



One voice for
retail warehouse &
superstore property

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

20 April 2020

Dear Chancellor,

Re: Preventing Large Retail and Leisure Business Closures, Protecting Jobs and Pensions

Accessible Retail represents leading Out of Town Retail, Leisure and Supermarket Operators, Landlords and Consultants. AR provides one voice for over 1100 members which includes British Land, Aberdeen Standard, Legal and General, Aviva Investors, B&Q, Dreams, Costa Coffee, Wickes, Halfords, Currys, Carpetright, DFS and Harveys.

We are grateful to the government for unprecedented levels of support provided to business, particularly our Retail and Leisure Occupier members who can now access support via VAT deferral, Covid19 Job Retention Scheme, 12 months Business Rates holiday, Retail Grant and Business interruption loans.

The Covid19 crisis has meant Landlords in turn are being asked to provide unprecedented support for their Occupier partners in order to prevent closures and to protect jobs. Many have not received rent in March and April and for some landlords rent receipts are less than 30% of pre-coronavirus levels. They have also been asked for rent deferrals, rent holidays, and despite significant cost, are keeping retail locations open to provide critical services, particularly food and pharmaceutical supplies.

Whilst there has been considerable support from Government and Landlords, most Occupiers will face even more severe cash flow constraints at the June rent quarter and beyond. In turn, many Landlords are pension providers or private trusts and will not have access to CBIL.

In order to provide maximum support for businesses and jobs during the months ahead, we are calling on the government to take action on the following:

1. Clear instruction to the finance industry to grant property owners the flexibility to support business and jobs protecting landlords from breaches of debt covenants, loan obligations and credit ratings in the same way Tenants have been protected by the moratorium on forfeiture.
2. Rates holidays for owners of properties vacated following the start of Covid19 crisis.
3. A starting assumption for the Business Rates Review that Retail/Leisure business rates will be reformed so that these sectors do not continue to shoulder a disproportionate burden post the Covid19 crisis.
4. Furloughed Space Grant Scheme to cover the fixed costs of businesses that have experienced dramatic falls in turnover also requested by The British Property Federation in their letter to you dated 17 April 2020.
5. Prioritise reopening of Retail Warehouse locations as size and layout mean they are best suited for social distancing and click and collect.

The Out of Town Retail, Leisure and Property community is responsible for sustaining hundreds of thousands of jobs and £billions in turnover. The above will ensure Owners can provide maximum flexibility and support to Occupiers and their Employees during the coming months.

Thank you for considering this matter.

Yours sincerely,

Ben Whittle

Ben Whittle, Chair, Accessible Retail

cc:

Alok Sharma WP, Secretary of State Business

John Glen MP, Economic Secretary to the Treasury