
Rishi Sunak unveils £4.6bn relief package for UK retail and hospitality sectors



The chancellor today (January 5th 2021) said the Treasury would provide £4bn of one-off “top-up grants” for an estimated 600,000 retail, hospitality and leisure companies, which can each claim up to £9,000.

To All our Clients and Friends,

Chancellor Rishi Sunak today announced that the Treasury would provide £4bn of one-off “top-up grants” for an estimated 600,000 retail, hospitality and leisure companies, which can each claim up to £9,000. The Treasury said there would be a £4,000 grant for businesses with a rateable value of £15,000 or under, £6,000 for businesses with a rateable value of between £15,000 and £51,000, and £9,000 for businesses with a rateable value of more than £51,000.

In addition to grants worth £4bn, a further £594m will be made available to local councils to assist businesses impacted by the lockdown but not eligible for the new payments. As part of the package, the Scottish government will receive £375m, the Welsh government £227m and the Northern Ireland executive £127m.

The Treasury said the new one-off grants came on top of existing business support, including grants worth up to £3,000 for closed businesses, and up to £2,100 a month for impacted businesses once they reopen.

So far, the UK government has committed £280bn towards support measures during the pandemic, ranging from business support schemes to extra funding for the NHS and for personal protective equipment. Officials said the grants announced on Tuesday would take the support offered during the current lockdown to almost £9bn, including the grants of £3,000 per month that were introduced in November. That figure does not include another £5bn to £10bn a month that ministers expect to keep spending on the furlough scheme.

Adam Marshall, head of the British Chambers of Commerce, said that the immediate cash for businesses was welcome, but was “not going to be enough to save some firms”.

The Chancellor has also signalled that further support for firms and workers affected by the coronavirus crisis this year could be announced in the budget, which is scheduled for 3rd March. In a clip for broadcasters, he was asked about complaints that the support package announced today does not go far enough and whether he would extend furlough or increase statutory sick pay. Sunak replied:

"We're having a budget early in March, and all of our economic support, including the announcement today, runs through to this spring. So I think the budget in early March is an excellent opportunity to take stock of the range of support that we've put in place, and to set out the next stage, our economic response to coronavirus at that particular time."

An additional note from Carbon Accountancy's "Santa CEO" :-)

I'd also just like to add a personal note to say how much I appreciate all the hard work done by our staff over the course of 2020 - and I am sure clients will join me in that sentiment. My story of a 16-hour journey and a game of "Knock and Run" on WhatsApp is linked below!

And to all our clients I wish you a Happy New Year.

Carbon Accountancy 'Santa CEO' Embarks On A 16 Hour Christmas Mission To Personally Deliver Hampers To The Company's Employees

