

Budget 2011

Last Wednesday the Chancellor introduced the 2011 Budget, alongside the Government's 'Growth Review'

Overview

Introducing the Budget, the Chancellor outlined the growth forecast and estimates on inflation:

- 2011 growth forecast downgraded from 2.1% to 1.7%
- 2012 forecast also down from 2.6% to 2.5%
- Inflation set to remain between 4% and 5% in 2011, falling to 2.5% in 2012

Sport

There were no major announcements of relevance to sport, however there are some small announcements which could have an impact on the landscape.

Tax Simplification

As part of the budget, the Chancellor reported back on a report by the Office of Tax Simplification (OTS) on their review of tax reliefs. The Chancellor announced that 43 tax reliefs would be scrapped as part of simplification of the tax code. Included within is the proposal to remove the relief on capital allowances on safety at sports grounds. This will be consulted on in the next financial year, with the aim to include proposals in the 2012 Finance Bill.

Community Amateur Sports Clubs

Included within the budget was the announcement to reform Gift Aid on charitable giving. This could be of potential benefit to sport, especially CASCs.

- Charities will be able to claim Gift Aid on up to £5,000 of small donations per year without the need for Gift Aid declarations.
- The administration of Gift Aid will be simplified, moving to online rather than written claims.
- There will also be an increase in benefit limits for rewarding donors from £500 to £2,500.

Music Licensing

Included within the Growth Review was the commitment that the Government will reduce the requirements for live music to be licensed. Within this, the Government '*will bring forward proposals to reduce licensing burdens on other forms of entertainment such as theatre, cinema and indoor sport*', and expects to make these changes by the end of the year. This could impact upon those sports clubs who have to pay additional pricing for having live music at their clubs.

Public Health Consultation Deadline

Please note that the deadline for responding to the public health consultations is this Thursday, March 31. Sport England is encouraging the sport sector to join the debate on public health and speak up about sport's role in improving the health of the nation.

The proposals are designed to tackle lifestyle-driven health problems, and involve ring-fencing an annual budget of £4bn for public health to be invested at a local level. In order for sport to feature in the Department of Health's public health plans, sport needs to be included in the new Outcomes Framework. Strong support from the sector will help ensure that a physical activity measure remains within the framework, and therefore we encourage all partners to respond to this specific consultation.

The consultations can be found [here](#).

SRA launch report into the regulatory burden on sport and recreation clubs

Last week the Sport and Recreation Alliance (previously the CCPR) published a [report](#) commissioned by the Minister for Sport and the Olympics, Hugh Robertson MP, into the regulatory burdens facing clubs. Using a survey of sports clubs and governing bodies, the SRA identified burdens such as:

- Local authorities not allowing clubs to use their leisure facilities unless they have £5m of public liability insurance
- Being charged VAT to develop public facilities open to the community, forcing clubs to raise 20% more than they should need to
- Local councils banning volunteers from maintaining footpaths and rights of way in case they are sued if something goes wrong
- The necessity to pass an Act of Parliament to allow a motor race on British roads
- VAT being charged on spending funded by government grants – an immediate take-back of 20% and a waste of everyone's time
- Clubs adhering to the Health and Safety Act even when not required to do so for fear of being sued
- Sports graduates being required to re-train to meet national standards, despite having spent three years at university
- Even the smallest clubs having to register as a 'data controller' under the Data Protection Act.

The report included a number of recommendations and will feed into the Government's wider review of regulation being conducted by the Cabinet Office.

CMS Committee Inquiry on Football Governance

The Culture, Media and Sport Committee this week held two further evidence sessions as part of their inquiry into football governance.

In the first hearing, the Committee heard from Ian Watmore, the former Chief Executive of the Football Association. Mr Watmore opened the session, calling for the Board of the FA to be independent of all its vested interests. He stated that there was often a conflict of interest on the board and that this should be removed in order to enable FA executives to make strong decisions.

When asked about his vision for the FA, Mr Watmore said that he believed in a 'football first' approach. He also added that strategically there was a lack of focus on what the role of the FA should be. On the issue of football governance, Mr Watmore said that it was essential for boards to challenge a chief executive but it was also vital for the board to be part of the organisation. The FA Board was driving the best interests of the organisations that they represented rather than the FA. The FA board should be half executive and half non-executive, and should include former players and trainers.

In the second hearing the committee heard from Richard Bevan, Chief Executive of the League Managers Association (LMA), Martin O'Neil the former Aston Villa Manager and Steve Coppell, the former Bristol City Manager. The topics discussed were varied including football managers, football governance, football creditors and youth development.

On the issue of governance Mr Bevan called on the Committee to unite the football family with the FA at the top. He stated that the problem was the governance structure hindered leadership. He added that the LMA and PFA should be involved in the FA Board. On the issue of youth development Mr Coppell and Mr Bevan stressed that a new approach was needed, and that responsibility for youth development should be led by the FA.

The full transcripts of the sessions can be found [here](#).

Department for Transport investment into cycling

Last week, the Parliamentary Under Secretary of State for Transport Norman Baker announced £836,000 of additional funding in this financial year to implement a number of small sustainable projects into Cycle Towns and, separately, for three Train Operating Companies to enhance their bike and rail schemes. The chosen Cycle Town projects include Blackpool, Bristol, Cambridge, Colchester, Darlington, Derby, Exeter, Leighton Linlade, South Glos, Southend, Shrewsbury and Woking and will work to get more people cycling safely.

The three Train Operating Companies, Merseyrail, South West Trains and Northern Rail, will receive funding to encourage more cycling to railway stations and to deliver improved integration of bike and rail journeys.

The announcement is in addition to the recently launched Local Sustainable Transport Fund which allows local authorities to bid for a share of £560m over four years, aimed at encouraging sustainable transport solutions, including cycling initiatives, that will create economic growth and cut carbon emissions.

Launch of School Games Website

A new website has been launched to sign up schools to the new School Games. Schools can register their interest and download a prospectus at www.yourschoolgames.com.

Dates for your diary

29 March - Protection of Bowling Greens (Development Control) - John Woodcock
29 March - All Party Parliamentary Group exploring Urban Regeneration, Sport and Culture
29 March – FA to give evidence to the Culture, Media and Sport Select Committee as part of their inquiry into football governance
30 March – Culture Secretary Jeremy Hunt to give evidence to Culture, Media and Sport Select Committee on changes to DCMS since December 2010
30 March – Westminster Hall Debate - Motor Sport competitions on the public highway in England and Wales – Ben Wallace MP
31 March 2011 - Public Health White Paper consultation deadline
31 March 2011 - Public Health Outcomes Framework deadline
31 March 2011 - Public Health Funding and Commissioning consultation deadline
5 May 2011 - Devolved elections
5 May 2011 - Proposed date for referendum on AV
5-26 April 2011 - Easter recess
24 May - 7 June 2011 - Witsun recess
31 May – Deadline to Charity Commission consultation on the advancement of amateur sport as a charitable aim
19 July - 5 September 2011 - Summer recess
15 September 2011 - 10 October 2011 - Conference recess
17-21 September 2011 - Liberal Democrat Party Conference
25-29 September 2011 - Labour Party Conference
2-5 October 2011 - Conservative Party Conference
Spring 2012 - Queen's Speech