

Businesses most impacted by Omicron variant to benefit from over £700 million as government delivers funding to local authorities

- Businesses in England most impacted by COVID-19 and the Omicron variant to benefit from £700 million in government grants delivered by local councils
- hospitality, leisure and accommodation businesses will be able to apply for one-off cash grants of up to £6,000
- businesses are urged to engage with their council and apply for funding

Businesses in England most impacted by the Omicron variant will be able to tap into a multimillion-pound support package in the coming weeks, as the government today (7 January) delivered funding to councils across the country.

Firms in the hospitality, leisure and accommodation sectors, many of which have seen a decline in footfall and increased cancellations due to the Omicron variant, will be able to apply for one-off grants of up to £6,000 per premises depending on rateable value:

- businesses with a rateable value of £51,000 or above: £6,000
- businesses with a rateable value between £15,000 and £51,000: £4,000
- businesses with a rateable value of £15,000 or below: £2,667

In addition, more than £100 million worth of discretionary funding is also being made available for local authorities to support other businesses.

Business Secretary Kwasi Kwarteng said:

All through the pandemic we have stood by the side of business to ensure they are supported at every stage.

The spread of the Omicron variant is presenting new challenges, particularly for the hospitality and leisure sectors, so it's only right that we are stepping up with an urgent £1 billion support package.

I urge businesses to come forward, engage with their local council and tap into these cash grants, which will help to cover costs and protect jobs as we double down on our efforts to get boosted and defeat this virus.

The grant funding forms part of a £1 billion support package which includes

an additional £30 million for the Culture Recovery Fund and reintroducing the Statutory Sick Pay Rebate Scheme – reimbursing eligible businesses for the cost of Statutory Sick Pay for COVID-related absences.

Rishi Sunak, Chancellor of the Exchequer said:

We know the Omicron variant has hit our hospitality and leisure businesses – which is why, as we have throughout the pandemic, we stepped in to help.

From today, local councils will be able to distribute this £1 billion package of support to the hundreds of thousands of pubs, restaurants and theatres in need – protecting the millions of people they employ.

Businesses are encouraged to apply to their council for grant funding which will be administered over the coming weeks. [Find your local authority on GOV.UK](#).

Businesses eligible for grants are those that offer in-person services, where the main service and activity takes place in a fixed rate-paying premises, in the hospitality, leisure and accommodation sectors. For example, this includes businesses whose main function is providing a venue for the consumption and sale of food and drink, those that provide facilities linked to recreation and entertainment, as well as businesses whose main premise is used for holiday accommodation.

The government has chosen to provide generous grants that are the same size as the monthly cash grants provided to hospitality businesses when they were fully closed earlier this year – despite businesses now being still able to trade.

Other businesses impacted by Omicron, such as those that supply the hospitality and leisure sectors as well as personal care services, are also able to apply for grants with the government allocating more than £100 million to the Additional Restrictions Grant (ARG) fund for local authorities in England.

Local authorities will have discretion to allocate this funding to businesses most in need.

The Business Secretary has written to those local authorities who have more than 5% left over from previous ARG funding rounds, instructing them to disburse their remaining funding.

The £1 billion support package consists of:

- £635 million for targeted grants for hospitality and leisure businesses in England
- £102 million top-up for the Additional Restrictions Grant
- £30 million for Culture Recovery Fund

- £154 million of Barnett funding covering all three above
- Funding for the Statutory Sick Pay Rebate scheme will be additional to these amounts

Further information will be available in the [published factsheets](#).

The one-off grants of up to £6,000 for eligible businesses in the hospitality, leisure and accommodation sectors, depend on rateable value:

- businesses with a rateable value of £51,000 or above: £6,000
- businesses with a rateable value between £15,000 and £51,000: £4,000
- businesses with a rateable value of £15,000 or below: £2,667
- The additional funding is the third top-up to the ARG scheme. The most recent data on local authority payments to businesses is to 28 November 2021 and so does not capture any recent spending. As of this date 88% of the funding available prior to this third top-up had been spent
- note that local authority funding allocations for the Omicron Hospitality and Leisure Grant have been calculated using the latest available data (31 March 2021) on business numbers provided by the VOA
- figures by local authority are available on request