Department for Business, Energy & Industrial Strategy

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Darren Jones MP
Chair, Business, Energy and Industrial Strategy Committee
House of Commons
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Dear Darren

I am writing to you following the recent session of the BEIS Select Committee on the 13th April, at which I gave evidence on work across the Department's portfolio. The Permanent Secretary and I also committed to provide follow up responses and further details in writing on a number of the issues raised.

Covid-19 Business Loans

In response to your question, I committed to update the Committee on the publication of the names of businesses that have received financial support through the Coronavirus Business Interruption Loan Scheme (CBILS), the Coronavirus Large Business Interruption Loan Scheme (CLBILS) and the Bounce Back Loan Scheme (BBLS), and how much support they have received.

I am proud that the Government's Covid-19 loan schemes have provided a lifeline to millions of businesses across the UK – helping them survive the pandemic and protecting millions of jobs. As of 21 March 2021, over £75 billion has been lent through the schemes. As you may be aware, the schemes closed for new applications on 31 March 2021.

Details of facilities made available under CBILS, CLBILS and BBLS will be published where required on the European Commission's Transparency Aid Module.

The reporting requirements differ for each scheme:

- For CBILS, there is a requirement to report and publish information about individual aid exceeding €100,000, and above €10,000 if the Borrower operates in the agriculture or fisheries sectors.
- For CLBILS, information about all individual awards is required to be published.
- We are seeking clarification from the European Commission on how the reporting requirements apply to aid granted through BBLS. Once this is known, I will ask my officials to notify the Committee Clerk.

- The reporting requirements apply to all facility types under the schemes (i.e. term loans, asset finance facilities, invoice finance facilities and revolving credit facilities).

We are aware the State Aid Temporary Framework stipulates that information on individual aid should be reported within a 12-month period of the aid being granted. However, our current priority is to ensure borrowers are given notice before information about their loans is shared with the European Commission and we are working with lenders and the British Business Bank to facilitate this. We expect to begin reporting information to the European Commission in the coming weeks and disclosures will continue on a rolling basis thereafter.

Further information can be found on the British Business Bank's website: https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-schemes/data-reporting/

Future Fund

In response to your question, the Permanent Secretary committed to provide the Committee with more details regarding publishing financial data related to the Future Fund.

BEIS and Treasury are considering the case, including legal implications, for publishing more data about Future Fund converted companies.

We must balance the public interest with expectations of confidentiality for firms and investors. In the cases where the loan has converted to equity, however, some companies have announced this conversion themselves, either through their accounts or shareholder filing, which is a requirement when companies periodically file their documents on Companies House, or through publicity materials.

Over time, the information on companies that have had their loans converted will be available on Companies House (depending on the filing deadline).

Build Back Better

In response to a question from Sarah Owen MP, I committed to provide the Committee with more details on the reporting arrangements of the Build Back Better Business Council.

Regular updates on the Business Council are provided on GOV.UK after each Council meeting. The Council has met twice to date and plans to meet a further two times this year.

This is just one vehicle for delivering the Plan for Growth in partnership with business, to unlock investment, boost job creation, promote Global Britain and level up the whole of the UK. This Council is additional to regular engagement with business: including SMEs, trade unions, and business representative groups who continue to feed into work across Government on economic recovery and future growth.

OneWeb

In response to your question, I agreed to provide more details on the initial funding to buy OneWeb. You stated that Departmental estimates were £400 million, most of which came from BEIS, but noted there is a 'missing £81 million' and asked about the origin of this sum.

After reviewing the numbers with officials in my department, I can confirm that £319 million of the total investment was assumed for OneWeb in the 2020-21 Supplementary Estimate process. The balance of £81m is expected to be included in the Main Estimates for 2021/22. BEIS remains committed to investing the full £400 million. There is therefore no 'missing £81 million'.

Green Deal

In response to a question from Alan Brown MP, the Permanent Secretary committed to provide the Committee with an update on appeals from individuals who believe they were mis-sold Green Deal Plans by the company Home Energy & Lifestyle Management Ltd (HELMS).

By 21st April, a total of 246 appeals about mis-selling by HELMS have been received, of which 86 have received a final decision by the Secretary of State. Of the remaining 160 cases, 21 have received notice of the Secretary of State's initial decision.

The handling of appeals is governed by the Green Deal Framework Regulations. We have established mechanisms to review cases in line with the Regulations and are continuing to look for ways to improve and speed up the process.

In addition to the ongoing work on case reviews, 17 decisions have now been appealed to the First Tier Tribunal and officials are also engaged in this process. We are working to complete the remaining cases as soon as possible.

Investment Security Unit

You requested that I clarify the access the Committee will have to relevant intelligence information in order to scrutinise the functioning of the Investment Security Unit. I have now written to you separately setting out that the BEIS Select Committee will have access to the information required for scrutiny of the work of the Investment Security Unit.

Yours sincerely,

Kwasi Kwarteng

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Secretary of State for Business, Energy and Industrial Strategy