

Rt Hon Kwasi Kwarteng MP
Secretary of State
Department of Business, Energy and Industrial Strategy
1 Victoria Street
London
SW1H 0ET

8 April 2021

Dear Secretary of State,

Queen's Speech 2021 - Supporting economic recovery.

As the Government considers measures for the Queen's Speech, we would like to propose a regulatory measure to include in any Bill designed to promote economic growth which could add an estimated £290 million in net sales each year to the UK economy and support 2,000 FTE jobs at no cost to the Government.

Britain's two formally designated International Centres compete globally with other international centres worldwide yet are at a competitive disadvantage because virtually all of these international rivals are allowed to open longer on Sundays. The West End and Knightsbridge International Centres are legally and geographically defined in the Mayor's London Plan. It would not be difficult to add them to the existing list of exemptions in the 1994 Sunday Trading Act, most of which relate to travel and tourism (e.g. shops in airports, ports and railway stations).

This is needed, not for short term COVID-19 reasons in 2021, but as part of the longer-term COVID-19 recovery and growth plans as international visitors start to return from 2022.

Britain's two International Centres are major attractions for international visitors. Over half of their £11 bn of sales recorded in 2019 came from abroad, even though they form just 25% of all visitors. Over 80% of all tax-free shopping in the UK in 2019 was done in the two International Centres. They are clearly qualitatively different from other shopping districts in the UK, and they compete with other international centres such as those in New York, Dubai, Beijing and Tokyo, none of which have Sunday trading restrictions. Paris, preparing for the 2024 Olympics, is allowing stores in key visitor districts to open longer on Sundays.

As Britain's economy recovers from the impact of COVID-19, this would be a great boost to the retail and hospitality sectors as well as UK manufacturers across Britain for whom these two centres are their international shop windows. This measure could form an important part of the Government's tourism recovery plan.

The additional income would also partly offset the loss of an estimated £900 million of annual sales in the International Centres caused by ending tax free shopping (based on the forecasts of the Office of Budget Responsibility).

The additional opening hours would help to accommodate some of the estimated 60 million additional visitors expected in the West End when the Elizabeth Line opens in 2022.

By restricting the measure to Britain's two International Centres it will have no implications for, or negative impact on, the rest of England and the wider UK.

We are aware that the Government's 2016 England-wide proposal was defeated in the Commons. However, we believe that, with a new majority of 80 and this measure restricted to these two small districts (which may even evoke the "English Votes for English Laws" procedure), it is likely that this limited proposal would secure a majority in the current Parliament.

We are attaching a more detailed briefing ad copy of our original economic research to support the case in 2016. We are currently undertaking fresh economic and opinion research which we will share with you.

We would welcome the opportunity to discuss this proposal with you and your colleagues. We are confident that Britain's two international Centres will recover from the devastating impact of COVID-19 and return to being major net-contributors to the UK's economy, to the Government's tax revenues and to job creation. This simple and cost-free measure would be a way for the Government to support our fast recovery.

Yours sincerely



Sir Peter Rogers
Chairman
New West End Company



Hugh Seaborn
Chairman
Brompton Road Partnership

Attached

Sunday trading briefing
Sunday trading issues briefing
Volterra economic research