Thank you for your interest in the Sport Survival Package.

The purpose of this document is to provide further detailed information relating to Frequently Asked Questions (FAQs) about the programme.

This document does not replace the programme guide which you should read if you have been invited to apply to the programme or would like to express an interest.

The FAQs are updated in response to questions and queries we receive, so please keep checking to ensure you have the most recent copy which can be found, along with the Sport Survival Package programme information, on the [Sport England Website](#).

### Recently Added FAQs

<table>
<thead>
<tr>
<th><strong>Q:</strong> If we are invited to apply to the Sport Survival Package, is there an application deadline?</th>
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<tbody>
<tr>
<td>If you are invited to apply, the Sport Survival Package Team will work with you to agree a deadline, bearing in mind the requirement to complete all resulting contracting and payments before the end of March 2022.</td>
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<table>
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<tr>
<th><strong>Q:</strong> Will the Sport Survival Package support organisations who are at risk of not surviving due to the impact of Omicron?</th>
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<tr>
<td><strong>A:</strong> The Sport Survival Package is a Covid-19 Government response programme to support sports organisations that are experiencing severe financial difficulties as a result of the restrictions on spectators. Although the recent Government restrictions through Plan B have had a limited direct impact on spectators, it is recognised that some organisations are experiencing severe financial implications which in some cases could result in a risk to survival. (Examples include fixture cancellation and/or much lower than average attendances.) As a result, organisations with a survival need as a result of Omicron will be invited to apply, with funding decisions considered on a case-by-case basis, subject to due process.</td>
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<tr>
<th><strong>Q:</strong> Are there still restrictions on the Sport Survival Package contribution to Player Wages and highly paid executives now the furlough scheme has ended?</th>
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A: Yes, in line with Government Covid-19 policy, contributions towards the wages of Players and highly paid executives will be capped at £2,500 per individual, per month.

This is in line with the policy position applied to all applicants that have applied to the Sport Survival Package to date in financial year 2021/22.

If you have any queries relating to this parameter, please contact us at sportsurvival@sportengland.org

Q: Are there any changes to the programme criteria?

A: There are no material changes to the programme criteria, however one date amendment has been made to the criteria below to enable funding decisions for organisations experiencing a survival need in the final quarter of financial year 2021/22 to proceed.

**ORIGINAL CRITERIA EXTRACT** *(Financial resilience and sustainability criteria)*

evidence that, subject to receipt of approved funding, your organisation will have a reasonable expectation of being viable as at 31 March 2022 based on cash flow forecasts.

**AMENDED CRITERIA**

evidence that, subject to receipt of approved funding, your organisation will have a reasonable expectation of being viable as at 30 June 2022 based on cash flow forecasts.

If you have any queries relating to the criteria amendment noted above, please contact us at sportsurvival@sportengland.org

Q: Is the financial need period still limited to the 31 March 2022?

A: Yes, the Sport Survival Package can only offer funding, where a financial need is demonstrated, for the period up to 31 March 2022.

That means that in the majority of cases, financial need from 1 April 2022 onwards will need to be addressed by the applicant organisation. This is on the basis that there will be no Government restrictions during this period.

If an organisation is not viable up to 30 June 2022 and/or has future viability concerns in 2022/23 the Sport Survival Package Board have the option to not offer funding if it is considered to not be appropriate in line with managing public money.
**General Programme FAQs**

<table>
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<tr>
<th>Q: How do I get in touch if my organisation experiences a financial emergency?</th>
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| A: We realise it remains a difficult time for sports organisations. While the restrictions on spectators are currently limited, as noted in the [Government guidelines](#), the Sport Survival Package remains open to provide support if there is an emergency situation – that means there is urgent threat to the survival of your organisation.  

If you do experience a financial emergency, and you are in an urgent and critical situation, please get in touch at [sportsurvival@sportengland.org](mailto:sportsurvival@sportengland.org). The inbox is checked regularly to respond to any immediate requests.  

Please be aware, any investment decision will be subject to due process and there are no guarantees you will get support, we will work with you to provide help if possible. |

<table>
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<tr>
<th>Q: How does Sport Survival Package determine if an organisation should receive loan or grant funding?</th>
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| A: All organisations applying to the programme are assessed on a case by case basis – therefore, the funding offer will be specific to the applicant.  

An application assessment will determine the financial product offered. This includes considering structural eligibility, financial need and resilience, as well as a prioritisation and balancing criteria.  

In most cases the Sport Survival Package will offer loan funding – grant funding is offered by exception.  

Please see the Programme Guide for further detail relating to how the financial product will be determined. |

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<tr>
<th>Q: What support is there for clubs and organisations outside of England who are part of English competition structures and reliant on spectator income?</th>
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| A: Organisations based outside of England, but operating within English competition structures, are eligible for funding from their respective home country Government.  

Funding from the Sport Survival Package is only available to organisations based in England. |
If you are unsure about your eligibility, please contact us at sportsurvival@sportengland.org where we can discuss your unique situation.

**Q:** Are women’s teams affiliated to men’s teams with significant financial reserves still eligible for support?

**A:** All organisations invited to apply will be subject to a consistent assessment and decision-making process.

This includes understanding information about the applying organisation, as well as their financial situation.

All organisations applying to the Sport Survival Package will need to demonstrate financial need.

**Q:** What are the terms for an Sport Survival Package loan?

**A:** Please see the Programme Guide for further information relating to the standard products or the detailed response within the final FAQ question.

In summary, the Sport Survival Package operates a standard repayable loan facility on a 10-year term with a two-year holiday and repayments over eight years at an interest rate of 2%. The programme can offer terms up to 20 years, including a four-year repayment holiday, as required.

If you have specific questions about the loan terms which would stop you from applying to the scheme please contact us at email sportsurvival@sportengland.org, otherwise we will share complete contractual information if you are successful with your application.

**Q:** Will the Sport Survival Package support sports that mothball, or do they have to be competing?

**A:** The Sport Survival Package will provide funding to eligible organisations that need support to survive. The package will adapt to the differing circumstances across sport, that means funding will be considered for organisations that choose to mothball but will not be guaranteed.

**Q:** How will funding be allocated and how can organisations apply for the funds?
**A:** All funding is allocated based on assessment against the programme objectives and criteria. Each organisation will go through an application process which will determine funding allocations.

The programme has been developed to support survival therefore evidence of financial need is essential.

Following the Government consultation, a number of organisations have been identified to be invited to apply to the programme. From the period 1 April 2021, we will invite all organisations to apply for funding.

If your organisation is not identified, you may still be eligible to apply. Please review the programme guide for further information and contact us at email [sportsurvival@sportengland.org](mailto:sportsurvival@sportengland.org), if you would like to express an interest on behalf of your organisation.

**Q:** Which sports will receive funding?

**A:** The programme is focused on sports that have suffered as a result of the delay to spectator readmission – with most impacted sports being those that depend on ticket sales.

The funding is designed to support those sports in urgent financial need as a result of the further restrictions on spectators announced in the Government’s roadmap on 22 February.

We’re contacting National Governing Bodies and League Bodies to understand the impact on sports as well as operating an expression of interest process to determine which sports will be invited to apply.

All organisations applying to the scheme will be subject to a consistent and rigorous assessment process.

**Q:** What do I do if my organisation hasn’t been identified to apply but I have a survival need?

**A:** We’re conscious that, despite the extensive Government consultation, some organisations may have been missed. We’ll therefore continue to operate an Expression of Interest (EoI) process. We’re also proactively contacting sports not represented to raise awareness.
If you think your organisation is eligible and you haven’t been contacted already, you can email us at sportsurvival@sportengland.org to register your interest. One of the programme managers will then be in contact to arrange an initial discussion.

**Q:** What is the balance of grants and loans for this programme?

**A:** This further £300m package is available to support the continuation of the programme over the financial year 1 April 2021 – 31 March 2022. The funding package includes approximately £200million of loan funding and approximately £100million in grant funding.

**Q:** When will organisations receive this funding?

**A:** All applicants will be provided with a timeline for application and decision-making, with funding usually distributed within weeks of application subject to due process.

The Sport Survival Package remains in live dialogue with a number of sports impacted by the restrictions to ensure timely applications. If you are eligible for the programme and have an urgent financial need please contact us as soon as possible at email sportsurvival@sportengland.org

**Q:** Why is more support for professional sport being provided? What about community sport?

**A:** The delay on spectator readmission has put severe financial pressure on Professional Sport which is dependent on spectator income to survive.

The Sport Survival Package is a dedicated Government programme for professional sport, however Sport England has provided significant support to the sport and physical activity sector since the start of the pandemic. Please visit the Sport England website for further details of support that has been available to community sport.

**Access to funding through other Government Covid–19 schemes.**

**Q:** When you talk about funding being ineligible if it is covered by other Covid–19 Government support schemes what do you mean? And what are examples of other Government Covid–19 relief schemes that could be accessed?
A: As outlined in the Sport Survival Package criteria, the Sport Survival Package funding is a last resort – that means funding will only be offered when all other financing options have been reasonably exhausted.

This includes accessing support through existing Government pan-economy schemes. Please see below a list of schemes your organisation could have accessed.

Please check the UK Government website here to check the latest news on help and support from UK Government Programmes.

Examples of Government schemes include:

I. The Coronavirus Job Retention Scheme (‘CJRS’) and extension of this scheme
II. Deferring VAT and other tax payments
III. The Statutory Sick Pay relief package for SMEs
IV. The 12-month business rates holiday for retail, hospitality, leisure and nursery businesses in England
V. Small business grant funding of £10,000 for all businesses in receipt of small business rate relief or rural rate relief
VI. The Coronavirus Business Interruption Loan Scheme (CBILS) offering loans of up to £5m for SMEs through the British Business Bank
VII. The Bounce Back Loan Scheme (BBLS)
VIII. The HMRC Time to Pay (‘TTP’) Scheme

Ineligible Costs

Q: What costs are considered ineligible for the programme?

A: The programme is focused on supporting organisational survival through the period 1 April 2021 to 31 March 2022. That means the majority of essential business operational costs will be eligible. The funding offered will respond to financial need to survive, it won’t replace all lost revenue or profits. There are some costs that we cannot fund, please see below for examples of ineligible costs:

- Costs that are eligible to be covered by Government support, for example, furloughing, including, the remaining salary costs for staff on furlough not covered by the Government’s Job Retention Scheme, or any additional salary costs above the Sport Survival Package salary cap of £2,500.
- Any costs beyond 31 March 2022, unless agreed by exception.
- Anything that contravenes Government advice on Covid-19
- Costs related to promoting the cause or beliefs of political or faith organisations.
- Payment that supports lobbying or activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants, or attempting to influence legislative or regulatory action;
- Using grant funding to petition for additional funding;
• Input VAT reclaimable from HMRC;
• Payments for activities of a political or exclusively religious nature;
• Goods or services that grantees have a statutory duty to provide;
• Payments reimbursed or to be reimbursed by other public or private sector grants;
• Contributions in kind (i.e., a contribution in goods or services, as opposed to money);
• Depreciation, amortisation or impairment of fixed assets owed by grantee;
• The acquisition or improvement of fixed assets by grantee (unless agreed the grant/loan can be used explicitly for capital use – this will be stipulated in the contract and will be limited to essential Covid-19 related works);
• Interest payments (including service charge payments for finance leases);
• Gifts to individuals
• Entertaining (entertaining for this purpose means anything that would be a taxable benefit to the person being entertained, according to current UK tax regulations);
• Statutory fines, criminal fines or penalties;
• Liabilities incurred before the issue of this funding agreement unless agreed in writing by beforehand;
• Use in respect of costs reimbursed or to be reimbursed by funding from any other source;
• Use to purchase buildings or land.
• Funding contributions specifically towards player wages and highly paid executives will be aligned with the Sport Survival Package funding cap i.e. £2,500. Therefore the maximum contribution from programme funding will be limited to the Sport Survival Package funding cap level at the point of decision. Funding above this level is ineligible.

**Subsidy Control**

**Q:** How will the new subsidy control regime impact the Sport Survival Package

**A:** As the UK has left the EU, the programme must now comply with subsidy control. An assessment has been carried out and it is considered that the Sport Survival Package adheres to the principles set out in Part 2, Title XI, Article 3.4 of the UK-EU Trade and Cooperation Agreement.

Please see a summary of the assessment below:

<table>
<thead>
<tr>
<th>Principles</th>
<th>How does the subsidy comply with the principle?</th>
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<td>The subsidy pursues a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns (“the objective”).</td>
<td>The Sport Survival Package is responding directly to the impact of the CV-19 pandemic and the resulting market failure. The policy objective is therefore to support the survival of the eligible sports organisations.</td>
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| The subsidy is proportionate and limited to what is necessary to achieve the objective. | The funding is proportionate and limited to the objective. Specifically, organisations must demonstrate the following:  
  - Viability prior to CV-19 pandemic  
  - Financial need to survive (not just covering lost revenues)  
  - Time-limited based on the period that the organisation is adversely impacted.  
  - Consistently applied across the sport sector.  
  - Distributing mixture of grants and loans dependent broadly on affordability and wider social benefit. |
| The subsidy is designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of the subsidy being provided. | The Sport Survival Package is in direct response to CV-19 and is operating as a funder of last resort. (When other pan-economy and other commercial financing options have been exhausted.) The survival of eligible sports organisations would be at risk without the intervention. |
| The subsidy should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy. | The subsidy is in direct response to the impact of CV-19 on business operation, preventing ability of the organisation to generate income. The costs will contribute to operational costs that cannot otherwise be met by the beneficiary due to CV-19. |
| The subsidy is an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means. | The programme has been approved and implemented following a complete options appraisal including considering all other options for financial support. |
The subsidies’ positive contributions to achieving the objective outweigh any negative effects, in particular the material effect on trade or investment between the Parties.

The investment is in the public interest. There is no known material effect on trade or investment between UK and EU.

Where relevant, record consideration against Article 3.5 [Prohibited subsidies and subsidies subject to conditions], including consideration of whether that subsidy has or could have a material effect on trade or investment between the Parties.

Please see summary below:

- Unlimited State Guarantees (All lending is subject to limited terms)
- Rescue and restructuring (Programme restricted to small-medium size enterprises and is also being operated as it is in the public interest)
- Banks, credit institutions and insurance companies (N/A)
- Export Subsidies (N/A)
- Subsidies contingent upon the use of domestic content (N/A)
- Large cross border or international cooperation projects (N/A)
- Energy and environment (N/A)
- Subsidies to air carriers for the operation of routes (N/A)

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**Loan Terms**

**Q:** What are the standard loans terms and conditions?

**A:** The Sport Survival Package operates a standard repayable loan facility on a 10-year term with a two-year holiday and repayments over eight years at an interest rate of 2%.

The programme can offer terms up to 20 years, including a four-year repayment holiday, as required.

Standard Terms for the Loan Agreement include:

<table>
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<tr>
<th>Lender:</th>
<th>DCMS</th>
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<tr>
<td>Programme Manager:</td>
<td>Sport England</td>
</tr>
<tr>
<td>Term:</td>
<td>10 Year</td>
</tr>
<tr>
<td><strong>Capital and Interest Repayment Holiday:</strong></td>
<td>2 Year</td>
</tr>
<tr>
<td><strong>Interest Rate:</strong></td>
<td>2% per annum</td>
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<tr>
<td><strong>Default Interest Rate:</strong></td>
<td>4% per annum</td>
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<tr>
<td><strong>Repayment Profile:</strong></td>
<td>Straight Line</td>
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<tr>
<td></td>
<td><em>(Equal semi-annual payments commencing upon the end of the Holiday until the end of the Term)</em></td>
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<tr>
<td><strong>Fees and Charges:</strong></td>
<td>Arrangement fees may apply dependent on circumstances. Typically between 0.5%-1.5%; No early repayment fees; Borrower and Lender pay own costs for entering into the Agreement; Lender is entitled to recover costs for any changes to the Agreement once entered into.</td>
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<tr>
<td><strong>Security:</strong></td>
<td>Floating Charge over the Borrower</td>
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<td><em>(It is understood that there may need to be Intercreditor terms agreed with existing lenders. Where this may impact the funding of an applicant, there will be a Condition Subsequent added to the Loan Agreement to implement this within a short timeframe post-Agreement. Where appropriate Security arrangements may be bespoke to individual)</em></td>
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<tr>
<td><strong>Group Company Cross Guarantees:</strong></td>
<td>Lending to the Borrower to be guaranteed by other Group Companies</td>
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<td><em>(Where applicants are the ‘sporting’ entity within a larger group structure that includes stadia and/or training ground holding companies, there will be a requirement for other group companies to cross guarantee Sport Survival Package borrowing. Again, it is understood that there may need to be Intercreditor terms agreed with existing lenders. Where this may impact the funding of an applicant, there will be a Condition Subsequent added to the Loan Agreement to implement this within a short timeframe post-Agreement)</em></td>
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<tr>
<td><strong>Connected Party Lending:</strong></td>
<td>Must be Subordinated to Lending under Sport Survival Package</td>
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Sport Survival Package will require all connected party lending to be subordinated to the loans provided by Sport Survival Package. These subordination agreements will need to be entered into prior to receiving funding and will cover the logistics of interest and capital repayments as well as rights attached to the funding such as enforcement. The expectation is that connected party lending on standard commercial terms can continue to pay interest, however capital repayments can only occur following repayment of Sport Survival Package borrowing. Subordination arrangements may be bespoke to individual circumstances.

**Mandatory Repayment**

There will be certain ‘windfall’ events that trigger a mandatory repayment of the Sport Survival Package borrowings.

(Such events may include significant investment into the Borrower; significant investment into the League; sale of investment assets; and other similar events. The Lender has the right to waive this requirement should the circumstances warrant it)

**Warranties and Indemnities**

Standard for Commercial Borrowing

(Terms will include usual warranties and indemnities for commercial loans such as: Status; Power and Authority; Legal Validity; No Conflict; No Default; No Litigation; No Investigations; No Insolvency; Laws and Regulations; Group Structure; and Security)

**Undertakings**

Standard for Commercial Borrowing

(Terms will include usual corporate undertaking for commercial loans such as Information Provision; Compliance with Laws and Regulations; Compliance with State Aid; Changes to Key Persons; and No Distributions or Dividends)

**Restrictive Covenants**

Standard for Commercial Borrowing

(Terms will include a number of undertakings to be made by the applicant including a Negative Pledge, meaning applicants will have to request Sport Survival Package approval before taking on any further borrowing; and Restrictive Covenants, including the requirement for Sport Survival Package approval before entering into certain material transactions such as mergers, acquisitions and...
| **Events of Default** | Standard for Commercial Borrowing  
*(Terms will include usual events of default for commercial loans such as: Unremedied Breaches; Material Breaches; Material Adverse Change; Cross Default; Insolvency; and Breach of Laws and Regulations)* |
|----------------------|--------------------------------------------------------------------------------------------------|
| **Monitoring and Reporting** | The Borrower shall be required to provide certain information to the Lender and the Programme Manager including but not limited to:  
- Annual Accounts (audited where appropriate);  
- Quarterly Management Accounts;  
- 6 Monthly Cash Flow Forecasts in the form of the Financial Template in the Application process;  
- Other information as the Lender or the Programme Manager may reasonably require. |
| **Conditions Precedent and Subsequent** | Standard for Commercial Borrowing plus Bespoke where required  
*(Before being able to draw funding from Sport Survival Package, Borrowers will have to complete certain standard conditions precedent including returning a Condition Precedent Certificate covering Constitutional Documents, Power and Authority; Corporate Approvals; Permitted Borrowings; Group Structure; and Specimen Signatures. There may also be further Bespoke requirements subject to Borrowers specific circumstances)* |
| **Other Terms and Conditions** | Standard for Commercial Borrowing  
*(Other terms that are standard for commercial loans such as Confidentiality; Notices; Third Party Rights; Governing Law; and Variation and Waivers will be included)* |