury (HET)
- The Department of Business, Energy and Industrial Strategy (BEIS)

The coronavirus pandemic has delivered an unprecedented hit to London businesses, the effects of which will be felt for years. The news of the Omicron variant and the Government's response to it has brought further pressure and hardship.

British businesses are depending on December sales to stay afloat after 20 months of uncertainty. The hospitality and culture sectors saw a flurry of cancellations even before the Government announced the move to Plan B but found themselves without redress, despite planning ahead and following guidance. Small businesses urgently need financial support and the reassurance of the Government that their livelihoods are valued.

The advice to work from home will inevitably reduce activity and spending in central London, not least the Central Activities Zone (CAZ) and its customer-facing businesses. Footfall and spend have been hit harder than anywhere else in the country, and West End mobile phone data from November 2021 shows a 64% reduced flow in commuters since pre-pandemic levels.

Revenue has been decimated, but overheads remain high and unmanageable for all but the largest of firms. While the 66% business rates reduction for retail and hospitality has been vital, we are calling for a return to full business rates relief until March. The 12.5% VAT relief for hospitality, accommodation and attractions should also be extended beyond March 2022.

Financial support should target small businesses and those most impacted by restrictions and a reduction in passing trade. This includes cultural, creative and nighttime economy businesses that will otherwise struggle to survive the winter.

Further, the NHS COVID Pass and face covering requirements have placed additional burden on businesses and their staff: many report abuse from customers, feeling powerless to enforce the measures and a need to hire security staff. The Government must support businesses in enforcing its legislation.

The CAZ is the beating heart of London, if not the country: it is home to 4.4% of UK jobs, and contributes 7.8% of UK Gross Value Added. Failing to respond to calls for help now will put London's reputation as a world leader in business, culture and tourism at risk.

We back London Councils in calling for:

1. Additional support for Local Authorities to enable them to provide grants to businesses directly affected by new guidance along the lines of the Additional Restrictions Grant and the Restart Grants.
2. Full business relief for the retail, hospitality and leisure sectors to be reintroduced until March 2022 and an extension of the VAT relief (currently 12.5%) for hospitality, accommodation and certain attractions beyond March 2022.
3. A commitment to keep the support under review and bring in new measures if further restrictions are required or if the existing working from home guidance continues beyond the immediate period.

We would also call for additional and targeted support for the cultural, creative and nighttime economy venues, organisations and businesses directly affected by the requirements of the new guidance and the resultant increase in operational costs associated with these.

Signatories

- Lee Lyons , Chief Operating Officer at Fitzrovia Partnership, a Business Improvement District (BID) and member of Camden's Place Board (a platform for Camden Businesses).
- Ian Roberts, Chair of Midtown Business Club a member of Camden's Place Board
- Debbie Akehurst, Chief Executive Officer of Central District Alliance and Hatton Garden BID. Also, a member of Camden's Place Board.
- Simon Pitkeathley, Chief Executive, Camden Town Unlimited & Euston Town BID and a member of Camden's Place Board.
- Michael Richardson, Project Director Urban Partners, member of Camden Place Board.
- Robert Bexson, Head of Property Management, University College London Hospital, member of Camden's Business Board
- Wendy Spinks, Commercial Director, HS1 Limited, and Chair of Camden's Business Board
- Rosie Waldron, Head of Public Engagement, The Francis Crick Institute, member of Camden's Business Board
- Richard Burge, Chief Executive Officer, London Chamber of Commerce and Industry. Work with Camden Council.