



Department for
Business, Energy
& Industrial Strategy

Lucy Powell MP
House of Commons
London
SW1A 0AA

Nadhim Zahawi MP
Minister for Business and Industry

Department for Business, Energy &
Industrial Strategy
1 Victoria Street
London
SW1H 0ET

T +44 (0) 20 7215 5000
E enquiries@beis.gov.uk
W www.gov.uk

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Dear Lucy,

Thank you for your letter dated 8 April to the Rt Hon Alok Sharma MP on behalf of the Greater Manchester All-Party Parliamentary Group, regarding Covid-19 businesses and employee support in Greater Manchester. I am responding on behalf of the Department and sincerely apologise for the delay.

We recognise how challenging this crisis has been to the people and businesses of Greater Manchester. I also recognise the valuable work that has taken place amongst local partners to support constituents and local businesses. I have addressed each of the points in your letter in turn below.

1) Guidance to employers about compliance with public health measures

As you may know, the Government published updated guidance to help employers and employees to understand how to work safely. I know that businesses have translated this guidance into specific actions, particularly given ongoing local restrictions in the City Region. This guidance does not supersede any legal obligations relating to health and safety, employment, or equalities and was prepared in consultation with Public Health England (PHE) and the Health and Safety Executive (HSE). The guidance is published at: www.gov.uk/guidance/working-safely-during-coronavirus-covid-19.

2) Self-Employment Income Support Scheme (SEISS)

I assure you that we understand the concerns of the self-employed, which is why the Chancellor announced a significant package of support for this group. Her Majesty's Revenue and Customs worked diligently and tirelessly to get the SEISS up and running, so that support could be provided to the self-employed as early as possible. Following the first round of the SEISS, which began in May and closed on 13 July, the Government announced a second round of the scheme opening on 17 August and closing on 19 October. Under the first SEISS grant, 2.7 million individuals claimed £7.8 billion. As of 20 September, under the second and final SEISS grant, 2.2 million individuals had so far claimed £5.6 billion.

Income tax payments due in July can be deferred until the end of January 2021 and we have also temporarily relaxed the Minimum Income Floor in Universal Credit for self-employed claimants affected by the impact of Covid-19, so their award fully reflects any loss of income. This is, of course, a complex and challenging policy area as you have stated, and I welcome continued feedback from the APPG on this matter. For further statistical information on the SEISS, I would recommend that you refer to:

<https://www.gov.uk/government/collections/hmrc-coronavirus-covid-19-statistics>.

3) Coronavirus Job Retention Scheme (CJRS)

I can confirm that as of 20 September, 9.6 million jobs have been furloughed, with 1.2 million employers furloughing their employees. In total, £39.3 billion has been claimed through the CJRS, which has now been extended until the end of October, giving businesses the vital support that they need. As we have been re-opening the economy, it is right that since August 2020, the level of state support has been slowly reduced. Since 1 July, employers have also had the flexibility to bring previously furloughed employees back part-time.

4) Eligibility for Business Rates relief schemes

My Department allocated £629.63 million (including through the Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund) to support 49,505 businesses across Greater Manchester. I am pleased to inform you that, as of 21 September, over 47,233 of these businesses have received £551.75 million in grants.

Local authorities shared their concerns early in the Funds' implementation that in certain circumstances, such as shared/service offices, businesses were ineligible for payments. As a result, the Business Secretary and the Communities Secretary jointly announced a 5% uplift to the business support grants budget. This allocated up to £617 million more for English local authorities to run discretionary grant schemes to meet the needs of businesses that were outside the scope of the Small Business and Retail, Hospitality and Leisure Grants Funds. I hope that these discretionary grants will have given the Greater Manchester local authorities the flexibility to address the concerns raised in your letter.

Recently, the Government announced a new fund to support businesses impacted by local lockdown measures. The Local Lockdown Grant Fund will provide financial support of up to £1,500 every three weeks to businesses required to close due to local lockdowns, offering a helping hand to businesses as they close their doors to help save lives in their local areas. This funding is only available for businesses that were required to close because of the formal publication of local lockdown guidance that resulted in a first full day of closures on or after 9 September. Guidance on the Local Lockdown Grant Fund is available here: www.gov.uk/government/publications/coronavirus-covid-19-local-lockdown-grant-funding-guidance-for-local-authorities.

Businesses which are ineligible for, or have not received, grant funding should be able to benefit from other measures in the Government's unprecedented package of support for businesses. Further information is available at: www.gov.uk/business-coronavirus-support-finder.

5) Coronavirus Business Interruption Loan Scheme (CBILS)

The Government has been working with the banking industry and, as of 20 September, £15.45 billion worth of loans have been approved under the CBILS to 66,585 businesses. It is inevitable that there has been significant demand and lenders will be experiencing high volumes of calls. Banks are aware of the urgency and the Government would expect them to respond appropriately to their customers' needs.

I am pleased to advise that we have responded rapidly to feedback to help companies feel the full benefits of support available through the CBILS. The scheme was extended so that all viable small businesses affected by Covid-19, and not just those unable to secure regular commercial financing, are eligible if the lender believes they need finance to see them through these unprecedented times.

We have removed the ability of lenders to ask for personal guarantees for loans under £250,000 and restricted the personal guarantee for loans over £250,000 to 20% of the outstanding balance after recoveries. Technical changes have been introduced to ensure that applications will be processed faster, and we have removed the forward-looking viability test that required a complex assessment of whether the business can trade out of the crisis. The Government is committed to continuing to identify new areas for improvement across the scheme as a whole.

The Government continues to work with banks and other finance providers to help small and medium-sized enterprises to access the finance they need. I welcomed the statement by UK Finance on behalf of the sector that banks, building societies, and credit card providers are committed to supporting their business customers in continuing to trade. I would encourage businesses in your constituencies to speak to their lender if they need finance.

Since the Covid-19 outbreak reached the UK, the Government has delivered one of the most generous and comprehensive packages of support globally, with a total fiscal response of close to £200 billion. The measures introduced, including loan schemes, grant funding, tax deferrals and the CJRS, have been designed to be accessible to businesses in most sectors and across the UK. The package includes the schemes you listed in your letter, as well as:

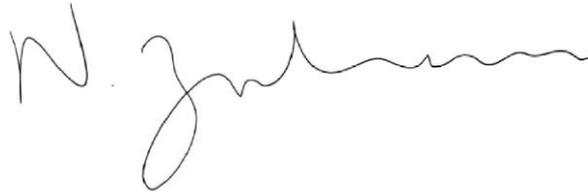
- Bounce Back Loans, which launched on 4 May. As of 20 September, 1,260,940 applications have been approved, valued at £38.02 billion.
- Scaling-up Her Majesty's Revenue and Customs Time To Pay service, which allowed businesses and the self-employed to defer tax payments over an agreed period of time.
- Tax deferrals on both self-assessment tax returns and the quarterly tax return for 20 March to 30 June.
- Business Rate Relief for all businesses in the retail, hospitality, or leisure sector in England, for one year in 2020-21. Eligible pubs will also be entitled to a business rate discount of £5,000.
- Statutory Sick Pay costs for businesses with fewer than 250 employees will be met by the Government in full for up to 14 days per employee.
- The Covid-19 Corporate Financing Facility for large businesses.
- Eat Out to Help Out scheme to help support eat-in dining.
- Provisions to prohibit forfeiture of a lease for non-payment of rent to 30 June 2020, which was extended to 30 September 2020.
- European Regional Development Funding, worth £20 million, allocated between the network of 38 Government-backed Growth Hubs in England to boost small businesses' access to expert advice, as well as new technology and equipment.
- The Future Fund has seen 711 loans approved totalling £720 million.
- The Sustainable Innovation Fund, which is a package of support worth £200 million to help innovative businesses.

During these unprecedented times, I would like to take this opportunity to thank the local authorities of Greater Manchester for their response. Local leaders have supported the implementation of many of the above measures and have ensured that support reaches the businesses that need it most.

I also welcome the commitment of the APPG to work with the Government to support the residents and businesses of Greater Manchester, and across the country, as we continue to respond to and recover from COVID-19 in both the short and longer-term.

Thank you once again for taking the time to write on this matter. I hope you find this response helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'N. Zahawi', with a stylized, flowing script.

NADHIM ZAHAWI MP
Minister for Business and Industry