



Essex Tennis advice sheet to tennis clubs - Covid-19 financial support etc. from the UK Government

There are many forms of 'club' operating under the remit of Essex Tennis and the notes below are aimed to provide an overview of what might be available under the government's COVID-19 Response, to be taken up and assessed dependent upon the particular circumstances of each club.

Of particular note will be whether a club can be classified as a 'business' and this is picked up in the notes below.

Business interruption loan scheme

1. This is intended for businesses and not clubs and requires the funds to requested to meet the banking tests of
 - a. Impaired viability due only to Covid-19 disruptions.
 - b. An ability to trade out of short- or medium-term difficulties
2. It is most likely to be accessible to proprietorial tennis businesses provided that the business of "tennis provision (and perhaps similar sporting activity)" could be shown to meet the loan criteria. It is likely to be more readily available in situations where "pay-and-play" is a sole or perhaps substantial element of income and less so to situations where "club" membership fees are emphasized as the main source of income.

Job retention scheme

1. This is only available where the club or business has employed staff under PAYE rules, and then it is wholly available provided its terms are met. These are principally that staff are fully furloughed. The scheme pays 80% of wages up to a maximum of £2,500 pm.
2. Some clubs may have employed administrators, coaches, medical specialists, grounds men or hospitality staff under PAYE rules. This scheme is available to them.
3. Where clubs use self-employed/outsourced "staff", no assistance is offered to clubs under this scheme, but a separate scheme is available to the self-employed/contractors (see separate note).

Business rate holiday

1. This is only available if the club/entity is paying "nondomestic **business rates**" and **not council tax**. Eligibility is determined by the local authority and beneficiaries will be notified of their participation and benefit by the local authority. Most clubs established under CASC rules already benefit from reduced "non-domestic" rates and **it is unclear** if CASC entities will be offered any further benefits under this scheme.
2. If eligible, the business rate holiday will be 100% of the 2020/21 liability.

Cash grant for retail hospitality and leisure, and small business grant funding

A number of the Clubs across the County have applied for these grants and have been successful—many of them have already received the funds [both 10k & 25k]

1. This is available to ‘businesses’ and **is being determined by local authorities** – with amounts dependent upon “business rate-able” value. The government’s guidance to local authorities makes specific mention of Sports Grounds and Clubs “that are being used for the provision of sport, leisure and facilities to visiting members of the public...” . A key determinant here is likely to be a club’s source of income and whether the majority or all of income comes from members rather than visitors/guests, **but this is unclear at this stage.**
2. The grants are up to £10,000 for businesses with RV of less than £15,000 and up to £25,000 with an RV of up to £51,000. In addition, grants of up to £10,000 are available if a business benefits from small business or rural rate relief, including tapering.
3. As noted above, it is unclear whether tennis clubs will be eligible for these grants and this is likely to be determined at a local authority level. Most local authorities are already accepting applications but those looked at to date all require the club/business to provide a:
 - business rate number
 - registered company number
 - VAT number
4. If a club does not have these (for example, because they are not paying business rates, are not VAT registered or are not a limited company) then it may be that this scheme will not be of use, but it is worth taking a look at the website of your local authority to see whether there is any further guidance/alternatively you might consider contacting them directly.

The following link you might find useful:

<https://www.gov.uk/government/publications/coronavirus-covid-19-business-support-grant-funding-guidance-for-businesses>

VAT deferral

1. A club which accounts to HMRC for VAT can probably justifiably follow the guidance and delay any VAT payments from 20 March to 30 June until March 2021.
2. Any club wishing to make use of this scheme need only withhold their payment. VAT returns are still required.

The information contained within this advice sheet is intended for guidance only. It is based on our understanding of current legislation and we believe it is correct at this time. No liability is accepted for actions taken in reliance upon the information given and it is recommended that professional advice should be taken. [22/04/2020]