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Dear Local Authority Chief Executive,

I am writing to you regarding the Government's grant schemes which you have been delivering to businesses in your Local Authority area to support them during the pandemic, and which have played a critical role in the recovery of our highstreets and communities.

This has been part of an unprecedented national effort to support businesses and individuals through the most challenging period any of us can remember.

We would like to take this opportunity to thank you for all your efforts through the last 12 months in delivering these grants to businesses that have been closed or otherwise disrupted by national restrictions. These grants have provided a vital lifeline which has kept many businesses afloat.

We know that small business owners don't always instinctively look to government for support. All the same, in extraordinary times like these, Local Authorities have an essential role to play in protecting the jobs and services that make our communities tick.

You don't just need to take our word for it, however. Business owners have told us how critical the grants have been for them.

To provide just one example, take Melissa Timperley Salons in Manchester, which received a grant from Manchester City Council in good time as well as placing several staff on the furlough scheme. Melissa, who runs the business, said: "Both schemes have been enormously helpful in terms of putting cash back into the business, and our own personal experience is that they have been implemented very efficiently and speedily."

We speak to businesses almost every day and regularly hear similar testimonies about how essential this support has been. It is vital that funds are paid out as quickly as possible to those that need it and many Local Authorities have risen to the challenge.

However, some have taken too long to do so, which is why we are writing to all Local Authorities encouraging you to press on and continue to get this money to businesses in good time to ensure your communities are ready to build back better following the pandemic.

If our high-streets and communities are to recover, it is vital that these businesses are in a position to bounce back quickly. We have published detailed Guidance for the new scheme on <u>Gov.uk</u> to help you to deliver this.

From today, we are launching the new Restart Grants scheme, as announced by the Chancellor at the Budget, to support businesses still facing disruption.

The Restart Grants scheme provides one-off cash grants of up to £6,000 to businesses in the non-essential retail sector, and one-off cash grants of up to £18,000 for the hospitality, accommodation, leisure, personal care and gym sectors.

We are also providing a £425 million top-up for the ongoing Additional Restrictions Grant (ARG) scheme, taking the scheme total to over £2 billion, so that you can continue to provide urgent support to businesses in your Local Authority area who need it most.

Funds from the latest £425 million ARG top-up will be provided to Local Authorities if existing scheme money has been spent by 30 June 2021.

Local Authorities may want to support businesses that fall outside the business rates system with this additional cash. This could include travel and tour operators, including B&Bs and event industry providers, wholesalers, breweries, freelance and mobile businesses like caterers, wedding photographers, hairdressers and makeup artists and market traders, and wraparound care providers.

We are also calling on you to be as flexible as possible in enabling pubs, cafes and restaurants to open outdoor seating areas and host outdoor events in a Covid-secure manner, as the Local Government Secretary stressed in his letter in March. This will keep cash flowing to these businesses in the short term and support our long-term recovery from the pandemic as we reopen and kick start the economy again.

Businesses are counting on you to deliver this urgent support and be as flexible as possible to see them through what will hopefully be the final few months of restrictions. I know that you will continue to do your bit as part of this national effort to defeat the virus.

Yours sincerely,

**PAUL SCULLY MP** 

Minister for Small Business, Consumers & Labour Markets
Minister for London

NIGEL HUDDLESTON MP

Minister for Sport and Tourism