



# ACASC



## Association of Community Amateur Sports Club & Community Interest Fundraisers

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**Free Phone:** 0800 084 2312 **Web:** [www.acasc.org.uk](http://www.acasc.org.uk) / **Email:** [admin@acasc.org.uk](mailto:admin@acasc.org.uk)

## 2024 Labour Government & CASC – What Next?

### Background

The Community Amateur Sports Club (CASC) Scheme was introduced in the UK in April 2002 under a Labour Government. Administration of the Scheme (by HMRC) was generally described as 'light touch' for several years. But by the time the Conservative party (with David Cameron at the helm) came to power in May 2010, it was widely believed that the Scheme was not fit for purpose in its current form. This fact was largely due to the 'vagueness' of the CASC Guidance at the time and the level of anomalies it was creating.

For several years, CASC Applications were seen to be a mere single-page formality with some very affluent clubs suddenly enjoying substantial tax-breaks with little Community obligation. Indeed a substantial number of club Committees were blissfully unaware before 2015 that the club had been registered as CASC.

By the early 2010's it was widely apparent that the CASC Scheme was not fit for purpose and Consultations with Governing Bodies and other stakeholders (such as ACASC in 2013) began. In October 2014 HMRC published its draft Consultation document and by April 2015 the new Guidance for CASC came into force albeit with a 1 year Compliance 'window' for clubs to get their house in order and make any necessary Compliance changes - or simply decide to opt out of the Scheme without penalty.

By 2024 and nearly ten years since the implementation of the new CASC Guidance, a substantial number of CASC registered clubs have expressed deep concern about the affect of inflation on the permitted thresholds. The most concerning issue appears to be regarding membership fees and the cost of delivering sport to all the Community with membership fees capped at £1612. *Many clubs in urban areas have described their position as untenable.*

The fiscal 'tightening' effect on club budgets caused by inflation has caused many clubs to want to exit the CASC Scheme in order to survive. ACASC has discussed this point several times with HMRC however their response has always been that it is the responsibility of the prevailing Government to enact any changes through parliament.

### What to expect from a Labour Government in 2024?

Overall, it is expected a new Labour government after July 2024 will have a positive impact on CASCs through increased funding, support for inclusivity and diversity, and emphasis on grassroots sports development.

It is difficult to predict the specific actions that any new government may take regarding Community Amateur Sports Clubs. However, it was felt universally amongst the CASC Community that the outgoing Government had all but lost interest in the CASC Scheme. On a more optimistic note it could be said that historically, Labour Governments have generally been innovative and supportive with measures to improve standards and regulations in Community Sports.

ACASC points out that since its inception in 2002 the CASC Scheme still has fewer than 8,000 clubs out of a potential pool of around 100,000 amateur sports clubs in the UK. Therefore, it is highly likely that the Government that gave birth to the CASC Scheme will revisit it to inject new life, enforce higher standards and inevitably draft new regulations on Community Amateur Sports Clubs.

- With the advent of a new government ACASC also suggests that the CASC Scheme is now (ironically) approaching a similar stage of disrepair to the period leading up to 2015.

In order to survive, the Scheme needs to evolve both in terms of more realistic (perhaps index-linked) Relevant Tax Thresholds on offer to clubs plus increased funding to create accessible sporting opportunities for a more diverse range of economic or under-represented social groups.

Obviously the impact on Community Amateur Sports Clubs of a new Labour government in 2024 would depend on the policies and priorities of the government. However, some potential impacts are likely to include:

1. **Increased funding for Community Amateur Sports Clubs:** A Labour government may allocate more resources to support community sports clubs, including funding for facilities, equipment, and coaching staff. This could help clubs improve their offerings and attract more members.
2. **Emphasis on inclusivity and diversity:** Labour is likely to prioritize inclusivity and diversity in sports, which could lead to policies aimed at increasing participation from underrepresented groups in community sports clubs.
3. **Support for grassroots sports development:** Labour may focus on supporting grassroots sports development in general, which could benefit CASCs by providing opportunities for growth and development.
4. **Enhanced recognition and promotion:** A Labour Government may place a greater emphasis on recognizing and promoting the achievements of Community Amateur Sports Clubs, which could help raise their profile and attract more support and resources.

Following on from the last point, ACASC attempted in 2012-13 to inaugurate a CASC Recognition for Excellence Scheme across several interested Local Authorities. However, the administrative burden on our limited staff at that time proved to be a great problem. It was difficult to obtain funding for excellence awards although several local sponsors and backers were showing a welcome degree of interest. Going forward, it is expected that the new Government will revisit the CASC Guidelines and create new opportunities and enhanced awareness of the Scheme. Hand-in-hand with any extra support for the Scheme clubs should expect new levels of social responsibility and dare we say inevitably some 'improved' or tighter CASC Compliance obligations.

## Summary

- CASCs should regularly review their Compliance position to ensure they are meeting all requirements and can quickly seize any new funding opportunities that may arise.
- Seeking guidance from ACASC can help CASCs navigate potential Compliance challenges and make the most of available funding opportunities.
- Proactive maintenance of Compliance is the key to being prepared for any new opportunities that may emerge in the future.

## Next Steps

ACASC members should log-in to begin using the various Compliance tools and services available on our web site. It is important to stay ahead of the curve before any searching Compliance Questionnaires are sent out by HMRC following the letter sent by them in the spring of 2024. In most cases for a CASC to adapt to any change usually takes time and for many a lot of time will be needed. Advanced discussion and preparation is the key to survival here. Club's that are up-to-date with their current policies will avoid a sense of panic.

**ACASC members should also log-in to access Part 2 of this article.** This is where we begin assessing the points CASCs should be considering in relation to both (a) the club's current Compliance position (b) preparing to adapt to new Compliance conditions.