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The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Parade
LONDON
SW1A 2HQ

20 December 2021

Dear Rishi

We are writing to urge you to avoid needlessly putting jobs and employers in Hackney at risk, by making a clear commitment to providing additional support for businesses impacted by rising cases of the Omicron variant and the “Plan B” measures coming into force. These measures are needed, but without commensurate economic support it has meant that businesses in Hackney in the retail, hospitality, and cultural sectors are already suffering. Businesses in Shoreditch and City Fringe have seen takings immediately affected by a reduction in office workers following Government advice to work from home if possible and elsewhere in our town centres a fall in bookings and footfall in hospitality and tickets cancelled in culture venues. Across central London we are also seeing declining numbers on public transport, which we believe is only set to continue.

In Hackney, we have a fantastic array of retail, hospitality, leisure, cultural businesses and night time venues here in Hackney, but those I have spoken to were relying on pre-Christmas sales, as well as a usually prosperous festive period to recover, after an extremely tough and unpredictable 20 months coping with the coronavirus pandemic. Hackney businesses tell us that takings are falling low, but without the support or furlough options that existed in previous total and partial lockdowns in 2020 and 2021. Economic resilience is also low and some businesses weren't always eligible for support or have invested assuming a recovery that is now under threat.

Businesses are also being affected by staff shortages due to rising case rates and isolation, further highlighting the critical need for support. We have heard from one small business in Hackney, for example, which was completely out of stock for over a month due to Brexit and

Covid related delivery delays. This has never happened to them since opening up in the borough in 2012 and they lost a whole month's worth of turnover. Pub owners in the borough (who fully support keeping people safe amidst the new variant) are also telling us that this situation clearly leaves venues in an untenable position going into what is for many businesses a key time of the year financially.

The Government acted quickly during the last winter lockdown with additional support for businesses. We therefore urge the Government to support hospitality, retail and cultural businesses, and their supply chains, during this challenging period. Therefore, we are joining others like Central London Forward in calling for additional funds to enable Hackney Council, and fellow Local Authorities across London, to provide grants to businesses affected by new guidance; existing allocations of the Additional Restrictions Grant have largely already been spent or are committed via contractual agreements.

To also reiterate, London has seen more jobs lost and a larger increase in unemployment than any region of the UK. The number of people claiming unemployment-related benefits across the 12 central London local authorities today is 90% higher than pre-pandemic, compared to an increase of 49% across the rest of the UK. A pattern that is very similar in Hackney, despite all the work we have put into business advice and employment support.

We also note and support the very clear and targeted requests from the Mayor of London, and would like to reiterate them here, as they would do so much to help mitigate the potentially very damaging situation that Hackney's businesses find themselves in once again:

- 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;
- Additional funds for Local Authorities to enable them to provide grants to businesses affected by new guidance; existing allocations of the Additional Restrictions Grant have largely already been spent or are committed via contractual agreements;
- To urgently address the limitations of the current Live Events Reinsurance Scheme to produce a scheme that is fit for purpose;
- An extension or further stage of the Culture Recovery Fund, available as soon as possible to support cultural businesses affected;
- Ensure all freelance and self-employed workers are fully included in any future support, as many were excluded from the original Self-Employed Income Support Scheme;
- To reintroduce the Coronavirus Statutory Sick Pay Rebate scheme; and
- To commit 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 remain positive and ambitious about Hackney's economy, but in the short term real damage is being done and we hope you will once again respond to the needs of businesses and employees, protecting jobs and the wider economy without further damaging delay. We would

also be happy to arrange a meeting between Council officers and local businesses with your officials to explore these issues in more detail.

Yours sincerely



Philip Glanville
Mayor of Hackney



Cllr Guy Nicholson
Cabinet Member for Planning,
Culture & Inclusive Economy

CC: Meg Hillier MP, Member of Parliament for Hackney South and Shoreditch
Rt Hon Diane Abbott MP, Member of Parliament for Hackney North and Stoke
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Cllr Sem Moema AM for North East London