

PRESS RELEASE

Thousands of businesses across England facing further job losses or bankruptcy due to local authorities failing to pay up to £1.4bn of emergency COVID-19 grants

- **Freedom of Information Request by the Events Industry Alliance to Local Authorities across England has shown that an estimated 87 per cent of the £1.6bn Additional Restrictions Grant (ARG) funds announced by the UK Government have yet to be paid out to companies, despite the scheme being launched four months ago**
- **The ARG scheme was announced in October to help businesses forced to close due to COVID-19 restrictions, including those in the events, exhibitions and hospitality sectors**
- **Businesses closed by COVID-19 restrictions face being forced into making further job cuts or bankruptcy due to local council delays**

London, 10 February 2021, The Events Industry Alliance (EIA), which represents the UK's event organisers, venues, and suppliers, can today reveal that an estimated £1.4bn of Additional Restrictions Grants (ARG) announced by the UK Government on 31 October, has not yet been paid by local authorities in England to businesses closed by the Covid-19 pandemic.

The ARG, which could be worth up to £3,000 per month per company, provides funding for local authorities to support businesses that have been forced to close because of national COVID-19 restrictions. These include companies in the retail, hospitality, and leisure sectors, as well as events and exhibitions businesses. The scheme was announced by the UK Government on 31st October 2020 with an initial £1bn funding allocation, with a further £594m issued in early January 2021.

In January, the EIA revealed the uneven implementation of the ARG across many local authority areas. A subsequent Freedom of Information (FOI) submitted to councils from the EIA has revealed that local authorities have only paid an average of 13.4 per cent of ARG funding received from the UK Government. The FOI data revealed that the figure was even lower for some local authorities – including Bristol City Council (7%), Herefordshire Council (5%), Royal Borough of Windsor and Maidenhead (4%), West Oxfordshire District Council (4%), and Chorley Council (10%). Some local authorities, such as Ealing Council who received £9,872,400 in ARG funding, had not made any payments as of January 26th.

Businesses within the exhibitions sector include numerous small and medium sized suppliers and event organising companies, who currently face an inability to earn revenues due to national COVID-19 restrictions and were relying on the ARG to meet short term costs including wage payments to employees.

The wider exhibitions industry has been shut since March 2020 due to national COVID-19 restrictions, and plays a critical role in the UK economy, and prior to the pandemic was generating £11bn in economic activity and supporting 114,000 jobs.

Andrew Harrison, Director, Event Supplier and Services Association (ESSA), a constituent part of the EIA said: *“We are making an urgent call on the UK Government and local MPs across England to provide clear guidance to local authorities on issuing the Additional Restrictions Grant, in order that payments are made to eligible companies as soon as possible. Businesses in the events and exhibitions sector have been forced to close due to COVID-19 restrictions and therefore require appropriate financial support if they are not permitted to operate. It is now up to local authorities to ensure proper economic support is delivered to the sector.”*

The EIA submitted Freedom of Information Requests to all English local authorities in early January. By 9th February 2021 a total of 31 authorities had provided data pursuant to the request.

Freedom of Information responses by Local Authority area (at 9th February 2021)

Council	Date of response	Amount of ARG funding from central government	Amount of ARG paid out by response date	Percentage of ARG paid out by response date
<i>London</i>				
Brent Borough Council	01/02/2021	£9,524,793	£695,826.46	7.3%
Ealing Borough Council	01/02/2021	£9,872,400	£0	0%
<i>South East</i>				
Arun District Council	09/02/2021	£4,643,182	£586,241	12.63%
Ashford Borough Council	29/01/2021	N/A	N/A	
Basingstoke and Deane Borough Council	29/01/2021	£5,100,227	£1,455,728	28.5%
Chichester District Council	08/02/2021	£3498,575	£316,376	9.04%
Royal Borough of Windsor and Maidenhead	03/02/2021	£4,300,000	£154,000	3.58%
Tonbridge & Malling Borough Council	03/02/2021	£3,816,982	£740,000	19.38%
West Oxfordshire District Council	01/02/2021	£3,195,708	£129,702	4.1%
<i>South West</i>				
Bristol City Council	01/02/2021	£13,383,742	£965,000	6.98%
Cotswold District Council	28/01/2021	£2,595,489	£181,398	6.98%
Forest of Dean District Council	02/02/2021	£2,506,789	£87,368	3.48%
Sedgemoor District Council	28/01/2021	£3,557,757	£474,500	13.3%
North Somerset Council	28/01/2021	£6,210,380	£1,105,998.89	12.8%
<i>West Midlands</i>				
Herefordshire Council	02/02/2021	£5,568,681	£421,196	7.56%
Wyre Forest District Council	08/02/2021	£2,925,553	£152,131	5.2%
Malvern Hills District Council	29/01/2021	£2,588,660	£1,151,411	44.48
<i>North West</i>				
Chorley Council	28/01/2021	£3,414,439	£338,042	9.9%
Manchester City Council	08/02/2021	£16,609,066	£1,021,445	6.15%
South Lakeland District Council	01/02/2021	£3,035,262	£2,070,705	68.2%
South Ribble Council	09/02/2021	£3,199,896	£0	0%
<i>North East</i>				
North Tyneside Council	08/02/2021	£6,082,000	£586,000	9.63%
<i>Yorkshire and the Humber</i>				

North East Lincolnshire Council	03/02/2021	£4,608,666	£1,533,554	33.27%
York Council	29/01/2021	£6,083,291	£1,529,207	25.1%
East Midlands				
Blaby District Council	09/02/2021	£2,932,381	£16,008	0.55%
West Lindsey District Council	28/01/2021	£2,763,155	£499,449	18.07%
Derbyshire Dales District Council	28/01/2021	£2,088,967	£90,268	4.32%
North Kesteven District Council	03/02/2021	£3,376,862	£203,435	6.02%
East of England				
Broadland District Council	03/02/2021	£3,777,412	£882,000	23.34%
North Norfolk District Council	02/02/2021	£3,028,013	£143,500	4.74%
Castle Point Borough Council	02/02/2021	£2,610,335	£225,324	8.63%

Case studies

Smart Display Ltd, Brighouse, Yorkshire

Smart Display designs and builds exhibition stands for UK businesses who exhibit all over the UK and Europe. The business had a 'pre-COVID' turnover of £1m+, which has fallen by around 90% as most of the exhibitions it supplies stands for have been cancelled since March 2020.

The company made an application to its local authority, Labour-controlled Calderdale Council for £2,000 in monthly ARG payments soon after the scheme was announced but has yet to receive an acknowledgement or response despite regular chasing.

Smart Display's Managing Director, Chris Stewart said: *"While we are very appreciative of the measures that have been put in place by the government, such as the Coronavirus Job Retention Scheme and the deferral of VAT payments, a source of constant frustration is the running battle we have to endure with our local council to receive the additional support that we are due. We are hugely frustrated that this money simply is not getting through to the companies who need it the most and that support that is being targeted for us is simply being held onto by the local council."*

Exhib Ltd, Wembley, Greater London

Exhib build & install exhibits all over the world for the leading design houses. At the start of 2020, they recorded a record numbers of advance orders for trade exhibition work and gallery fittings internationally, including a new exhibition stand for the Qatari Tourism Authority in Berlin.

COVID-19 caused Exhib to cease trading from late March 2020 until June, with further restrictions throughout the year halting plans to bring more of its 22 staff back from furlough. The company made an application for the ARG on 19 November and have yet to receive any payments.

Exhib Ltd's Managing Director, John Mulhall said: *"The pandemic has had a significant adverse effect on Exhib. That's why the lack of local authority support and the slow responses to our queries have been so*

disappointing. The only reason that we have managed to survive during this period is through the strength of our relationships with our suppliers and landlord, and by being up front and honest to those we owed money.”

Exhibition and Event Carpeting, Birmingham

Exhibition and Event Carpeting are a supplier of floor coverings to exhibition and event contractors and organisers of exhibitions, film premieres, tv shows, and product launches within the UK and overseas. The cancellation of all events has had a catastrophic effect its business with a total loss of all orders and income almost overnight. The company had to make 10 staff redundant in July 2020 and now has only four employees remaining. The company is located in Birmingham, and the City Council has been difficult to deal with and very slow in their responses, with the company still waiting on decisions for ARG grants it applied for over two months ago.

Darrell Pugh, Director of Exhibition and Event Carpeting said: *“Grants which are specifically targeted at companies like ours and meant to be available readily are not being released by Birmingham City Council. Without further support, we are not sure how much longer we can keep the business in operation.”*

Expo Floors Ltd, Walsall, West Midlands

Expo Floors is a family run exhibitions and events contractor providing raised flooring and coverings, that has been operating for 30 years. Prior the pandemic it employed 35 permanent members of staff and many part time and agency staff from within the Birmingham and Black Country area. As a result of COVID-19 restrictions on national events and exhibitions it has made over a third of its employees redundant and has been forced to take loans and sell the company’s commercial property to survive. Within the last 10 months it has only received one £2,700 grant from its local authority, Walsall Metropolitan Borough Council, only after lobbying on its behalf by its local MP Valerie Vaz. Despite continued efforts by the company and its local MP Walsall council is failing to recognise that it is able to make payments to companies such as Expo floors under the ARG grant scheme.

Indalo International Ltd, Exeter

Prior to the COVID-19 pandemic Indalo International was an extremely busy and successful and international exhibitions services company, servicing clients and events on a global basis.

The business was founded in 1996 and prior to the pandemic it employed 20 people, which has fallen to 11 people due to the financial pressures it has faced from the cancellation or postponement of events and exhibitions. The company applied to its local authority, East Devon District Council for an ARG grant, but was ruled ineligible as it was asked to prove that its revenue has decreased in the month preceding its application, whereas it had faced a significant revenue decrease in March 2020 when all UK and international exhibitions were effectively halted by the pandemic.

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Media Contacts

Finsbury Glover Hering

Richard Webster-Smith richard.webster-smith@fgh.com +44 7796 708 551
Sophia Johnston sophia.johnston@fgh.com +44 7555 302 141

Notes to editors

About the Events Industry Alliance (EIA)

The Events Industry Alliance is an organisation providing secretariat services to three event associations; Association of Event Organisers, Association of Event Venues, and Event Supplier and Services Association. The EIA promotes understanding, co-operation and a central information source and aims to develop a closer relationship and understanding between organisers, their suppliers and venues, which can only benefit the industry as a whole.

About the Association of Event Organisers (AEO)

Association of Event Organisers (AEO) is the trade body representing companies, which conceive, create, develop or manage trade and consumer events. It is run by its members for the benefit of its members through an elected council of representatives, specialist working groups and a fulltime secretariat. Our aim is to be the voice of the event organising industry, to serve the collective needs of event organisers and to promote the interests of our members and the industry at large. AEO membership enables organisers to work with members of its sister organisations, Association of Event Venues (AEV) and Event Supplier and Services Association (ESSA).

For more information please visit www.aeo.org.uk

About the Association of Event Venues (AEV)

The Association of Event Venues (AEV) serves an established event venue community, and focuses on creating and driving platforms that service fundamental industry needs. AEV is run by its members for the benefit of its members through an elected council of representatives, specialist working groups and a full time secretariat. AEV membership enables venues to work closely with members of the Association of Event Organisers (AEO) and Event Supplier and Services Association (ESSA) to increase the profile and significance of events within the marketing mix.

Twitter: @AEVnews

Website: www.aev.org.uk

About the Event Supplier and Services Association (ESSA)

The Event Supplier and Services Association (ESSA) is a trade association representing contractors and suppliers of goods and services to the exhibition industry. ESSA is run by its members for the benefit of its members through an elected council of representatives, specialist working groups and a full-time secretariat, which it shares with the Association of Event Organisers (AEO) and Association of Event Venues (AEV). ESSA co-ordinates joint working groups covering a range of issues into which all sides of the industry have an important input.