

# Struggling firms still waiting for cash from Covid 'lifeline' grants

By Tom Rees

BUSINESSES are facing delayed payments from the Chancellor's £5bn flagship retail and hospitality scheme as councils again fail to distribute grants at speed.

Many local authorities have been handed tens of millions of pounds under the Restart Grant scheme to dole out to Covid-hit firms, but some businesses are still waiting for help two months after its launch.

Andrew Goodacre, chief executive of the British Independent Retailers Association (Bira), said the delays were "inexcusable" and a "real problem for retailers still struggling".

"This is not the first time such grants have been paid out – the local authorities have all the information they need on their systems," he said.

"If anything, the payments should have been even quicker this time around ... For some, [it] will be the difference between success and failure."

Under the Restart scheme, a cash grant of up to £18,000 for businesses closed during the winter was available from April 1, providing a lifeline to help them reopen. It was aimed at the hospitality, accommodation, personal care and non-essential retail sectors.

Bira's members raised concerns in several areas, including London boroughs, Surrey and Leeds, while delays getting Restart grants in time for reopenings have also been reported in Brighton, Cornwall and Bristol.

Previous Covid relief schemes operated by councils have also been fraught

with delays but the Government is yet to release official figures for the number of Restart grants delivered. Craig

Beaumont, of the Federation of Small Businesses, said local authorities were "taking too long to get Restart Grants and the Additional Restrictions Grant out the door".

"Newly elected councillors up and down England should be talking in their councils about getting these out now so that more can focus on opening up safely," he added.

Councils have ignored pleas from ministers to send out financial support quickly with just half of the £1.6bn allocated for the Additional Restrictions Grant being distributed as of March 28. Many have sent out a fraction of their allocated funding – as little as a fifth in Blackpool, Lincoln and Hastings.

After delays for previous grant schemes handled by councils, ministers wrote to local leaders to pressure them into speeding up the help ahead of the Restart Grants scheme launch.

In a letter on March 31, Paul Scully, the small-business minister, said grants had "taken too long" to send out.

"Businesses are counting on you to deliver this urgent support," he said. "If our high streets and communities are to recover, it is vital these businesses are in a position to bounce back quickly."

A Department for Business, Energy and Industrial Strategy spokesman said: "We have issued clear guidance to local authorities, who are responsible for issuing grants, and have written to the leaders of 314 councils in England urging them to do all they can to pay out

grants money more quickly and ensure businesses in their local authority area get the support they need.

"We have made extraordinary efforts to support businesses as part of a generous £352bn support package."