

Our Ref: **Leader 2020/12- 035**

Your Ref:

Rt.Hon. Boris Johnson
Prime Minister's Office

Sent By Email:



Dear **Prime Minister**,

As leaders of inner-London boroughs with rapidly rising rates of COVID-19, we strongly support the introduction of Tier 3 restrictions to curb the spread of the virus, but we also recognise the urgent need for additional economic support to protect lives, businesses and jobs in our boroughs.

Throughout the pandemic, Lambeth and Southwark councils have worked relentlessly to keep our residents safe – from contact tracing, food distribution, securing our care homes and providing business grants – to reaching out to all sections of our communities to ensure that they follow the Government's COVID-19 restrictions.

In the face of such adversity, our residents have shown remarkable character – making sacrifices to help stop the spread of the virus and where needed support others in their communities, particularly those from vulnerable groups.

Supporting Local Residents

As you know, infection rates are now rapidly rising across London, and again we support these further measures to protect people, as we have previously done throughout this crisis when the scientific and public health advice has called for them. Indeed, too often we have seen government act too slowly to bring in measures, despite our calls for more robust and direct action.

Central to ensuring that people stay at home, avoid household mixing and maintain public health practices is guaranteeing that our residents have the necessary resources and support to deal with the effects of this pandemic. Specifically, we urge the Government to:

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INVESTOR IN PEOPLE

- Ensure that all workers who are required to self-isolate receive full pay, not just statutory sick pay. This would strengthen our national economic approach to public health – ensuring that all those are required to self-isolate do not feel forced back into work for fear of financial loss.
- Maintain the uplifted rate in Universal Credit. Abandoning this new rate would be absolutely catastrophic for low-income families, many of which have experienced intense financial and emotional hardship from this pandemic. In addition, the onset of winter and the need for families to remain at home is likely to increase outgoings on basic human needs such as heating homes. Retaining this small uplift in Universal Credit would help offset such outgoings.
- Immediately increase Local Housing Allowance (LHA) rates and scrap the benefit cap. This decisive move would provide swift security to private renters who face homelessness as a result of losing employment or falling back on an insufficient welfare system.

Supporting Local Businesses

Our communities, and in particular our local businesses, have made extraordinary efforts to ensure their premises are COVID-secure, yet now many of them face complete shutdown for several weeks. The economic projections for the imposition of Tier 3 on London are seismic – and in particular, we have heard from local businesses in the hospitality sector who had already purchased stock for the Christmas period, who now face the double whammy of closure and costs already invested after months of hardship. There must be recognition that when special circumstances are forced on businesses, that they are compensated fully for that.

- We urge the Government to introduce further support for businesses – particularly those within the hospitality, leisure, accommodation, arts and culture sectors. Whilst these businesses are eligible for grants under the tier system, the levels awarded are significantly less than previous schemes and will do little to meet the ongoing fixed costs of businesses. This should include a compensation scheme for all lost income for the crucial festive period based on last year's returns. For new businesses, compensation should be based on estimates of income using data for similar firms.
- The case for extending the business rates relief period beyond March 2021 is now crystal clear. This will help businesses begin to plan their recoveries for next year, many who have been unable to trade for most of 2020. Overall, it is clear that the Local Restrictions Support Grant is insufficient given the duration and scale of the crisis and this urgently needs increasing. This would be in keeping with the government's commitment to fully support local authorities for the financial impact of the pandemic, which has sadly been lacking in reality.
- The Government must not rule out a further extension to the furlough scheme. Previous extensions to the scheme show that a flexible approach is the only sensible way forward, particularly for those industries that are likely to face prolonged closure and additional compliance restrictions such as the arts, entertainment and hospitality sectors.

This is a pivotal moment in the crisis and one that must be matched with equitable financial support for residents and businesses. Many who have diligently abided by the rules are now exhausted and feel let down, while many others can be persuaded to stick to the restrictions if

they know there is light at the end of the tunnel. The roll-out of the vaccine provides this in part but we know it will be many more months before most people are able to be vaccinated and we cannot let hundreds of thousands of jobs and livelihoods be wasted now when they could be protected in that period and then able to thrive afterwards.

We need to replicate the solidarity and support that was shown across Lambeth and Southwark when this crisis started, and see that matched with the economic support necessary to get through the winter months and to build a recovery that works for everyone.

Yours sincerely



Councillor Jack Hopkins
Leader of Lambeth Council



Cllr Keiron Williams
Leader of Southwark Council