

Rishi Sunak
Chancellor of the Exchequer
House of Commons
London
SW1A 0AA

3rd April 2020

Dear Chancellor,

Re: Covid19 - small businesses in shared office facilities – lack of grant funding

I wish to urgently draw your attention to a gap in funding for small businesses that are affected by Coronavirus. We feel that if this gap is not addressed, it will put at risk the viability of a significant number of small businesses, who make such an important contribution to the economy of our City.

This issue relates explicitly to the recently introduced Small Business Grant Funding scheme. Specifically, £10,000 grant funding for businesses already in receipt of small business rate relief, only applies where the business is the rate paying business. There are many examples, where small businesses take up space in multi occupancy buildings, and pay the landlord a fee that includes rent and rates. The landlord does then not qualify for small business rate relief, so neither the landlord nor the small business tenant qualifies for the £10k small business grant.

In Nottingham for example, we have one successful Life Science business incubator, BioCity, which has about 40 such tenants. These businesses are those that contribute massively to innovation, research, and development. They are at the forefront of producing the cutting edge technology, medical devices, and drugs that make a positive global impact. Biocity's businesses have lost business or temporarily closed, but there is no relief that we can give to either the small business or to the owner/landlord to pass on to the small business tenants, in the same way that small shops, cafes, etc are eligible for, where they pay rent and rates separately.

These multi occupancy premises are important for start-up businesses, as they often provide more flexible workspaces, and are used in Nottingham and across the UK. Not just in Life Sciences but in Tech, Creative and Digital and other entrepreneurial start-ups, including spin outs from Universities in a range of new economy sectors.



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Councillor for Castle Ward

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We ask that give urgent consideration to extending the Small Business Grant Funding scheme to this important group, which would result in a smaller number of landlords that we could administer the grant through and would operate in addition to the grant scheme that we are currently administering via the rates team.

Yours sincerely

A handwritten signature in black ink, appearing to be 'S. Webster', written over a light blue horizontal line.

Sam Webster
Portfolio Holder for Finance, Growth and the City Centre