



Business, Energy and Industrial Strategy Committee

House of Commons, London SW1A 0AA

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Rt Hon Alok Sharma MP
Secretary of State for Business, Energy and Industrial Strategy
1 Victoria Street
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4 June 2020

Dear Alok,

Following the publication of the BEIS Main Estimates for 2020-21 and the accompanying memorandum, my Committee has a number of questions:

Business Interruption Loans (Estimates subheads J, R, Z and AG)

1. Is take up of the Coronavirus Small Business Interruption Loan scheme improving since the initial reports of very low approval rates? What proportion of applications has now received support under this arrangement?
2. Is BEIS attaching any conditions relating to the payment of company dividends or remuneration on those businesses in receipt of loans under the Large Business Interruption Loans scheme, or any other conditions (such as net zero transition objectives)?

Relationship between different business support arrangements

3. Are there any restrictions or limitations on businesses receiving support under multiple government Coronavirus support arrangements? Could a business, for instance potentially receive business rates relief, business support grant funds, business interruption loans, the job retention scheme and statutory sick pay? Or are there instances where a business needs to choose which method of support is most appropriate or advantageous? If so, is this clearly indicated to applicants beforehand?

Bounce back loans

4. Why does BEIS' 2020-21 Main Estimate and memorandum not mention the contingent liability for the Bounce Back loans scheme of £27 billion notified to Parliament on the same day as the Main Estimates were published, on 4 May? Is this simply an oversight?

Science and research (Estimates subheads H and P)

5. Within the nearly £10 billion allocated for science and research by BEIS this year, what funding has been allocated for research into potential coronavirus vaccines and treatments? How is support for such work being co-ordinated between BEIS, UKRI, DHSC and Public Health England?

6. Why is £1.129 billion of science and research funding held back as central contingency? When will this be allocated?

Tackling climate change, and decarbonisation (Estimates subheads B, F and N)

7. £441 million is being allocated to tackling climate change, plus £492 million for international climate finance. What particular measures will this funding support and how will this contribute towards meeting the UK's decarbonisation targets? Do you think this funding is sufficient to meet our net zero target by 2050?

Overseas Development Assistance funding

8. According to the annex to the [statement on ODA](#) of January 2019 <https://www.gov.uk/government/publications/uk-aid-tackling-global-challenges-in-the-national-interest/official-development-assistance-oda-allocation-by-department> BEIS has been allocated £1038 million of Overseas Development Funding for 2020-21. Is this sum fully included within BEIS' Main Estimate? How much funding has been allocated to each spending lines/programme within BEIS' Main Estimate? What projects does it relate to?

Energy efficiency

9. The Conservative party manifesto stated that "we will help lower energy bills by investing £9.2 billion into the energy efficiency of homes, schools and hospitals" (p 55). BEIS' Estimate memorandum makes no reference to this commitment and shows only relatively minor levels of spending on energy efficiency, under Subhead D: (£89.7 million of energy efficiency loans and £4.3 million of resource spending on energy efficiency). Can you provide further detail of how much of the £9.2 billion promised is expected to be spent in 2020-21, which 2020-21 BEIS budget subheads include spending forming part of this commitment, and the amounts allocated? What specific aims, targets and measures for the energy efficiency of homes does BEIS have for 2020-21?

Industrial Strategy

10. While subheads A and K of BEIS' main Estimate are headed "Delivering an ambitious industrial strategy", the vast majority (over £12,400 million, or over 97%) of the funding set out under these subheads relates to Coronavirus Business support grants. Of the remainder, some £258 million is labelled within the memorandum annex as "business and enterprise". What is this funding designed to deliver and what other funding commitments does the government have in relation to any current and revised industrial strategy? Does the Department have the funding it needs or will it need to bid to Treasury for more?

I would be grateful for a reply to these points by the end of June.

Yours sincerely,



Darren Jones MP

Chair of the Business, Energy and Industrial Strategy Committee