

# Fresh wave of grant funding launched as councils are called on to do their bit to continue supporting businesses

- New Restart Grants scheme launched today, providing funding of up to £18,000 to eligible businesses
- call issued to all 314 local authorities across England to deliver new COVID grants to businesses in good time and take a flexible approach to updated restrictions
- joint letter from Small Business Minister Paul Scully and Tourism Minister Nigel Huddleston thanks councils for supporting businesses but highlights urgency of ongoing support

Hard-pressed businesses across the economy will receive fresh support from the new £5 billion [Restart Grants scheme](#) launching today (1 April), as the government on councils to get funds to business owners as soon as possible.

From today, businesses in England in the non-essential retail sector will be eligible for one-off grants of up to £6,000, while businesses in the hospitality, accommodation, leisure, personal care and gym sectors, which are reopening later, will be eligible for one-off grants of up to £18,000. The £5 billion of government funding available through the Restart Grants scheme will be delivered by local authorities.

This is coupled with £425 million of top-up funding for the ongoing Additional Restrictions Grant scheme for councils to distribute to businesses in particularly urgent need of additional support – which could also be businesses who don't necessarily pay business rates like tour operators, B&Bs, caterers, freelancers and wedding service providers.

Minister Scully and Tourism Minister Nigel Huddleston have written to the leaders of 314 councils in England urging them to do all they can to pay out grants money more quickly and ensure businesses in their local authority area get the support they need.

[Letter to all local authorities from Ministers Scully and Huddleston](#) (PDF, 128KB, 2 pages)

It also encourages councils to support pubs and restaurants to open outdoor areas and host outdoor events in a safe and secure manner.

Small Business Minister Paul Scully said:

Government grants have been critical in relieving cash flow pressures and enabling businesses to plan ahead, and I am urging councils to deliver these vital funds to where they are needed as soon as possible.

We have made extraordinary efforts to stand by small business owners. Now we need to press on and continue getting money to them in good time to ensure that our communities are ready to build back better following the pandemic.

In the letter, ministers noted that some local authorities decided on eligibility criteria and application processes for the grant schemes quickly, while others have taken far too long to do so. Councils are being pressed to ensure funds are paid out as quickly as possible to relieve pressure on businesses.

To help get cash out more quickly to those who need it, the ARG funding will be provided to local authorities if existing scheme money has been spent by 30 June 2021.

Tourism Minister Nigel Huddleston said:

Small businesses are the backbone of our tourism sector and a major part of what makes the UK a world-class destination. These vital funds will make a huge difference to businesses in our brilliant hospitality, accommodation and leisure sectors as we build back better from the pandemic.

I urge councils to work at pace to distribute these grants and look forward to seeing their impact in communities across the country.

Mike Cherry, National Chair at the Federation of Small Businesses, said:

During this crisis billions of pounds worth of grants have been made available to businesses that desperately need it, yet, frustratingly, so much of it is still yet to be allocated.

It's good that the government is making it clear to local authorities that ARG grants are genuinely discretionary, and that the priority is to get this support delivered. Whether that's to home-based businesses, direct or indirect suppliers to retail, leisure and hospitality, tourism, or others that need support, lots of small firms are in need and it's vital that this money gets to them.

Local authorities urgently need to get these grants distributed, to support businesses and jobs in their local area.

The launch of the Restart Grants scheme is the latest in a series of measures introduced since March 2020 to provide direct funding to businesses which have been disrupted or required to close.

The total provided to councils to give to businesses directly is now more

than £25 billion. This is part of the unprecedented support package of over £352 billion delivered by the government to protect jobs and livelihoods, including the extended furlough and self-employed income support schemes, government-backed loans, VAT and business rates relief and a ban on commercial evictions.

Businesses can [check their eligibility for the Restart Grant here](#).

The Restart Grants scheme was announced by the Chancellor of the Exchequer in the Budget on 3 March 2021.

The amount paid to eligible businesses under the Restart Grants scheme is dependent on rateable value.

#### [Restart Grant funding allocated to local authorities to support businesses](#)

Allocations from the latest £425 million ARG top-up will be provided to local authorities if existing funds have been spent by 30 June 2021.

The 314 councils in England distributing the grants are those responsible for collecting business rates.

Businesses can receive ARG funding alongside Restart Grants funding if they are eligible and their council deems them to be in urgent need of additional support.

The ARG is designed to provide support to businesses in acute need and is not constrained solely to businesses that have had to remain closed. Businesses such as freelancers, market traders, close contact service providers like wedding hairdressers and makeup artists without a fixed premises, tour operators and B&Bs are all further examples of business types in scope for these grants.