

Kemi Badenoch MP  
Exchequer Secretary to the Treasury  
HM Treasury  
1 Horse Guards Road  
London SW1A 2HQ

17<sup>th</sup> November 2020

Dear Minister

I read with interest your column in the Saffron Walden Reporter (15/11/20) in which you discuss a visit to a charity shop in your constituency. Thank you for highlighting the importance of charity retail and the role of volunteers.

The article states that you will be having discussions with Government colleagues on support for charities and charity retailers and I hope that this note is helpful in terms of informing those discussions.

The Charity Retail Association is the voice of charity retail with our 400+ members operating around 80% of the UK's charity shops. Charity shops raise around £330 million a year to support charitable activity and this must not be put at risk due to the impacts of Covid-19. In addition to raising vital funds, charity shops provide people on lower incomes with a source of affordable goods and benefit the environment by enabling goods to be reused.

The financial impact of Covid-19 on charities and charity retailers has been drastic. We estimate that during the initial lockdown period charity shops lost around £285 million in customer sales and that they will lose a further £91.8 million in customer sales during the current national restrictions. Their parent charities are facing a perfect storm of increased demand for charitable services and dramatic falls in trading and fundraising income.

There are several actions which we would encourage the Government to consider so that charity shops can recover quickly from the economic impact of Covid-19:

- Ensuring that charity shops are among the first non-essential retailers allowed to reopen due to the unique role of charity retail and the fact that reliance on donated goods means it will take longer to resume normal operations.
- A temporary boost to the value of the gift aid scheme which plays an important role in increasing the value of people's donations via charity shops.
- Amending current state aid rules so that all charity retailers can access business closure grants (Local Restrictions Support Grant (LRSG (Closed) Addendum). Charity retailers with more than around 30 shops are likely to have already exceeded the state aid cap and so are unable to access these important grants.
- Continued support for the retail sector including extending the business rates holiday for retail.

Although the impact has been huge (as of course it has been for many sectors) I hope you will see from the above that there are very concrete measures that could be taken to alleviate the situation. If you would like to meet with me to discuss these measures further I would of course be delighted to do so.

Yours sincerely



Robin Osterley  
Chief Executive

[www.charityretail.org.uk](http://www.charityretail.org.uk)