August 2020

Thank you for contacting me about support for businesses – in established and emerging sectors – as part of the economic recovery from coronavirus.

These are incredibly difficult times for the country and while it is paramount to protect jobs and the economy, questions are also being asked about the way the country does business and I have raised the points you mention with colleagues in the Treasury.

As we recover from Covid-19, the Government needs to deliver an economy which is stronger, greener, more sustainable and more resilient. No Government could expect to have all the answers itself.

In June, the Secretary of State for Business, Energy and Industrial Strategy launched five new ‘recovery roundtables’ bringing together businesses, business representative groups and leading academics, to unleash Britain’s growth potential and help the economy recover from the pandemic.

The groups will focus on: the future of industry; a green recovery; backing new businesses; increasing opportunity; and winning more high value investment in the UK.

I know questions have been raised about support for certain sectors.

In the case of airlines, for example, firms can draw upon a range of financial support during this challenging time, including billions of pounds worth of loans and guarantees, tax deferrals and the furlough scheme for workers. The ministerial-led international aviation taskforce is looking at the best ways to support the industry, recognising the unique challenges they are facing. Rightly, any potential intervention would need to represent value for money for taxpayers.

In exceptional circumstances, where a viable company has exhausted all options and its failure would disproportionately harm the economy, the Government may consider support on a ‘last resort’ basis. As the British public would expect sensible contingency planning has been put in place and any such support would be on terms that protect the taxpayer.

Mass testing and contact tracing are not, by themselves, solutions, but may allow some social restrictions to be relaxed faster by working to supress transition more precisely. The UK now has capacity to carry out over 300,000 tests per day. The COVID-19 Test and Trace Taskforce programme will ensure that, when someone develops COVID-19-like symptoms, they can rapidly have a test to find out if they have the virus, and people who they’ve had recent close contact with can be alerted and provided with advice. Part of the tracing effort will include a voluntary NHS contact tracing app; this will help increase the speed and effectiveness of the tracing effort. As the test, track and trace programme rolls out nationally Public Health England is overseeing the deployment of 18,000 additional contact tracers to support the programme.

As you know a number of measures have been taken with the aim of reducing, or entirely preventing, a second wave of the virus spreading through the community. These measures include social distancing, restricted travel, and shielding the most vulnerable. Capacity has been increased in the NHS, with the creation of new Nightingale Hospitals, purchase of additional ventilators, and establishment of a PPE taskforce to ensure that health and social care facilities are able to access all the equipment that they need. In the event that the virus returns, we are well prepared to deal with a new increase in cases. However, I strongly encourage everyone to continue to follow government guidance to reduce the likelihood of this happening.

Thank you again for taking the time to contact me.



Yours faithfully,

**CHRIS HEATON-HARRIS MP**

**MEMBER OF PARLIAMENT FOR DAVENTRY**