

MOTORSPORT UK CLUB CONTINUITY FUND – Q&A**Is there a limit as to how many applications a club can make?**

Each club is only entitled to make one application

Is there a finite window for applications?

In order to try to expedite the process and get funds flowing into our clubs as quickly as possible, the panel will meet in the first week of every month. At this meeting the panel will consider applications submitted in the previous calendar month and distribute awarded funds within the same calendar month. E.g. the panel meeting will be week commencing 4th May to consider applications submitted in April. Those awarded funding will receive it no later than the end of May. This process will then continue each month. At the moment the fund is planned to close to any further application on 31st July 2020 but may be subject to change by the panel.

The need of our club is so urgent that we are unlikely to survive beyond April without intervention. Any funding awarded from this scheme will therefore be too late to help.

There will be an emergency meeting of the assessment panel in week commencing 20th April to review very urgent cases. This is to allow funding to be awarded within the month of April for clubs who find themselves in severe difficulty. If an intervention after this period is acceptable to your clubs' financial position, please do not select this option.

What sort of items are acceptable to include in my application for support?

The fund seeks to support clubs that are experiencing difficulty with things like rent, utility costs, insurances, contract obligations linked to equipment or venue hire, core staffing costs not covered by other government schemes and suitable actions clubs may be taking to be best prepared for the resumption of our sport. It could also include expenditure on future events which may relate to outstanding bills that the club are unable to pay due the event not now taking place. This list is not exhaustive, and each application will be considered on its merits and in context to the present financial position of each club.

Once a club has submitted an application what happens next?

The application will initially be reviewed to ensure all administrative items are received and any errors/facts checked and resolved by the Motorsport UK executive team. These will then be presented to the assessment panel for consideration. During this process there may be some dialogue or additional evidentiary material requested which will need to be submitted as quickly as possible to allow the funds to be released.

Should I apply for the loan or the grant fund?

Clubs who feel they require support above £10,000 or understand that their revised financial forecast, taking account of this intervention, will support loan repayments should opt for the Loan Fund. This would allow the Grant funding of up to £10,000 to be allocated to those who are in most need of assistance at this time. Those applicants who are experiencing extreme financial difficulty such that they feel there is a significant risk to the ongoing viability of the club and that rebuilding of club finances over an extended period, would not support loan repayments, should opt for the Grant Fund.

Following assessment, Motorsport UK reserves the right to allocate funding from the most appropriate fund regardless of the applicants' initial indication.

Will interest be charged on loans or are they interest free?

Loans will be interest free.

Is there a defined repayment term for the loans?

Repayment profiles will be agreed in relation to specific circumstances but will be capped at a maximum of three years.

When will loan repayments begin?

There will be a 6-month deferral on loan repayments at the start of the scheme to help clubs through the disrupted period. Repayments will be quarterly thereafter.

Can loans be used to meet payroll?

Clubs should be using the government furlough schemes available to them to meet/mitigate employment costs. Loan or grant funds should only be used to cover those payroll costs for those who cannot be captured under either the Government "Coronavirus Job Retention Scheme" or the "Coronavirus (COVID-19) Self-employment Income Support Scheme"

Can loans and/or grants be used to meet other borrowings?

First and foremost, clubs should be using the government schemes available to them to raise traditional finance as a priority. The Panel will want to know what other steps the club has taken and to what extent these were successful. In addition, clubs should be discussing arrangements with their current funders to explore payment holidays and deferrals of obligations if possible. However, borrowing may be the primary liability for some organisations which cannot be fully mitigated and this will be considered if that is the case.

Will Motorsport UK be seeking any form of security against a loan if provided?

In the case of the loan, fund clubs will be requested to provide a letter of guarantee prior to the funding being released.

The application asks for my Motorsport UK Club ID. What is this and why is it important?

The scheme is only available to clubs who are officially recognised by Motorsport UK and have been registered for at least the last three years. During that period those clubs must have registered for event permits (excluding certificate of exemption permits).

Alternatively, you may be a club of marshals, association or other form of volunteer club recognised by Motorsport UK seeking assistance.

Who will receive the funds?

Funds will only be transferred to recognised club bank accounts by BACS transfer.

How will the use of funds be monitored?

One month after receiving their funds clubs will be required to supply an initial report on the impact of the funds and confirmation that they have achieved the anticipated measures as set out in their applications. Applicants may be asked to produce suitable documents to evidence how the funds have been used. In the case of the loan funds, ongoing reporting will be required every six months in respect of the use of funds and the tracking of progress on quarterly loan repayments.

When will clubs receive the funds?

It is anticipated funds will be paid to clubs at the end of the month of approval subject to the panel receiving satisfactory responses to any additional documents or supporting evidence requested.

Can the funding be used towards capital projects?

No.

Can the funding be used to cover costs beyond the motorsport hiatus currently sanctioned by Motorsport UK to the end of June 2020?

No. This funding is to help clubs get over the immediate effects of COVID-19 and provide a pathway to recovery and a resumption of motorsport.