



Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
(By Email)

Dear Chancellor

Britain's much valued independent retail sector, which earned us the reputation of being a Nation of Shopkeepers, has never needed your urgent assistance more than it does now in these unprecedented times.

We both appreciate and commend the Government on the support packages outlined to date, assisting cash flow and some personnel costs during the Covid-19 crisis. However, owner/managed micro-retailers are falling between the various schemes. Your immediate help is needed to put them in the best position to emerge strongly from this situation, preserving businesses and jobs, while protecting the character and community of Britain's high streets.

The owners of these limited companies, who are often working excessive hours, now have their businesses, personal investments, and even their own properties and livelihoods at risk. And all this at a time of well documented difficulty in the retail sector, with high streets that represent the heart of many communities already teetering on the brink.

Low profit businesses, which lose even a single month of revenue would be pushed into non profitability; two months or more would prove unrecoverable for most, especially as we enter April and the Easter period. We are at real risk of losing thousands of independent retailers during this crisis, along with potentially millions of jobs unless you can provide a lifeline and a way forward for these business owners/employers.

We urge you to put in place a scheme for the owners of micro-businesses in the retail sector – limited companies with a turnover of £632,000 or less (the HMRC definition of a micro-business) and employing 10 people of fewer – to match 50% up to a value of £2000 per owner, per month based on the average annual drawings of the owner for the previous year in order to help keep the business trading.

Our suggestion is that:

- a) Owners be defined as directors listed at Companies House at 1/4/20
- b) That the scheme be extended to a maximum of 2 directors per company.
- c) Drawings for last year as per self-assessment forms for 12 month period ending 5/4/20 excluding any pension contributions

We respectfully urge you to take this opportunity to protect the future of these businesses and allow them to continue to trade in some format, providing the goods that consumers need, whilst under lockdown, safely.

Your assistance would be greatly welcomed.

Yours sincerely

Independent Retailers Confederation