



Scottish Sports Association

Barclay Review of Business Rates

What this means for Scottish sport

Briefing Paper for Governing Bodies of Sport in Scotland

15 November 2017

Background

The [Barclay Review of Business Rates in Scotland](#) was released on 22 August 2017.

On behalf of our members, the [SSA wrote to the Chair of the Review Group](#) in May 2017. We were concerned that the Barclay Review would follow the route taken by the 2015 review of water and sewerage rates. The definition from that review, which only provides exemptions for “charities and community amateur sports clubs” (CASCs), excludes many voluntary sports clubs.

Our letter to the Barclay Review stressed the importance and scale of voluntary sports clubs and the importance of maintaining voluntary sports clubs as a specific definition within the exemptions:

“On behalf of our members, the SSA strongly supports the retention of a definition which specifically includes “amateur community sports clubs”. This is vital in enabling voluntary sports clubs to access this critical relief, as the vast majority of sports clubs are not charities.”

You can find the SSA's submission to the Barclay Review and our summary of the Review's recommendations for Scottish Governing Bodies of sport in the [Response to the Barclay Review of Business Rates](#) on our website

Following this statement we met with both Derek Mackay MSP and civil servants from Scottish Government on this topic. This paper highlights our key current questions in relation to both sports club relief and ALEOs.

Sports Club Relief

Voluntary sports clubs provide a wealth of benefits to individuals, communities and to our nation and the benefits of sport and being active are significant; further information on this is available in our [Why SportMatters](#) resources and on pages 3 and 4 of our [Manifesto for Scottish Sport](#).

It is the SSA's understanding that the proposed Barclay recommendation relating to sports clubs relief is aimed at a very small number of sports clubs and not the vast majority of the 13,000 community sports clubs in Scotland. However:

1. We are seeking a commitment and reassurance from Scottish Government that these 13,000 community sports clubs are not the target of any change to this relief and that these clubs will continue to be able to access the invaluable relief provided for 'amateur community sports clubs'.
2. Should Scottish Government make any change to this relief we are seeking a clear definition which ensures that the above sports clubs will continue to be able to access this relief and that there are not unintended consequences and implications of any such definition.
3. If the target for any such change is to relate to the finances of a club, the definition of and financial assessment of this must be very carefully considered to ensure that it does not incorporate clubs' assets, which would undermine the ongoing community asset transfer, community empowerment and other related agendas.
4. Clarification is requested on who will manage any new scheme and the mechanism which will support this.

ALEOs

Our colleagues at Sporta Scotland have led on responding to this aspect of the Review and the SSA is fully supportive of this work and the significant concerns they have outlined for culture and leisure trusts.

On behalf of our members, the SSA would like to emphasise the following key points in relation to the ALEOs recommendation:

1. ~90% of investment in sport in Scotland is via local authorities - ensuring that local authorities and leisure trusts are vital and significant players in the Scottish sporting landscape.
2. The vast majority of sports clubs in Scotland do not own their own facilities and, therefore, are reliant upon facilities which are provided and/or managed by these leisure trusts - from sports centres, to school estates to playing fields.
3. Scottish Governing Bodies of sport also rely on these facilities to deliver coach education, performance training, events and competitions.
4. While our members (Scottish Governing Bodies (SGBs) of sport) provide invaluable support to these 13,000 sports clubs, there are simply not enough staff within SGBs to provide the practical support required by these clubs without the assistance of sports development officer staff within leisure trusts. The partnership sports development support offered by SGBs and leisure trusts is a lifeline to supporting club and community sport across Scotland. Any cuts to leisure trust budgets would likely have a negative impact on the provision of these sports development staff.

Water and Sewerage Rates

The issues raised in the consideration of relief for sports clubs under Business Rates also relate to the current Scottish Government review of Water and Sewerage Rates. Water and Sewerage Rate exemptions are only currently available to “charities and community amateur sports clubs” (CASCs). Our members do not support this narrow and flawed definition as it excludes most sporting organisations since:

- Very few sporting organisations in Scotland are registered charities
- There are very few CASCs in Scotland.

On behalf of our members we are seeking a change to the definition for this to enable exemptions for "amateur community sports clubs" the same as the current definition for Business Rates. The further change we are seeking is the removal of a bar licence as a restriction to applying for an exemption. Most sports club facilities which have a bar licence use this area to provide a members space for activities, social events etc and do so in a way which is not in competition with any local businesses but does provide a vital internal fundraising mechanism for these sports clubs as original social enterprises.

If you have any queries on this please don't hesitate to contact us.