

The Rt Hon Alok Sharma
Secretary of State for Business, Energy and Industrial Strategy
1 Victoria Street
London SW1H 0ET



The Rt Hon Oliver Dowden CBE
Secretary of State for Digital, Culture, Media and Sport
100 Parliament Street
London SW1 2BQ

Monday 6th April, 2020

Dear Secretary of State for BEIS and Secretary of State for Culture,

We are writing to you to highlight the **urgent cash flow challenge** that our creative industries are facing. Government support measures such as the Job Retention Scheme (JRS) and Self-Employed Income Support Scheme (SEISS) are welcome, but the delay in their introduction is a major concern for our sector's workers and businesses.

A recent sector survey we conducted, which received almost 2,000 responses, **62% of freelancers** and **42% of businesses** estimate that their **monthly turnover has fallen by 100%** since the outbreak, and 62% of all respondents are facing considerable or very considerable cash flow issues. **75% of freelancers** are **worried** that the SEISS grant payments will not be **available until June**.

Despite welcome changes to the Coronavirus Business Interruption Loan Scheme (CBILS), we know from our previous experience with the Enterprise Finance Guarantee - on which CBILS is based - that many **creative businesses will still struggle to access these loans**, and for those who do, this **finance will come too late**. Many **charities are also still not eligible** because their trading income falls beneath the 50% threshold.

Alongside our proposed steps to improve the creative sector's access to CBILS, which we have shared with your respective departments, **grant support is needed now**. We ask that you urgently consider the following:

- **Fire-up the dormant Regional Growth Fund mechanism** to rapidly implement a business grant scheme dedicated to creative micros and SMEs.
- Support Local Enterprise Partnerships (LEPs) to **divert Local Growth Deal Funding**, and other public funding pots, into grant schemes that creative businesses and entrepreneurs in their region can access at pace.
- **Introduce a Creative Industries Distress Fund**, established by DCMS, to rapidly respond to bids for support based on urgent needs that are unique to our sector.

We are also in conversation with each of the devolved nations regarding their upcoming business support and emergency grant measures.

The business support offered so far by government is very welcome - and unprecedented - but a large part of the creative industries sector is still falling through the gaps. This matters because, as one of the fastest growing sectors in the UK, pre-COVID-19, the creative sector will be critical to driving the UK's economic recovery - and transforming lives for the better in every community - as we re-build.

We look forward to discussing these ideas with you both soon.

Yours sincerely,

Caroline Norbury
Chief Executive
Creative Industries Federation and Creative England