

Clubs, Huts and COVID 19 – Financial Assistance

Issue 1, last update 9 April, 12:30

The BMC is working with clubs to help them benefit from financial help that is available during these difficult times. Over the past two weeks a wide range of support has been announced, and in this article we detail some of the financial assistance that clubs could look towards, particularly those clubs with huts.

There are already positive stories of clubs starting to receive financial support, such as the Chester Mountaineering Club having received £10k through the government small business grants from Gwynedd Council for their hut Pen Ceunant Uchaf in Llanberis directly into their bank account last Friday.

We are also working quickly to develop as clear a picture as possible of our affiliated clubs, and released a [short survey](#) on Friday 3rd April aimed particularly at clubs with huts to ascertain where and how we can best help. This survey will help support the national lobbying work we're doing as your representative body.

Not all support, however, will be appropriate for all clubs, and it is up to each club committee to decide which route might be most appropriate for them. Further thoughts on what considerations you should make are detailed in our second statement [here – most of which remains valid](#). The support also varies depending on where the club and/or hut is registered, and in certain areas there are differences in what is available and the eligibility criteria that apply to them.

In summary, financial support for clubs can be broadly split in to three categories:

- Self-help. Use of reserves and further club fundraising should help in the initial phases.
- Government/local authority support in the form of business rate relief, grants and loans.
- Grant funding through the likes of Sport England/ Sport Wales and third sector support.

We are also keen to share success stories with other clubs and we encourage you to get in touch with us if you have found other means of support. Please email any good news stories or general advice to jane@thebmc.co.uk.

Self Help

The traditional mountaineering ethic of self-sufficiency wherever possible is our natural starting point. Most clubs and huts will carry some level of reserves, and bodies such as the Charities Commission have been clear that this is exactly the type of crisis that not-for-profit organisations hold reserves for, and they should be prepared to use them – subject to any restrictions that may apply.

Most huts operate as a service on a very low-cost break-even basis, so total closure of a hut is likely to mean a corresponding loss of income. Few will hold sufficient reserves to carry them through an extended lockdown. Club fundraising could take many forms, and as an example the Pinnacle Club has established a scheme where those that can afford to contribute the equivalent of the hut fees that they would have paid for a stay in the hut, had their hut Cwm Dyli in Nant Gwynant remained open. Small contributions from a large number of people can combine to make a big difference. For those clubs that are able, this donation could be used to claim back Gift Aid.

[UK Government and Local Authority support in England](#)

A brief summary of the support and how to access each scheme is given below however further detailed advice can be found [here](#).

Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief. Eligible businesses should be contacted by their local authority, though some local authorities have decided to operate an applications process. Clubs should check with [their local authority](#) to seek advice on their eligibility and how to access the grant. There is already indication that grant payments have started, with some local authorities having made more progress than others.

Grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000. Businesses with a property that has a rateable value of up to £15,000 may be eligible for a grant of £10,000. Most local authorities will be writing to eligible businesses, however there are some that are asking businesses to apply directly to them. Clubs should check with [their local authority](#) to seek advice on their eligibility and how to access the grant. This support is available per property but it should also be noted that those recipients eligible for the Small Business Grant Fund will not be eligible for the Retail, Hospitality and Leisure Grant.

The Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank. These are being administered through approved loan providers and the government is providing lenders with an 80% guarantee on individual loans however businesses would remain responsible for repaying any loan. Further information is [here](#).

A 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England. Again, local authorities will write directly to businesses that are eligible. The criteria for this may however exclude huts as hostels (most huts are considered hostels for business and tax purposes) are not mentioned in the criteria, however clubs can again get in touch with their local authority to check. Businesses that occupy more than one property will be entitled to relief for each of their eligible properties.

Deferring VAT and Income Tax payments. For Income Tax: this is an automatic offer with no applications required. No penalties or interest for late payment will be charged if you defer payment until January 2021. For VAT payments: if you choose to defer your VAT payment as a result of coronavirus (COVID-19), you must pay the VAT due on or before 31 March 2021. VAT returns must still be submitted on time.

[National Variations](#)

Given that certain areas of business support and legislation are devolved to other nations, there will be certain differences for those clubs or huts based in Wales and Scotland. This is detailed below but the general principle of contacting your local authority will provide further specific information.

WALES

The £25,000 grant for retail, hospitality and leisure businesses has a different rateable value threshold in Wales of £12,000 to £51,000. Business below £12,000 will be eligible for a £10,000 grant.

The Welsh Government are also establishing an [Economic Resilience Fund](#), the details of which are due to be announced shortly. This could provide additional grant funding of £10,000 for businesses in Wales.

Further information on devolved support is [here](#).

SCOTLAND

The £25,000 grant for [retail, hospitality and leisure businesses](#) has a different rateable value threshold in Scotland of £18,000 to £51,000. Small business with a rateable value of below £12,000 will be eligible for a £10,000 grant. Self-catering accommodation and caravans are eligible for a grant if they:

- are a primary source of income for the ratepayer (one third or more), and
- were let out for 140 days or more in financial year 2019-20

You can only apply for one grant – even if you own multiple properties.

Further information on devolved support is [here](#).

Sport Councils

Sport England

On the 31st March Sport England announced a £20 million Community Emergency Fund, which is [open now](#) for local club and community organisations to bid for grants between £300 and £10,000. This is to fund a range of club expenditure, including:

- Rents
- Utility costs
- Insurances
- Facility or equipment hire
- Core staffing costs
- Retrospective losses dating from 1st March 2020

Clubs should note however that this funding is expected to be heavily oversubscribed, with Sport England expecting to receive many more applications than they are able to fund. Over 800 applications had been received within the first 36 hours of opening the scheme, so if your club feels that it needs this support, do not delay in completing your application. It is expected that applicants will be able to demonstrate they have exhausted all other government funding options, such as the Small Business Grant, before applying to Sport England. Funding will be prioritised to clubs that most need it, and Sport England has welcomed the BMC's offer to help identify those clubs most in need.

Sport Wales

In Wales a [joint fund of £400k](#) has been announced between Sport Wales and the Welsh Government. The fund is small and will again likely be for clubs in significant and immediate financial difficulty over the next 12 weeks who have explored all other options. Each eligible Club will be able to apply for a maximum of £5,000. Further guidance [here](#).

Sport Scotland

In Scotland, [Sport Scotland](#) is directing clubs and charities (who have explored all other areas of government support) to the [Scottish Council for Voluntary Organisations](#) who have setup a £20m emergency fund for charities, community groups, social enterprises and voluntary organisations working in Scotland.

[Other areas to consider](#)

Charities Aid Foundation

The Charities Aid Foundation has currently closed their Rapid Response Fund due to high volume of applications. However they have also helpfully detailed a range of wider third sector grants that might be available to charities and/or not for profits. This can be found [here](#).

Local Areas

Local areas are providing a range of support to local clubs and to businesses. This could be via business advice or by small local grants. Throughout England the Active Partnerships are the best first port of call. If you are unsure which Active Partnership your club is within then please click [here](#) to find the website address.

Club Matters

The [Sport England Club Matters](#) programme has dedicated information for clubs in dealing with the challenges that the current crisis is causing. Much of the content is also relevant to clubs based in Wales. Topics include emergency financial planning, running virtual meetings and virtual AGMs, and understanding the financial support that is available.

This is a rapidly evolving situation and the BMC is working hard to keep information as up to date as possible. Please check the date on any advice, as the situation is rapidly changing. The list should not be considered exhaustive, and the BMC is keen to hear about further support clubs have accessed that might provide valuable support to other clubs in financial difficulty. Equally, if any clubs are still struggling, let us know and we'll see what we can do to help. Either way, please keep in touch via jane@thebmc.co.uk