



Press release

For immediate release: Monday 10 August 2020

ukactive, hospitality and retail trade bodies call for introduction of Property Bounceback Grant

ukactive, along with hospitality and retail trade bodies, has today (10 August) called for government support to end the COVID-19 rent crisis, which is seen as one of the biggest threats to the fitness and hospitality industry, and to the future of the high street.

ukactive, in conjunction with the British Property Federation (BPF), British Retail Consortium (BRC), Revo and UKHospitality, has issued a [joint call](#) for the Government to save jobs and businesses by introducing a Property Bounceback Grant.

Analysis commissioned by the five trade bodies found that if the Government paid 50% of unpaid rents across the retail, hospitality and leisure sectors for six months, at a cost of £1.75bn, it would herald a return on investment to the Treasury – in terms of tax revenue from economic activity – of nearly £7bn (about 400%) and 375,000 jobs would be saved.

If rent support were extended to cover businesses that had already reached rent payment agreements, the cost would rise to £4.7bn, with a return of more than £11bn to the UK economy, preventing the loss of over 630,000 jobs.

The trade bodies are proposing the introduction of a Property Bounceback Grant which would have the following features:

- Government grants of up to 50% of rent and service charges between March and September.
- Grants would be conditional on agreement by the landlord and tenant to account for the remaining 50% of the rent and service charges through the Government's Code of Practice.
- Eligibility for businesses in hospitality, leisure and retail – all sectors that have been disproportionately hit by the crisis and have already seen increasing rates of administration and redundancies.
- Focused on those businesses that were closed for the longest and unable to generate revenue.

ukactive has [previously warned](#) of the threat to the fitness industry that the rent crisis has caused. Last week [DW Sports announced](#) it was restructuring its gym and leisure portfolio and entered into administration, with gyms, stores and jobs threatened. ukactive believes this could be the tip of the iceberg unless the Government provides urgent financial and regulatory support for the fitness and leisure sector.

With zero income for fitness facilities during lockdown, many have struggled to pay their rent and service charges. This has led to operators facing an uncertain future and a number are in the process of closing permanently due to insurmountable levels of debt – a situation which could lead to thousands of job losses.

As the UK continues to face a health crisis, ukactive's members are ready to play a central role – using their facilities and staff to help combat COVID-19 by strengthening the physical and mental health of people in every community. However, the sector requires further financial support to do so.

The trade bodies that ukactive is working with represent both landlords and tenants, with the joint call designed to find a solution to the rent crisis brought about by COVID-19. The Property Bounceback Grant scheme would see the Government share some the burden in the short term to help stop the enforced closure of businesses.

Huw Edwards, CEO of ukactive, said: “COVID-19 has devastated the fitness and leisure sector, with many businesses having zero income but still facing rent costs. Pre-COVID-19, these businesses were viable and profitable.

“ukactive has joined forces with the British Property Federation, British Retail Consortium, Revo, and UKHospitality, to call on the Government to implement the Property Bounceback Grant.

“With Government support, we can keep fitness facilities open at a time when they are needed the most. Keeping facilities open is essential in order to give people from all backgrounds the support and opportunities to become fitter and stronger, which has been shown to improve our resilience to COVID-19.”

About ukactive

ukactive is the UK's leading not-for-profit health body for the physical activity sector, with more than 4,000 members, from activity providers to major consumer brands, training facilities and equipment manufacturers. Members come from across the private, public and third sector and are united by ukactive's longstanding and uncompromising commitment to getting more people more active, more often.

ukactive facilitates high-impact partnerships, conceives and drives breakthrough campaigns, conducts critical research and galvanises key stakeholders to develop and deliver projects that support and champion the physical activity agenda. The organisation's efforts are centred on supporting a national ambition to “turn the tide of physical inactivity”. For more information about ukactive, please contact Rob Gibson on 07585 253812, or robgibson@ukactive.org.uk