



Department for Levelling Up, Housing & Communities

Rt Hon Michael Gove MP

*Secretary of State for Levelling Up, Housing and
Communities*

Minister for Intergovernmental Relations

**Department for Levelling Up, Housing and
Communities**

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To All Council Leaders

11th March 2021

Dear Leader,

EXPOSURE TO RUSSIAN AND BELARUSSIAN COMPANIES

I am sure you will wish to join with me in condemning Russia's recent invasion of Ukraine and the devastation wrought on a peaceful and democratic European state. These attacks have been met by unprecedented global condemnation and sanctions.

The situation is rapidly evolving, and I urge you to keep up to date with the list of sanctions, which can be expected to grow. In particular, the UK Government has recently expanded the list of people and entities subject to sanctions on Russia and Belorussia. You will of course be considering the impact of these sanctions on the whole range of your responsibilities and service delivery.

UK legislation, guidance and updates are available on the Russia financial sanctions pages on the Gov.UK website:

<https://www.gov.uk/government/publications/financial-sanctions-ukraine-sovereignty-and-territorial-integrity>

<https://www.gov.uk/government/publications/russia-sanctions-guidance/russia-sanctions-guidance>.

I am of course mindful that once again local authorities will be asked to support the Nation's response to this crisis, not least in homing refugees, and I am grateful to all of you who have already set out your support for the people of Ukraine and our collective response to Russian aggression.

I am also aware that many local authorities have already played a leading role publicly, by setting out their intentions to terminate their contracts with Russian companies, most notably Gazprom. I commend those who have taken the local decision to do so.

Today, I am encouraging all local authorities to scrutinise their contracts and determine your exposure to Russian and Belarusian owned companies. As independent bodies it is of course for each individual LA to make their own decisions, which might be influenced by factors such as the term of contract left to run.

I recognise that, in some cases, such action may have a direct or indirect impact on your authority. As ever, we stand ready to talk to any local authority with concerns about its financial position, service delivery or where it may be facing pressures that it cannot take steps to manage locally.

Finally, I would encourage your officers to continue to engage with my department via the usual channels which we will seek to keep you informed of any changes to relevant guidance. In addition, you can email any concerns, raise questions, or seek advice via lgcommercial@levellingup.gov.uk

I know that some authorities have asked if it is possible to provide councils with additional flexibilities to help facilitate local decision making. I can confirm that Government is exploring what options are possible to assist local authorities who are reconsidering their contracts. I hope to update you all as soon as practically possible.

Thank you for continuing to work so collaboratively across the sector and with government.

With every good wish,

A handwritten signature in black ink that reads "Michael Gove". The signature is written in a cursive style with a large initial 'M'.

**Rt Hon Michael Gove MP
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and Minister for Intergovernmental Relations**