



Department for Digital, Culture, Media & Sport

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Dear Councillor Hill,

Thank you for your correspondence of 29 December to the Secretary of State for Digital, Culture, Media and Sport, the Rt Hon Oliver Dowden CBE MP, regarding the impact of COVID-19 on the tourism sector. I am responding as the Minister for Sport and Tourism and I sincerely apologise for the long delay in providing you with a response.

We are aware that COVID-19 and related government restrictions have significantly impacted tourism, including in Lincolnshire. I recognise how tough the past year has been for tourism and I am alert to the challenges facing businesses and individuals.

On 22 February, the government published a [roadmap](#) which sets out how restrictions will be gradually removed in England. The roadmap has been informed by the latest scientific evidence and seeks a balance between our key social and economic priorities, whilst preserving the health and safety of the country.

The government's COVID-19 Secure guidance for [hotels and guest accommodation](#) and the [visitor economy](#) will be kept up to date over the coming months, in line with the reopening process for the sector. The government's broader national restrictions guidance is [here](#). In addition, [this guidance](#) details how and when businesses will reopen in each step of the roadmap.

Since the start of the first lockdown, we've provided a range of targeted measures to see the UK tourism sector through COVID-19. On top of the government's wider economic support package, we have extended business rates relief and introduced new Restart grants of up to £18,000 for many in the sector. We have also extended the cut in VAT for tourism and hospitality activities to 5% until the end of September. To help businesses manage the transition back to the standard rate, a 12.5% rate will then apply for a further six months.

The government will continue to provide eligible retail, hospitality and leisure properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This will be followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £2 million per business for properties that were required to be closed on 5 January 2021, or £105,000 per business for other eligible properties.

The government will continue to support businesses and individuals during this period - including through various government-backed loans, new grants and the extended furlough and self-employed support schemes.

The Coronavirus Job Retention Scheme will remain open until 30 September 2021. Employees will continue to receive 80% of their current salary for hours not worked. The fourth Self-Employment Income Support Scheme (SEISS) grant - which will cover the February to April period - will be worth 80% of three months' average trading profits, paid out in a single instalment and capped at £7,500 in total. People who filed a tax return in 2019-20 are now able to claim the SEISS grant. A fifth and final SEISS grant will be available over the summer.



The government has introduced a range of grant schemes which I encourage businesses to explore. In the March Budget, the Chancellor announced new 'Restart Grants' of up to £6,000 per premises for non-essential retail businesses and up to £18,000 per premises for hospitality, accommodation, leisure, personal care and gym businesses in England. The government is also providing all local authorities in England with an additional £425 million of discretionary business grant funding, on top of the £1.6 billion already allocated.

Since Autumn 2020, businesses which are legally required to close due to the restrictions have been able to receive up to £3,000 per month Local Restrictions Support Grant (Closed) scheme. Many eligible businesses in the hospitality, leisure and accommodation sectors which are not required to close but which have suffered from reduced demand due to local restrictions will receive grants through the Local Restrictions Support Grant (Open) scheme, with funding of up to £2,100 per 28 days. Local authorities are best placed to determine local needs for supporting recovery, and whilst the government has set suggested criteria for this funding, local authorities will be allowed to determine exactly which businesses to support.

Eligible retail, hospitality and leisure businesses have been able to access [one-off top up grants](#) worth up to £9,000 per property to help them through this period. This is in addition to the support received through the monthly Local Restrictions Support Grants (Closed).

In January, the government increased the funding for the Additional Restrictions Grant scheme by £500 million, taking the total to £1.6 billion across England. This discretionary funding has enabled local authorities to support their local economies and help businesses impacted.

Local authorities can determine how much funding to provide to businesses through the Additional Restrictions Grant (ARG) scheme, and exactly which businesses to target. The guidance for ARG funding encourages local authorities to develop discretionary grant schemes to help those businesses which - while not legally forced to close - are nonetheless severely impacted by the restrictions put in place to control the spread of COVID-19. This could include - for example - businesses which supply the retail, hospitality, and leisure sectors, or businesses in the events sector.

It is up to each local authority to determine eligibility for the ARG based on their assessment of local economic need; however, we encourage local authorities to support businesses which have been impacted by COVID-19 restrictions, but which are ineligible for the other grant schemes.

From 6 April 2021, the Recovery Loan Scheme will provide lenders with a guarantee of 80% on eligible loans between £25,000 and £10 million to give them confidence in continuing to provide finance to UK businesses. The scheme will be open to all businesses, including those who have already received support under the existing COVID-19 guaranteed loan schemes.

Businesses and individuals should check Gov.uk to explore the full range of support measures available to them. We know that these are extremely challenging circumstances for tourism. We are listening to the sector's concerns, and we are closely monitoring the situation.

The Global Travel Taskforce last year committed the government to publish a Tourism Recovery Plan in support of the sector. The government intends to set out proposals in the Spring, including plans for a marketing campaign to welcome visitors back to the UK as soon as it is safe to do so.

We will continue to engage with tourism stakeholders via the Tourism Industry Council to assess how we can most effectively support the sector's recovery. In the meantime, I encourage tourism businesses and workers to explore all aspects of the government's economic support package.

Thank you again for your letter.



Nigel Huddleston MP
Parliamentary Under Secretary of State for Sport and Tourism

