

MEDIA RELEASE

Tuesday 21st April 2020



Retail, Hospitality & Leisure: Government, it's time to #RaiseTheBar

These are unprecedented times for our economy at a local, regional and national level. Industry leaders, political figures and Business Improvement Districts are calling on the Government to support businesses within the retail, hospitality and leisure sectors who have a rateable value of more than £51,000.

Croydon BID is leading the #RaiseTheBar campaign, asking Central Government to expand the rateable value threshold for all retail, hospitality and leisure businesses from £51,000 to any business with a rateable value up to and including £150,000, allowing businesses the opportunity to access the £25,000 grant in order to survive. Our campaign is supported by industry wide bodies that represent over 100,000 businesses across the UK.

The retail, hospitality and leisure sector is vital to the UK economy and must be protected at all costs. The retail industry alone generated £394 billion worth of sales in 2019 with 306,655 units across the UK. In 2019, the UK leisure sector reached over £111 billion in sales. The UK hospitality employs over 3.2 million people, that is 11% of UK jobs, making it the third largest sector in the UK, accounting for £130 billion in revenue, 6% of all businesses and 5% GDP.

In London alone, there are 19,000 businesses with a rateable value of more than £51,000 and therefore with no access to the Retail, Hospitality and Leisure Grant. We believe strongly that the Retail, Hospitality and Leisure Grant provision and, in particular, the threshold of £51,000 to be far too low to provide adequate support to these businesses in their time of need. In raising the threshold to £150,000, over 13,000 in London will benefit.

Whether these businesses are independent or operating from more than one location, we forget those with a rateable value of £51,000 or more at our peril. Feedback from them suggests that they are carrying significant stock losses and are still facing immediate cash flow challenges that wage subsidies will not address. Many are not in a position to take on further debt or have serious misgivings about being able to survive the recovery and service loans.

To date, 80% of our businesses have been excluded from government loan support schemes due to their size or European Union State Aid rules. These are some of our most adaptable

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businesses and the economy will need them to stave off the threat of cessation, so that they can play their role in rejuvenating the economy and contributing to community wellbeing.

Matthew Sims, Chief Executive of Croydon BID said: "We acknowledge that by increasing the RHLG threshold up to and including £150,000 will increase the burden on central and local government. This is a price we believe is worth paying to ensure businesses are given the opportunity to become part of the greater push to mobilise our economy, rather than leaving premises empty, growing unemployment with or without the job retention scheme and sectors contracting across the board".

Bill Addy, Chief Executive of Liverpool BID and Chair of the BID Foundation said: "We cannot underestimate the importance of our Retail, Hospitality and Leisure sectors and not just to what they bring to our economy but the people that are employed within them. That is why the Business Improvement Districts across the UK are supporting the #RaiseTheBar Campaign in asking Government to increase the Retail, Hospitality and Leisure rateable value threshold from £51k to £150k. In doing so, more business will have access to a £25k grant supporting their fight to survive and to allow them to play their central role in kick-starting our economy."

It is obvious that even with an expansion of the cap, that not all businesses will benefit. What we believe to be important is that the grant scheme is reasonably extended as critically, this will help thousands of businesses to adapt to the challenges ahead.

Our request supported by many industry leaders and businesses will, for most, offer the single biggest difference in their personal commercial fight against this crisis.

This is a collective campaign designed to support the people that work for and run businesses in the retail, hospitality and leisure sectors. Across the UK, there are individual, personal concerns and uncertainties surrounding the economy and the effect that COVID-19 will have on them. In amending the rateable value from £51,000 to £150,000, we not only save businesses but we also save jobs.

To support the campaign individually whether you work in the sectors or not, you can visit www.raise-the-bar-campaign.co.uk and sign up to make a positive change.

-ENDS-

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Notes to Editors:

- #RaiseTheBar is a national lobbying campaign led by Croydon BID with supportive partners including: BID Foundation, British BIDs, Association of Town and City Management, UK Hospitality, Beer and Pub Association, Night Time Industries Association.
- Croydon BID was formed in 2007-2008 and has over 560 members with a rateable value of £40,000+ paying a 1% levy with the sole purpose of delivering value and making a difference to Croydon town centre
- The BID Foundation is the industry body for Business Improvement Districts (BIDs). We are the custodian of the UK BID industry's evolution and reputation, providing the strategic direction that enables BIDs to better serve their levy payers and wider stakeholders.
- Formed in 2018, The BID Foundation's establishment was a response to a UK-wide scale consultation, which revealed the need for an independent body to provide an authoritative voice for the industry at what is a critical juncture in BIDs growth and development, with over 300 now in the UK.