

Rt. Hon Alok Sharma MP  
Department for Business, Energy and Industrial Strategy  
1 Victoria Street  
London  
SW1H 0ET

Dear Minister

I am writing in my capacity as Chair of the Professional Association of Self-Caterers UK, a group which represents over 30,000 properties, drawn from across the UK. Businesses that join our association are typically small family run entities, and often the mainstay of the local tourism economy. They provide pubs, restaurants and retail with a steady flow of visitors throughout the year, employing many people both directly and indirectly through the supply chain.

Through the Government's grant scheme, many of these businesses have been afforded a lifeline to continue. They may be struggling financially and the logistics of reopening are challenging, but the grants have been warmly welcomed.

It is therefore extremely concerning that we learn that several major UK insurers are firstly reneging on policy commitments for business interruption and refusing to pay out. Secondly, and of principal concern to the Government, of those paying out, several are proposing to *offset their pay out with the equivalent of any government grants received*.

These grants were targeted by the Chancellor, in his speech on 17 March, to help support businesses through the COVID-19 crisis. As he stated, the purpose of these vital funds was to help businesses recover and make the extraordinary preparations necessary to reopen. These funds are not intended to displace the insurance industry's obligations to dishonour their own policies.

We will be challenging the insurer's position in relation to paying out in the High Court on Monday 20 July, but on behalf of the industry, we urge you to consider the broader principle of protecting tax payers' money and prevent the insurance sector from profiting from the situation and the grants. They should not be able to use Government funds to avoid paying their debts.

Yours sincerely

Alistair Handyside MBE  
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