



HM Treasury

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London  
SW1A 2HQ

Tim Farron MP  
House of Commons  
London  
SW1A 0AA

13 April 2021  
Your Ref: TF127789

Dear Tim Farron,

Thank you for your correspondence dated 24 February on behalf of Windermere & Bowness Chamber of Trade, regarding COVID-19 business support. The Chancellor of the Exchequer has asked me to write to you directly.

The Government understands that some sectors have been acutely impacted by the pandemic. The Government has delivered support to these sectors over the past year through the Coronavirus Job Retention Scheme (CJRS), VAT and business rates relief, a moratorium on evictions to protect commercial tenants, cash grants to protect businesses, extensions to the Coronavirus Business Interruption Loan Scheme (CBILS) and Bounce Back Loan Scheme (BBLs), and 'Pay as You Grow' options for businesses which have taken out loans through BBLs, giving a longer repayment period and allowing further flexibility on repayments.

As restrictions ease and the economy is gradually and safely reopened, the Government will carefully tailor the level of support to individuals and businesses to reflect the changing circumstances. The Budget on 3 March outlined the next stage in the Government's Plan for Jobs including on economic support to protect jobs and livelihoods across the UK. Measures businesses can benefit from include:

- The CJRS, which has supported over 1.6 million jobs in the hospitality sector, and 1.8 million in the wholesale and retail sector, has been extended until the end of September 2021.
- New Restart Grants - a one off cash grant of up to £6,000 for non-essential retail businesses and up to £18,000 for hospitality and leisure businesses in England.
- Local Authorities (in England) have been given an additional £425 million of discretionary funding to support local businesses. This builds on the £1.6 billion discretionary funding which Local Authorities in England have already received.

- Eligible businesses in the retail, hospitality and leisure sectors in England will benefit from business rates relief worth over £6 billion in 21-22. This includes a three-month extension of the current business rates holiday from 1 April 2021 to 30 June 2021, followed by 66% relief for the period 1 July 2021 to 31 March 2022 for eligible properties, with a cap of £2 million for businesses that were required to close on 5 January 2020, and up to £105,000 for businesses that were permitted to open.
- A new UK-wide Recovery Loan Scheme to make available loans between £25,001 and £10 million, and asset and invoice finance between £1,000 and £10 million, to help businesses of all sizes through the next stage of recovery.
- Extension to the VAT cut to 5% for hospitality, accommodation and tourism until the end of September across the UK. To help businesses manage the transition back to the standard 20% rate, a 12.5% rate will apply for the subsequent six months until 31 March 2022.

The Government is continuing to collect evidence on the impact of the pandemic, and is committed to working with businesses and representative groups to inform our efforts to support it.

I hope this is helpful. If you have any questions about this reply, please email [public.enquiries@hmtreasury.gov.uk](mailto:public.enquiries@hmtreasury.gov.uk) quoting reference MC2021/07452.

Yours sincerely,

J Champ

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