



Department for
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Our ref: MCB2021/05816

12 April 2021

The Rt Hon Sir George Howarth MP
House of Commons
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Dear Sir George,

Many thanks for your email of 17 February addressed to the Rt Hon Kwasi Kwarteng MP, regarding the Additional Restrictions Grant (ARG). Your correspondence has been transferred to BEIS, and this matter falls within my Ministerial portfolio. I sincerely apologise for the delay in response.

The ARG continues to enable Local Authorities to put in place discretionary business support. Local Authorities are free to provide support that suits their local area including to support those businesses not required to close but which have had their trade severely affected by the restrictions and those businesses that fall outside the business rates system such as market traders.

Local Authorities will have received an initial one-off lump sum payment amounting to £20 per head in each eligible Local Authority when Tier 3 or widespread national restrictions in November were imposed, whichever is the earliest date. If an area agreed an enhanced package before National Lockdown, then the negotiated amount will be honoured. The calculation is based on ONS 2019 Mid-Year Population Estimate for the total population within a Local Authority.

The Chancellor announced at the Budget that an additional £425 million will be made available via the ARG meaning that more than £2 billion will have been made available to Local Authorities since November 2020.

For this second top-up of ARG, Local Authorities must meet certain conditions to be eligible for an allocation from the £425 million funding available. These conditions are set out in guidance that has been issued to Local Authorities here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/970687/RESTART_UPDATE_Additional_Restrictions_Grant_-_LA_guidance_170321.pdf.

Local Authorities have until 30 June 2021 to meet all necessary conditions and prove that they have spent or made a validated attempt to spend 100% of their first two ARG allocations combined. This is to ensure that the additional funding can be directed to areas where Local Authorities have allocated their existing available funding.

We continue to work closely with Local Authorities to ensure that grant support can get to where it is needed, when it is needed.

Thank you again for taking the time to write and for raising this important issue with me.



PAUL SCULLY MP

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