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Dear Chief Executives,

As you will know, the spread of the Omicron variant is creating further challenges for businesses and workers. The virus has had a particular impact on the hospitality, leisure and accommodation sectors, with declining footfalls and a growing number of cancellations.

It is right that we intervene to support these sectors and the jobs and livelihoods they provide. This is why we have announced a £1 billion support package, including hundreds of millions of pounds in further grant funding.

Eligible businesses in the hospitality, leisure and accommodation sectors will be able to apply for one-off grants of up to $\pounds 6,000$ per premises, depending on rateable value:

- Businesses with a rateable value of £51,000 or above: £6,000
- Businesses with a rateable value between £15,000 and £51,000: £4,000
- Businesses with a rateable value of £15,000 or below: £2,667

The Government has chosen to provide generous grants of the same value as those given to hospitality businesses when they were fully closed last year – despite businesses still being able to trade.

In total, we are providing £635 million directly to businesses across the UK, with councils being responsible for processing applications and distributing the funds.

On top of this, we are also providing over £100 million in top-up funding for the Additional Restrictions Grant (ARG), introduced last year to help businesses. This is intended to help other businesses impacted by Omicron, such as those that supply the hospitality and leisure sectors.

Local authorities will have discretion to allocate this funding to businesses most in need. I have personally written to those local authorities who have more than 5 per cent of previous funds left over, instructing them to distribute the money to those that need it.

My message to you today is simple: businesses need you and your staff to help them through this period. The funding we have allocated needs to get to businesses to protect jobs, livelihoods and communities.

The sooner applications are processed and funds are distributed, the sooner we will be able to provide businesses with the confidence and security they urgently need.

I am calling on councils across England to continue to do their bit in the national effort to beat the virus while safeguarding jobs and businesses. Hard-working people across the country are counting on you.

Yours faithfully,

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RT HON KWASI KWARTENG MP Secretary of State for Business, Energy & Industrial Strategy