

## **Review of COVID Related Grants Claimed By Plymouth Bridge Club**

### Background

1. During 2020 and 2021, due to the impacts of COVID on small businesses, Plymouth Bridge Club successfully applied to Plymouth City Council and was awarded a range of grant monies.
2. The sums awarded to the Club were:
  - May 2020 - £10,000
  - Nov 2020 - £1334
  - Jan 2021 - £6001
  - Jan 2021 - £1525
3. The award of these sums was discussed at committee meetings in December 2020 and February 2021 when concerns were expressed over the club's true eligibility and need for the monies, and additionally some concern was raised over the morality of accepting the money.
4. It was suggested that a review of the documents, financial data and criteria to verify the claims be undertaken.

### Review Findings

5. The Review Team thank Charles and Eileen for providing the documents and financial data related to the claims, and we make it clear that this review was not an investigation or suggestion of any misconduct or wrong-doing of the Treasurer, in whom we have all confidence and continue to recognise his selfless efforts to serve the club, keep it running and provide alternative bridge playing opportunities for all its members.
6. The Review Team found that in respect of the sums of £10,000, £1334 and £6001, these were awarded to the Club by Plymouth City Council (PCC) based on Business Rate criteria. As a small business occupying a premises registered for business rates, the Club is eligible for the Small Business Grant Fund. Although wording within the Grant Funding Scheme issued by the Government suggests in the pre-amble that part of the reasoning for awarding the grants was to support 'struggling businesses', this does not appear to be listed in the documents as a specific qualifying criteria to be awarded grants. However, it could be argued that, in light of financial and membership survival thus far in the crisis, the club could consider whether there is a moral case to retain the money or for it to be returned.
7. The Club is listed (by postcode) and shows the rateable value (£4,600). For a small business (with a rateable value of under £51,000) then a 49.9p multiplier is used, but as this means we do not meet the threshold level of £12,000 (rateable value), then the Club gets 100% relief from actual payment of business rates.
8. With a Business Rating of less than £15,000 the Club receives the lowest grant award sum available for each period in question.
9. In respect of the claim/award of £1525, relating to Tier 2 restrictions which came into force in Plymouth following the November lockdown, the criteria for the payment was based on provision of evidence of reduction in revenues of at least 30% through the last year's trading accounts.
10. A review of the Profit and Loss sheet to 30<sup>th</sup> November 2020, provided to the Committee by the Treasurer on 7 December 2020, shows and demonstrates a reduction in total income from £19047 in 2019 to £10665, and appears to confirm the revenue reduction criteria of at least 30%.
11. Full year income comparison figures (2019 v 2020) provided by Eileen further show that revenues reduced from £22633.85 to £12,078.70. This amounts to a 46.63% reduction year on year.

12. Analysis of the P&L figures reveals that the income streams most affected are:

	<u>2019</u>	<u>2020</u>
Table Money	£12411	£7228
Teaching	£2652	£766
Room Hire	£1437	£415

13. These three income streams have in 2017, 2018 and 2019 been relatively consistent and therefore would be normal. The 2020 figures demonstrate a clear impact on the inability of the club to continue face to face activity.

14. Plymouth City Council have confirmed in an email that, despite our move to playing on-line bridge, they consider that we are still eligible for their grants.

15. It is acknowledged that the reduction in table monies revenue could be mis-represented by the way in which BBO administer/deduct their fees from the payments of table monies to the club. This means that the table money payment is already net of the BBO fees and therefore might technically have an impact on the contribution of this income stream to the assessment of 30% revenue reduction criteria.

16. Had the club used a different platform for online bridge play then the mechanism of payment of tables monies might have been different. The club did not deliberately seek to use BBO because of the net payment scheme to benefit from the grants scheme.

17. If the table monies figures, to November of each year, are removed from Eileen's 2019/2020 comparative figures, the overall reduction in revenue is 32.5%, which demonstrates that the impact of the BBO fee deduction mechanism do not impact on meeting the 30% reduction in revenue criteria.

	<u>2019</u>	<u>2020</u>	<u>% Difference</u>
Total Revenue	£22634	£12079	46.63%
Table Money	£12411	£7228	
Revenue (less Table Money)	£10222	£6895	32.55%

#### Conclusion

18. The Review Team conclude that all of the sums applied for and awarded are appropriate, and the club has met the criteria in all of the individual cases, in particular relating to the £1525 where a 30% reduction in revenues was a qualifying requirement. Similarly the move to online playing did not, as confirmed by PCC, disqualify the club from making the claim for the grant.

19. The Review Team is extremely grateful to Charles and Eileen for their open co-operation in assisting the review.

#### Recommendation

20. The Review Team recommend that the committee discuss the use of the windfall sums of money, and consider whether it is appropriate to retain or return the monies to the PCC.

[SIGNED ON ORIGINAL]

The Review Team

Mel Melville-Brown (Vice Chair)

Allan Simpson (Secretary)

Ailie Henry (Trustee)

4 April 2021