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Dear First Minister

On Wednesday, in his budget speech to the UK Parliament, the Chancellor of the Exchequer recognised the concerns and emerging needs of small businesses arising from the Covid-19 virus and its potential wider impact on the UK economy. FSB welcomed these measures as an appropriate response to ensure a safety net is in place to shore up smaller businesses through what will be an uncertain period.

However, as you will know, a number of the measures aimed at supporting smaller businesses relate to England-only as they fall within the devolved competence of Welsh Government. These include, among others, the proposed £500million hardship fund, the proposal that those businesses qualifying for 100% rate relief could claim a £3000 grant for support and the announcement of additional business rates relief measures for pubs and other businesses within the hospitality and leisure sector.

A central tenet of devolution is that governments in devolved nations should have the freedom to decide how to allocate any consequential funding arising from measures announced for England. This is something we have long supported as a principle.

However, these are undoubtedly unique and testing times for the Welsh economy and its businesses. We know from the perspectives of a number of our members that smaller businesses are already feeling the impacts of the Covid-19 virus. The measures announced for businesses in England would be just as supportive and effective for businesses in Wales. I understand that Scotland's First Minister Nicola Sturgeon has given such an assurance for businesses in Scotland.

We would ask you therefore to move with urgency to ensure that these measures and other associated measures announced in the budget are enacted to at least the same level for businesses here in Wales. This would help create the best possible short-term safety net for smaller businesses as we move through what will be an economically uncertain time. As we saw with the Foot and Mouth outbreak and other challenges, the smallest businesses in our economy are often the least protected at times like this with the least available resource to navigate economic challenges.

In the meantime, FSB Wales will, as ever, look to work closely with your government, the UK Government and local government as well as other agencies as part of a collaborative effort to mitigate the impact of the Covid-19 virus on the Welsh economy.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Ben Francis', written on a light grey background.

Ben Francis,
Policy Chair
FSB Wales