

Message

From: Harrison, Daniel (Business Growth) [daniel.harrison@beis.gov.uk]
Sent: 14/04/2020 19:23:11
To: Tony Bray [tony.bray@beis.gov.uk]; [redacted]@hmtreasury.gov.uk; Peck, Gemma (BEIS) [Gemma.Peck@beis.gov.uk]; Jenny Dibden [jenny.dibden@communities.gov.uk]; [redacted]@beis.gov.uk; Peck Evernden (Jobshare) [Peck-Evernden@beis.gov.uk]
CC: [redacted]@hmtreasury.gov.uk
Subject: Re: Potential extension of grant scheme to a much wider range of small businesses

Hi are [redacted] morning you want a right copy list but adding [redacted] to confirm/add to the analysis on numbers.

FYI - wales are running an application process to reach the SMEs not caught by the rate relief definition for £10k grants and think they are administering centrally through Business Wales.

Tony, let's talk in the morning. I'm due to be on leave but doing some calls through to noon.

Thanks
Daniel

Sent from phone, apologies for brevity and spelling
Due to my family/work balance, you may get emails from me outside normal working hours. I respect your working pattern and do not expect you to respond outside it.

From: Bray, Tony (Cities & Local Growth) <Tony.Bray@beis.gov.uk>
Sent: Tuesday, April 14, 2020 7:04:09 PM
To: [redacted]@hmtreasury.gov.uk; Peck, Gemma (BEIS) <Gemma.Peck@beis.gov.uk>; Dibden, Jenny (communities) <Jenny.dibden@communities.gov.uk>; Harrison, Daniel (Business Growth) <daniel.harrison@beis.gov.uk>
Cc: [redacted]@hmtreasury.gov.uk
Subject: Re: Potential extension of grant scheme to a much wider range of small businesses

Hi, noted. We did consider this option at the outset of thinking about the business grants, or even going to a larger set of about 2.3 million businesses.

At the scale being considered I don't think there is an easy route to secure delivery and that was one of the factors that weighed heavily against. LEPs in the end rest on LAs to be able to manage funding and for delivery capacity and I don't think are set up to execute major small grants programmes at pace.

I will find some time to discuss with Daniel tomorrow morning so we can come up with some positive ideas!

Tony

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From: [redacted]@hmtreasury.gov.uk
Sent: Tuesday, April 14, 2020 6:55:48 PM
To: Peck, Gemma (BEIS) <Gemma.Peck@beis.gov.uk>; Dibden, Jenny (communities) <Jenny.dibden@communities.gov.uk>; Harrison, Daniel (Business Growth) <daniel.harrison@beis.gov.uk>; Bray, Tony (Cities & Local Growth) <Tony.Bray@beis.gov.uk>

Cc: **NR** <[redacted]@hmtreasury.gov.uk>

Subject: Potential extension of grant scheme to a much wider range of small businesses

Hi Jenny, Gemma, Daniel, Tony,

The Chancellor has asked for some initial advice tomorrow on the potential for extending the current small business grant scheme to **all businesses with under 10 employees**. This would primarily help businesses without property, but also help businesses who are not eligible for SBRR/RRR for whatever reason.

We need to put up initial views by 4pm – we don't expect the CX to make a final decision based on what we provide.

I'd appreciate your help with two key points:

1. **Estimating the number of potentially eligible businesses.** This below data return seems to suggest that there are 1.1m businesses with under 10 employees. If we assume 700,000 of these are helped by the current small business grant scheme, then is it fair to assume that approx. 400,000 additional businesses may be eligible? How comparable are the SBRR data set and this estimate of small business numbers?

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/852919/Business_Population_Estimates_for_the_UK_and_regions_-_2019_Statistical_Release.pdf

2. **Initial views on a delivery mechanism.** My instinct is that Local Authorities may not be best placed to deliver these additional grants, as they would all need to set up entirely new systems for identifying the eligible businesses and checking for fraud. It may be better to do this centrally (I'm also speaking to the HMRC team tomorrow to understand if HMRC might be able to deliver it). Does that chime with your understanding? Could we ask LEPs to help with this at all? And how would we cross-check with businesses that have already received a grant via the existing schemes?

We obviously don't need to resolve all potential issues in time for advice tomorrow – the CX is after approximate estimates, and high level implementation thoughts.

Gemma/Daniel – could you please help with point 1; and would welcome all of your thoughts on point 2.

Obviously this is quite sensitive, and nothing may come of it. So grateful if you could keep this to a tight copylist and not share with PO/SpAds for now. But do bring in any analysts/policy experts that can help with the above detail.

Very happy to chat quickly tomorrow if that would be easier than on email.

NR

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