

# RUGBY UNION WINTER SURVIVAL FUND CRITERIA: COMMUNITY RUGBY CLUBS

VERSION 5 – 10/03/2021



Part of the Government's Sport Winter Survival Package, the Rugby Union Winter Survival Fund aims to support community clubs at levels 3 and below that have been severely impacted by COVID-19 restrictions.

The funding offered will respond to each club's financial need to survive the coming months, but won't replace all lost revenue or profits over the last 12 months. The objective is to ensure rugby union clubs survive the winter period and minimise the long-term damage to participation.

The investment has been provided by the Government, with the support of Sport England, and will be delivered through the Rugby Football Union (RFU)

Below you'll discover further details about the funding that your club may be able to apply for, what it can be spent on and the application process.

## FUND CRITERIA

### Who can apply?

Any English rugby union club that resides in England and plays in levels 3 and below. As part of the Government's governance requirements to combat fraud, applications to the Rugby Union Winter Survival Fund must be made by two authorised officers of the club in the form of, Chair, Secretary or Treasurer and be reflected in the data the RFU currently hold for the club in GMS.

### Can clubs residing in Jersey, Guernsey and Isle of Man apply?

These clubs should complete the online application form if they believe they can demonstrate a financial need. Whilst clubs in Jersey, Guernsey and Isle of Man are not eligible for the funding provided by Sport England (as this is on behalf of Her Majesty's Government), the RFU is attempting to find alternative sources of funding for clubs from these areas who demonstrate the same level of financial need as those eligible for the RUWSF.

### Can Referee Societies apply?

Referees Societies should complete the online application form if they believe they can demonstrate a financial need. Whilst they are not eligible for the funding provided by Sport England, the RFU is attempting to find alternative sources of funding for referee societies who demonstrate the same level of financial need as those eligible for the RUWSF.

### Can National and Geographic Constituent Bodies (CBs) apply?

CBs should complete the online application form if they believe they can demonstrate a financial need. Whilst it has not yet been confirmed if they are eligible for the funding provided by Sport England, the RFU is attempting to find alternative sources of funding if needed for CBs who demonstrate the same level of financial need as those eligible for the RUWSF.

### What can the grant be used for?

The funding available will be based upon each club's financial need to survive as a result of the financial hardship since 1 October 2020, but won't replace all lost revenue or profits over the last 12 months. The grant must only be used to support the club's essential operating costs (that falls within the fund's eligible expenditure) and could not reasonably be met. Costs must be incurred between 1 October 2020 and 31 March 2021. Only expenditure that can be evidenced, for example by invoices or receipts, may be included in the application. All clubs must carry out a full grant reconciliation by 30 June 2021.

### How much may we be awarded?

We anticipate the fund will provide small scale grants, higher value grants will be considered on a case-by-case basis where clubs have clearly evidenced a higher level of financial need. Successful applications will receive a grant offer which is specific to a club's circumstances and based on financial need. The fund is not intended to replace lost revenues and grants will be capped once a club's 6-month operating cost benchmark has been reached.

### How will the need be calculated?

The need and maximum level of grant awarded will be based on the club's essential operating costs incurred and forecast between 1 October 2020 and 31 March 2021 less the net cash position (allowing for restricted reserves and six months of operating costs based on a normal trading period). A worked example can be found in figure A. There is no guarantee that the maximum grant will be awarded.

**Figure A**

Cash in bank (end Sep 20)	100,000
Restricted reserves	(60,000)
6 months operating costs	(30,000)
<b>Net cash position</b>	<b>10,000</b>

Operating costs (Oct - Mar)	25,000
Income (Oct - Mar)	(5,000)
<b>Net operating costs</b>	<b>20,000</b>

Net operating costs	20,000
Net cash position	(10,000)
<b>Maximum grant awarded</b>	<b>10,000</b>

### Is the funding provided a grant or loan?

The funding offered to clubs will be in the form of a grant. This will only be repayable if either;

- the club doesn't spend or cannot evidence spend to the amount awarded
- the club is found in breach of the terms & conditions of the grant

### What expenditure is and isn't included in the grant?

#### What the grant can be used for

- ✓ Rent, lease or mortgage payments
- ✓ Utilities (inc phone/broadband/TV subscription)
- ✓ Insurance
- ✓ Equipment rental
- ✓ Contracted loan repayments
- ✓ Cleaning/sanitary/laundry
- ✓ Security/alarm
- ✓ Essential pitch maintenance
- ✓ Essential building maintenance
- ✓ Immediate Covid-19 compliance measures
- ✓ Non-furloughed staffing costs

#### What the grant cannot be used for

- ✗ Replacing lost revenue
- ✗ Capital works/project
- ✗ Costs that were covered by other Government Covid-19 schemes
- ✗ Non-essential operational costs
- ✗ Purchase of land/building
- ✗ Costs incurred outside of ordinary course of business
- ✗ Sinking fund contribution
- ✗ Expenditure incurred outside the eligible period
- ✗ Furloughed staff costs
- ✗ Non-contracted loans/repayment of donation

*It is expected that rugby clubs will continue to do everything they can to renegotiate the terms of existing contracts throughout this period prior to applying for a grant.*

### Can we use the grant to maintain and repair pitches or carry out essential works to facilities?

Yes, but any works that are carried out should be essential. The funding cannot be used to carry out non-essential capital projects. For example, routine pitch maintenance costs are eligible – including grass cutting, aeration, scarification and weed & feed treatment. Equally, 'essential' repair costs are eligible if the repairs are required due to a health and safety risk and/or without the repairs the club would be prevented from operating.

### Why are business rates not an eligible item?

It is expected that clubs will use the government business rates holiday scheme. More information is available on the [lockdown support page](#)

### **Can we use the grant to pay staff/players?**

The grant may be used to pay non-furloughed staff who are undertaking essential work, e.g. employed grounds person, cleaning staff, etc.,

Clubs with player wage costs during January to March should first explore other Government support programmes, such as the Coronavirus Job Retention Scheme rather than this fund. It is expected that clubs would have used the Government furlough scheme for players. However, deferred payroll costs for 1 October to 31 December 2020 may be included in the club's expenditure if reasonably incurred.

Deferred payroll costs for 1 October to 31 December 2020 can be included as expenditure. However it is expected that clubs will have used the furlough scheme for player wages between October and December and will continue to take advantage of this scheme through January and March.

Unfurloughed salary costs can be covered up to £2,500 per individual per month maximum.

Any expenditure for non-furloughed player wages and highly paid individuals will be capped at £2,500 per individual per month. Other essential salary costs can be covered in full.

More information on Government support is available on the [lockdown support page](#).

### **Can the grant be used to top up furloughed staff salaries and/or contribute to their NI or pension costs?**

No. Any top up of salaries for furloughed staff or NI/pension contributions may not be included as part of the club's operating costs.

### **What do you mean by 'restricted' reserves?**

These are funds, which can only be used for a specific purpose. Examples of this may include other grants or loans that have been awarded for a specific purpose. Other examples may also include club savings reasonably ringfenced for a specific purpose e.g. savings for floodlight replacement, clubhouse refurbishment or a new stand.

### **Can Sponsorship be included in our restricted reserves?**

Unless a sponsorship agreement explicitly outlines that sponsorship income is allocated or ring-fenced for a specific non 'operational' cost (eg purchase of kit or building of store shed) then it should be classed as unrestricted income (if received 1 Oct 2020 to 31 March 2021) or unrestricted reserves (if received prior to 1 October 2020).

### **What do you mean by 'unrestricted' reserves?**

Unrestricted reserves refers to cash that is not tied to a particular use. It can be used freely for any purpose as it is not earmarked for a specific use.

### **Will you require evidence that my reserves are restricted?**

Yes. Evidence of restricted reserves should be submitted, where possible, with your application. Where this is not possible, we will require evidence of any declared restricted reserves post award for auditing purposes. Evidence of reserves from external sources will need to be in the form of a copy of a grant / loan / donation agreement. For internal club funds, a copy of your club minutes evidencing the specific purpose of your reserves. Any evidence must be dated before 10 February 2021.

### **Are Government and Local Authority grants such as the Retail and Hospitality grants able to be included in our restricted reserves?**

No. Covid support grants may not form part of a club's restricted reserves. Any grants received during October – March should be included as unrestricted income.

### **What do you mean by six months operating costs?**

This is how much expenditure the club would spend during a normal six month trading period. For the purposes of the application process 2018/19 is considered the most recent normal trading period. For example, if your Club accounts show that your expenditure was £100,000 during 2018/19, your six month operating costs would be £50,000 – and you would enter that figure into the application. If there has been a significant change in your normal operating costs since 2018/19, eg new facilities or playing at a different level, please enter this cost with reasoning and attach evidence to support this as part of your application.

### **How do we show income and expenditure that is received outside of the October to March period but is forecast over the year?**

Clubs should only include each expenditure item once. For example, if you have pre-paid something like insurance and your bank balance in September is therefore lower, you need not included 'insurance costs' again in the October to March operating costs. If you are expecting to pay something out in the period October to March but haven't as at 30 September, then include it in the October to March operating costs.

Equally with income, if the income is received and therefore included in the bank balance, do not include it in the non-restricted operating income from October-March. Please apply this approach across the board. Income that may need to be repaid can only be included as a cost if you have evidence that it will need to be repaid.

All October to March reporting should be based on your best cash flow forecast.

### **We are a multi-sport club; can we still apply?**

Yes. But the grant must go towards the ongoing running cost of the rugby section or a relevant portion of the overall club running costs.

### **Can we apply if we are incorporated as more than one company?**

Yes. For clubs who have complicated structures such as Ltd company, CASC and trading subsidiaries, please report the figures as a group position, ie amalgamate the figures for both companies and use the Additional Comments box in the application form to add commentary.

### **Can the grant support loan/donation repayments?**

The grant can contribute to repayment of loans that were entered in to on commercial terms and which have a legally binding agreement in place. There can be no accelerated repayment and the grant can only contribute to the loan repayment schedule within the timeframe of 1 October 2020 and 31 March 2021.

Any donations from connected parties are not eligible and cannot be repaid by the grant.

### **When do we have to spend the grant by?**

The grant must be allocated against expenditure incurred between 1 October 2020 and 31 March 2021 and suppliers must be paid by 30 June 2021. Grants will only be awarded where a financial need has been demonstrated.

### **What evidence will we need to retain?**

Clubs must retain evidence of expenditure for example in the form of invoices/receipts. The club must submit evidence of expenditure upon request. A cross section of clubs will also be subject to an external audit. All Covid-related Government financial support is subject to additional audits to identify potential fraud.

### **What is the additional audit that we may be subject to?**

All Covid-related financial support from the Government is subject to additional audits to identify any potential fraud. As such, the RFU will be appointing an external auditing company who will carry out a detailed audit of the Clubs' applications and claims, as part of our post event assurance process to identify any potential fraud.

Please note, funding is subject to Government approval and remember there are no guarantees that you will receive funding. Clubs will be required to clearly demonstrate their financial need for funding to ensure survival, the funding will only be available on this basis and subject to due process.

## **APPLICATION PROCESS**

### **When can we apply?**

Applications open on Friday 12 February and close on Thursday 25<sup>th</sup> February at 5pm. Only complete applications will be considered. If any information is missing after the closing deadline, the application will be rejected.

### **How do we apply?**

Eligible clubs should apply by using the online application form available via the link at the bottom of this page.

### **What information do we need to provide now?**

Clubs will need to complete/supply:

- Online application form
- Copies of bank statement covering all club accounts for September 2020
- Copies of bank statement covering all club accounts for January 2021

- Copy of approved 18/19 accounts
- Check your club information and golden roles on GMS are up to date

#### **How will we know if we have been successful?**

The application window will close at 5pm on 22 March. The RFU will email the club with the outcome of their application approximately 3 weeks after this date.

#### **How quickly will the money be in our bank account?**

The grant will be paid into the normal club bank account the RFU use to deposit funds. The grant will be paid by 31 March 2021.

#### **Where should I go if I need help completing the application form?**

Please register any questions via [clubsupport@rfu.com](mailto:clubsupport@rfu.com).

#### **Will we definitely receive the grant if we apply?**

No. Grants will only be awarded if the grant criteria is met. All grants will be capped once a club's unique 6-month operating cost benchmark has been reached. Please remember there are no guarantees that you will receive funding - clubs will be required to clearly demonstrate their financial need for funding to ensure survival – the funding will only be available on this basis and subject to due process.

#### **Is the RFU able to help with a pre-application check to ascertain whether it would be worth a club applying?**

Club Developers are available to help support clubs with any queries with the application process. However, we are not able to gauge whether the outcome of an application will be successful as the detailed assessment is based on a number of factors. We would urge clubs to use the worked examples shown above and submit an application so we are able to assess the club's need.

#### **Where can we find our club's company name and number?**

If the club secretary or treasurer cannot provide this information, it should be available on the Companies House website <https://www.gov.uk/get-information-about-a-company>. If you are an unincorporated club you can leave this section of the application form blank.

#### **What if we have longer term cash flow concerns?**

The RFU recognises that some clubs may be financially stable in the short term but have some longer term financial concerns. We are committed to supporting these clubs through different channels.

#### **If we're unsuccessful, when will we be eligible to apply again?**

As it stands, there are no plans for any further application windows for this fund.

#### **Can we apply if we've already benefited from a grant from the Sport England Community Emergency Fund?**

Yes. You will be required to evidence that you are not seeking funding for the same costs.

#### **How do we find out more about government support to rugby clubs during this period?**

Please visit [www.englandrugby.com/coronavirus](http://www.englandrugby.com/coronavirus)

#### **Can the RFU give us any guidance on how we can reduce our expenditure and manage our costs during this period so that we don't need to apply for a grant?**

The RFU has guidance on this available via the [Helpdesk FAQs](#) page.

**APPLY FOR A RUGBY UNION  
WINTER SURVIVAL FUND GRANT**