LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

CALL FOR VIEWS ON THE NON-DOMESTIC RATES (SCOTLAND) BILL

SUBMISSION FROM COMMUNITY LEISURE UK

Introduction

Community Leisure UK is a members’ association that specialises in representing charitable leisure trusts across England, Scotland and Wales.

In Scotland, we have 25 members, which are all registered charities. They deliver services across over 1300 facilities, with over 80m annual visits.

Trusts do not distribute profit and instead reinvest every pound generated into the provision of quality leisure services and facilities. Trusts are rooted in the local communities they serve, with specific services designed and supported through the cross-subsidy model to support those in most need.

Community Leisure UK members’ manage facilities including: swimming pools, libraries, museums, pitches, gyms, ice arenas, beach fronts, parks, heritage buildings and children’s centres. Importantly, members deliver vital community services such as exercise or books on prescription, short breaks for disabled children, adult social care support programmes, walking programmes, internet access courses, apprenticeships and training, and sports participation programmes.

We welcome the opportunity to provide evidence in response to the Scottish Government’s call for evidence around the Non-Domestic Rates (Scotland) Bill.

1. How the Government has responded to the Barclay review, in particular on those recommendations it has rejected in full or part.

We welcomed the Government’s openness to our previous evidence submission in response to the initial Barclay recommendations and the decision to reject recommendation 24 of the Barclay Review that charitable rates relief be removed for “Arms Length External Organisations” (ALEOs).

2. Section 4, which aims to increase the degree to which parks are subject to non-domestic rates, in recognition of the commercial activities that take place in some parks (eg the running of a café).

We believe the application of non-domestic rates to commercial activities in parks should be applied with caution, in particular, taking account of the nature of the organisation delivering the activities.

We strongly feel that the reinvestment of profits is a key distinction between commercially focused activities with the sole aim of generating profits, and charitable organisations that operate some commercial activities and reinvest any profit to support the delivery of their wider activities and charitable purpose.
The charitable trust model, used by our members enables surplus generated through some commercial activities (in some instances in parks) to cross-subsidise other activities delivering the charitable aims and purpose of the organisations.

4. **Section 11 which gives the Scottish Ministers the power to issue guidance to local authorities on the appropriate way to use their powers to grant sports club relief.**

Guidance regarding local authorities’ powers to grant sports club relief is important to ensure consistency in the granting of relief across distinct local authority areas. Sports clubs play a crucial role in encouraging and engaging people in sport and physical activity, and play a key role in delivering the Active Scotland Outcomes.

We welcome the clarification and inclusion of the term “not established or conducted for profit”, which we believe is important in granting rates relief to sports clubs. Affordable/community sports facilities should offer open, accessible and unrestricted memberships and should encourage engagement and participation from all members of the community.

It is important for the guidance to be shaped with input from relevant partners, in particular local authority and sports clubs representatives.