

Dear Reset Initiative,

We write this letter as an alliance of institutions committed to building the resilience of the nation's economy; a diverse coalition of concerned citizens from small independents, family-run firms, social enterprises, community businesses, co-operatives, the self employed and representatives from local and central government from across the political spectrum.

The common theme that has bound our group together in solidarity has been a commercial property market that is out of control. During this pivotal moment in history, the COVID-19 crisis presents an opportunity to establish a policy environment that enables us to work together to sustainably rebuild the wealth of the country. It is essential that we take the long view in order to guarantee that our economy is never so fragile again.

Exploitative practices such as leaving properties empty, market manipulation, extractive development and the lack of transparency on ownership and rents have conspired to squeeze out independent businesses across the country, threatening the critical diversity that underpins our economic ecosystem.

As the full force of the COVID-19 pandemic is being felt here in the UK we are seeing how vital these businesses are, here and in other countries: both for essential goods and services, but also using local knowledge and social connections to provide a familiar anchor in communities at a time of unprecedented uncertainty.

Human-scale enterprises are essential to a vibrant and healthy local economy and society, providing more than half of all employment and the distinctive identity that is the defining dimension of the cultural heritage of our towns and cities. Can you imagine the country without its kaleidoscopic small businesses and its myriad of markets? It would be a hollow place, with only its silent monuments distinguishing it from everywhere else. This is increasing in likelihood by the day.

For many years, we have all tirelessly advocated the social, cultural and economic value we provide to localities and what we stand to lose. Only now during this national COVID-19 crisis do we begin to see decision makers at Whitehall start to comprehend the magnitude of what is at stake.

The domino effect of each business's inability to trade has implications for so many. What happens to these businesses and the real people and families who depend on them during and after lockdown?

Both landlords and Government are fundamental to the paradigm shift that is required to shore up our economy for the future. Our businesses account for over 99% of all businesses and yet the offer to them is nowhere near adequate for the immediate or long-term impacts of this crisis. The debt finance the Government has proposed will never allow businesses to recover unless bold and radical action is taken now. That is why our alliance is asking you to implement the following interventions before it's too late:

- Legislate for and implement a Working Rent system based on security of tenure, transparency and affordable rent levels and social value. This will ensure all tenancies are within the Landlord & Tenant Act 1954 and opt out rather than opt in. CPI linked rent rises within and between leases, capped rents at 10% of turnover, social value-linked rent reductions and transparent rent registers for all commercial properties.

- Create a local business support fund mechanism for small, social and community businesses to ensure ongoing resilience.
- Legislate for and Implement Community Land Banks based on the US model to allow public or community-owned entities to acquire, repurpose, manage and maintain vacant and abandoned properties in perpetuity, to meet local need.
- Legislate for and implement Compulsory Sales Orders, where there is a need for land or buildings to be brought into productive use, to force the sale of empty buildings.
- Print money for Community Land Trusts to acquire and provide both residential and commercial space for local jobs and homes, ensuring that it remains genuinely affordable, based on what people can realistically manage to pay, not just for now but also for the future. If it was done to bail out the banks it should be done for the people
- Introduce Minimum Income Guarantee which is based on the Minimum Income Standard to insure both self employed and employees don't slip through the cracks
- Guarantee of wages for employees within all small and micro businesses
- Create grants to be distributed to all small businesses irrespective of sector and regardless of SBRR rate relief
- 3 month 100% reduction of water, gas, electricity

Following the example set by Transport for London, The Arch Co and Network Rail we call on Government to encourage all commercial landlords to take action to rebuild the nation's economy by:

- Enacting an immediate 100% 3 month rent reduction by landlords of all types of small and micro businesses with a review to extend if necessary
- Post this initial 3 months, adopt the Working Rent system
- Enacting an immediate freeze of all current rent negotiations for all types of small and micro businesses and the full cancellation of all backdated rent past, present and future

Like viruses, unaffordable commercial rents destroy businesses and unravel the social glue and human connectivity that is requisite for long-term economic resilience. Rapid rent rises in recent years means the ability of businesses to weather any unexpected crisis is now severely undermined and we must use this time to ensure this never happens again. The value of small firms to communities is vastly underestimated. It is clear that we urgently need radical change if we are to ensure the longevity of a healthy mix of businesses that the UK's citizens deserve, visitors pursue and which is necessary for inclusive and sustainable growth.

The East End Trades Guild