The Right Hon Jeremy Hunt

House of Commons
London
SW1A 0AA

24th January 2024

Dear Chancellor

As visitor economy, business and political leaders from across Cheshire and Warrington, we add our voices to nationwide calls for you to supercharge the continued recovery and growth of our tourism industry by reintroducing tax-free shopping for visitors from the European Union (EU).

In the Autumn Statement and subsequent questions, you confirmed that the Treasury was looking at the evidence of the impact of ending tax-free shopping. We are formally adding our support to the comprehensive submission to the Treasury from the Association of International Retail (AIR), and the messages your officials have heard during many meetings with business leaders on this issue.

Restoring tax-free shopping for EU visitors in your Spring Budget will provide an enormous stimulus to the visitor economy, and to retailers as well as hoteliers, attractions and hospitality businesses across Chester, Cheshire and Warrington. At a time when operators are contending with cost pressures, staffing and skills shortages, and increasing global competition for tourism. As we are no longer part of the EU, we could become the only European country where 447million EU residents can shop tax-free, massively increasing our appeal to overseas visitors.

As the AIR submission spells out, reintroducing tax-free shopping to EU visitors has the potential to create a unique, new, £10bn shopping-led tourism market for Britain, with half of the money spent on retail and the remaining £5bn on spending in hotels and restaurants, and on travel, leisure and cultural activities. Such a move would provide the adrenaline-kick that we need to increase investment in attractions, hotels and leisure across our region, boosting businesses while supporting and creating tens of thousands of jobs.

In 2022 the economic impact of the visitor economy in Cheshire and Warrington was £3.41bn, supporting 35,000 jobs and welcoming more than 50million visitors. Despite considerable growth over the last two years, these figures remain considerably down on our pre-pandemic figures – a £3.85bn economic impact supporting almost 45,000 jobs and 65million visitors in 2019.

Evidence from Visit Britain shows that EU visitors are more likely to make repeated visits to the UK and travel outside of London than long haul visitors, and more likely to fly to regional airports. So, the restoration of tax-fee shopping would particularly benefit regions such as Cheshire and Warrington and contribute to levelling up our visitor economy.

In summary, the Cheshire and Warrington visitor economy continues its upward growth towards, and in time, beyond pre-pandemic levels. There is considerable work taking place in our region to improve our visitor offer, accessibility and promotion. We urge you to support us by reintroducing tax-free shopping to EU visitors. This would accelerate that growth, and signal your Government’s backing for, and commitment to, level up the UK visitor economy. It would seize on a major benefit of leaving the EU, providing UK Plc with the USP we need to attract more European travellers. And it would bring hundreds of millions of pounds of income into the North West, into Cheshire and Warrington, invigorating our economy, safeguarding employment and creating thousands of new jobs.

Yours sincerely

**Trevor Brocklebank**, Vice Chair of the Cheshire and Warrington Local Enterprise Partnership and Chair of Marketing Cheshire (LVEP for Cheshire & Warrington)

**Louise Gittins**, Leader of Cheshire West and Chester Council

**Cllr Hans Mundry**, Leader of Warrington Borough Council

**Eleanor Underhill**, Chair of Destination Cheshire

**Colin Potts**, Chair of Destination Chester

**Carl Critchlow**, Chief Executive Officer, Chester Business Improvement District

**Ellis Wardle**, Chair, Northwich Business Improvement District

**Joanna Davies**, Chair, Wilmslow Business Improvement District

**Dave NcNicholl**, Chair, Warrington Business Improvement District

**Stephen Fitzsimons**, Chief Executive, Warrington & Vale Royal Chamber of Commerce

**Terry Hayward**, Chief Executive, North Cheshire Chamber

**Paul Colman**, Chief Executive, South Cheshire Chamber of Commerce and Industry

**Debbie Bryce**, Chief Executive Officer, West Cheshire & North Wales Chamber of Commerce