



CORNWALL &
ISLES OF SCILLY
LOCAL ENTERPRISE PARTNERSHIP

Cornwall
Chamber
of Commerce



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The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury

Sent by email
CEU.enquiries@hmtreasury.gov.uk

9 February 2021

Dear Chancellor

Request for additional support to ensure rapid recovery of the Cornwall and Isles of Scilly economy

Cornwall and the Isles of Scilly are extremely grateful for the central government financial support for businesses during the COVID-19 pandemic.

Whilst we have put successive rounds of COVID-19 funding to good use, it is clear that, based on demonstrable demand, we need additional discretionary funding to ensure a strong recovery of our economy, secure jobs and prevent businesses from closing.

Cornwall and Isles of Scilly's rurality and the size of the tourism sector means that we have a higher prevalence of businesses that are ineligible for mandatory grant schemes as they are not on the business rate register. We also have a high prevalence of supply chain businesses who, although not legally forced to shut, have been impacted severely by COVID-19 restrictions and are in need of support. This includes food and drink producers and wholesalers who supply local restaurants, hotels and event management businesses whose supply chain cover many

businesses from security guards to caterers to sound and light providers. This supply chain has seen demand for their products and services disappear due to COVID-19 restrictions. Such businesses are ineligible for mandatory grants schemes and can only be supported through additional resources deployed through the discretionary schemes.

To achieve this objective, we ask you to commit to the following for Cornwall and the Isles of Scilly:

- £ 20.3 million additional discretionary budget to;
 - pay business grants to all businesses who have applied for an ARG round 2 and that are eligible under the Cornwall Council ARG policy. We estimate that we will need an additional £6.7 million.
 - pay top-up grants to these businesses should the lockdown continue beyond 15 February to ensure parity with the mandatory scheme where LRS (Closed) payments will continue if the lockdown is extended. We estimate that we will need an additional £12.1 million.
 - to allow non-Cornish resident business owners to apply for an ARG grant under a revised ARG policy at a maximum cost of £1million
 - establish a £500,000 Cornwall Events Fund to drive reopening and recovery across Cornwall and the Isles of Scilly.
- Extension of VAT reduction, deferred tax payments and loan repayments for CIBILs and BIBLs until the end of 2021.
- Ensuring that Local Authorities can take a flexible approach to business rates where extended payment profiles are offered where needed and business rate recovery is suspended until businesses are able to trade as normal.
- Extension of furlough scheme beyond April 2021 to ensure recovery is strong before this important support mechanism is removed and expand the furlough scheme to reduce employer contribution in recognition that many businesses are now letting furloughed staff go to minimise cashflow exposure.

Nationally, there is discretionary business grant budget sitting dormant in bank accounts, while we in Cornwall and the Isles of Scilly have a demonstrable need for additional discretionary funding. We have detailed plans for how to quickly get that budget out in the local economy to support businesses to survive and to facilitate a strong recovery, and we are asking you to unlock that funding to make Cornwall and Isles of Scilly a model of how England can build back better.

We look forward to hearing from you.

On behalf of the CloS Economic Recovery Group representing the following organisation:



Mark Duddridge
Chair
**Cornwall and Isles of Scilly
Local Enterprise Partnership**



Kim Conchie
Chief Executive Officer
**Cornwall Chamber of
Commerce**



Ann Vandermeulen
Cornwall Development
Manager
**Federation of Small
Businesses**



Jon Hurrell
Chief Executive
**Cornwall Manufacturers
Group**



Euan Rodger
Director
Islands Partnership



Malcolm Bell
Chief Executive
Visit Cornwall



Paul Wickes
Chief Executive
Cornwall Marine Network



Richard Wilcox
Chairman
**Cornwall Business
Improvement Districts**

cc
Cornish MP's

Rt Hon Kwasi Kwarteng MP, Secretary of State for Business, Energy and Industrial Strategy
Sent by email - Secretary.state@beis.gov.uk

Rt Hon Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government
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