

Guidance for Clubs

Correct as at 27 March 2020

The Covid-19 epidemic continues to develop and this is leading to ever increasing government intervention into the daily lives of citizens restricting all but essential activities. Politicians have stated on multiple occasions that the situation isn't normal and shouldn't feel normal. This has impacted on day to day activities such as participation in sports and the running of sport clubs.

Below we have tried to distil some of the key issues facing sports clubs and the key considerations they should have during the crisis.

Access to Facilities

At date of writing the UK Government has imposed restrictions on leaving home following on from previous restrictions limiting the use of certain premises. As restrictions were imposed in a staggered manner it is expected that these will also be lifted in a phased basis. Therefore it is likely restrictions may still apply to use of particular premises for a long period.

Sports clubs will need to consider how best they can operate without access to particular facilities and whether or not participation is possible in light of the restrictions. The obvious conundrum is how sports which are predominantly indoors can be played outdoors. Clubs will want to consider if they can enable participation outdoors instead whilst indoor facilities remain closed. Hopefully by that stage the Scottish summer will mean increased opportunities to participate outdoors without weather impediments.

Events

Many events have been cancelled across the country and sports clubs will be no different.

There has been much discussion on rescheduling sports events for later in the year when the worst of the epidemic has passed or even into next year. However, not only is rescheduling a sports event difficult, it could raise the question of whether participants would be entitled to receive a refund if they can't attend the new date.

The rights of participants and clubs in relation to cancelled events will depend on the individual terms and conditions. It is hoped both parties will show understanding and embrace creative solutions to overcome potential difficulties.

Sports clubs are advised to read our separate guidance note for event organisers for full consideration of the relevant issues.

Insurance

Sports clubs may have insurance policies in place to cover their activities. Most commercial insurance policies are unlikely to cover pandemics or unspecified notifiable diseases, such as COVID-19. However, Sports clubs which have an insurance policy that covers government ordered closure and pandemics or government ordered closure and unspecified notifiable disease should be able to make a claim (subject to the precise terms and conditions of their policy). Sport clubs are encouraged to check the terms and conditions of their specific policy and contact their providers as soon as possible to establish whether or not they have cover.

Subscriptions

Sports clubs are often dependent on the income generated by the subscription of members to meet their ongoing expenses such as hire of facilities, purchasing equipment, entry to competitions. However at such a time when members cannot access the full benefit of their subscriptions what should clubs do?

If finances are available clubs could consider reimbursing members part of their membership fee if they are unable to make use of it. This may be possible where a club has saved money by virtue of having reduced costs for hire of facilities etc. Where clubs are unable to simply reimburse membership subscriptions due to expenditure being committed already clubs could consider creative solutions such as discounts from future subscriptions or discounted entry to future club events.

Employment Support

Some sports clubs may have employees on the payroll who due to the current shutdown and continued restrictions have no available work. Sports clubs should consider the Coronavirus Job Retention Scheme and the possibility of furloughing staff instead of making them redundant. Full details of the scheme were published on 26 March 2020. The Government are offering to pay 80% of an employees' usual monthly wage costs up to £2,500 a month, plus Employer National Insurance Contributions and minimum automatic enrolment employer contributions on that wage.

Any UK organisation with PAYE payroll scheme set up prior to the 28 February 2020 is eligible for the scheme. It should be noted that where employers receive public funding for staff costs and continue to receive that funding the Government expects that this money will continue to pay staff costs and staff aren't furloughed. This also applies to non-public sector employers who receive public funding for staff costs. In a small number of cases, for example where organisations are not primarily funded by the government and whose staff cannot be redeployed to assist with the coronavirus response, the scheme may be appropriate for some staff.

Full details on this scheme so far and the relevant considerations for sports clubs are available on our separate guidance note.

Many clubs will also engage self-employed coaches who don't qualify for the Job Retention Scheme. A similar scheme has been announced for the self-employed entitled the Self-Employed Income Support Scheme. Self-employed individuals who are eligible for this scheme will be contacted by HMRC once it is up and running, in the meantime self-employed individuals have been encouraged to make use of other support offered by the Government

Business support information from Scottish Government

There is multiple offers of support for business and organisations details of which are contained on this website, (updated on 25 March 2020) summarising the various means of support provided by the Scottish Government to businesses.

The website is very helpful as it's all in the one place or in the external links provided on the page:-

<https://findbusinesssupport.gov.scot/coronavirus-advice>

Property information

There is also a Coronavirus (COVID-19): Private Landlord and letting agent FAQs page which are enclosed below for your perusal, as this may be relevant to members or club owners who rent property.

<https://www.gov.scot/publications/coronavirus-covid-19-landlord-and-letting-agent-faqs/>

Data Protection

Sports clubs will be controllers of personal data under data protection law in the same way as SGBs and so continuing to ensure compliance during these challenging times will remain important. Whether clubs are operating remotely or have suspended all activities, maintaining appropriate security measures will remain important to avoid any personal data breaches. Individuals can also continue to exercise their rights against controllers or personal data, although the Information Commissioner's Office (the ICO) will take any delays in handling such requests caused as a result of Coronavirus into account.

Clubs concerned about data protection issues during the crisis should consult our separate Data Protection guidance note for additional information.

General Meetings

Clubs may be wondering how to deal with the requirements to convene meetings, during the current coronavirus (Covid-19) pandemic. Most sports clubs will be unincorporated and so the provisions available under the Companies Act 2006 will not apply. Accordingly, clubs will need to consider what is provided for in their constitution regarding general meetings and committee meetings to determine if these can be without virtually or if written resolutions can be passed instead. If an annual general meeting needs to be postponed, then it is recommended that sports clubs review our guidance note on general meetings for suggestions on how to overcome the difficulties posed by Coronavirus.

Get in touch

If you have any particular concerns regarding events during this time, please contact us through the **sportscotland** expert resource legal helpline (0141 227 9333 or sportscotlandinfo@harpermacleod.co.uk).