



Barclay Review of Business Rates

About YouthLink Scotland

YouthLink Scotland is the national agency for youth work. We are a membership organisation, representing over 100 regional and national youth organisations from both the voluntary and statutory sectors. We champion the role and value of youth work and represent the interests and aspirations of both the voluntary and statutory sector. Our vision is of a nation which values its young people and their contribution to society, where young people are supported to achieve their potential.

Scotland's youth work sector is as rich and diverse as the nation itself. Our sector has a workforce in excess of 80,000 – including over 70,000 adult volunteers. Youth Work has three essential and definitive features:

- Young people choose to participate
- Youth work must build from where young people are
- Youth work recognises the young person and the youth worker as partners in a learning process

As the national agency for youth work, and in our role as an intermediary we have endeavoured to respond to this response in the best interests of the youth work sector, however the views contained within this response may not be held by each of our individual members.

Comments

The third sector plays a significant role in improving the lives of people in Scotland.¹ Within this the youth work sector is made up of many charitable organisations, including registered charities and social enterprises, and reaches in excess of 380,000 young people each year.² Recent research into the social value of youth work in Scotland is estimated at a return of £7 for every £1 of public cash.³ Investment into youth work can result in public savings in numerous areas⁴ as well as providing an intrinsic value to society, for example through improving the wellbeing of youth work volunteers. Youth work contributes to a range of ongoing agendas including attainment, wellbeing, employability and poverty alleviation and for young people, involvement in youth work brings a raft of benefits (*see figure 1*).

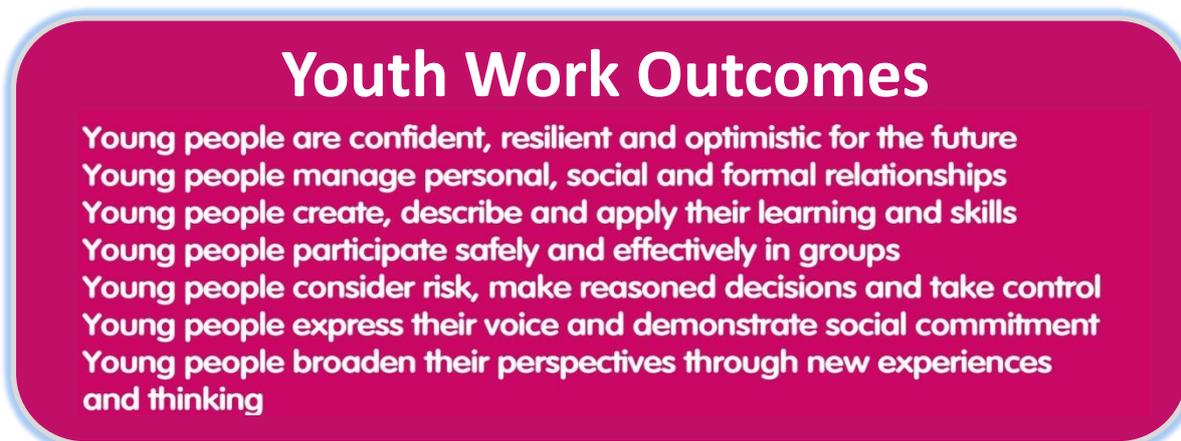
¹ SCVO, *State of the Sector 2014*, <http://www.scvo.org.uk/wp-content/uploads/2014/04/SCVO-Sector-Stats-2014.pdf>

² YouthLink Scotland, *Annual Review 2014-15*, <http://www.youthlinkscotland.org/webs/245/documents/AnnualReport14-15.pdf>

³ Hall Aitken, *Social and economic value of youth work in Scotland: initial assessment, January 2016*, <http://www.youthlinkscotland.org/index.asp?MainID=21159>

⁴ Ibid.

Figure 1. Youth Work Outcomes⁵



Current business rate relief for charitable youth work organisations is varied across Scotland due to the difference across local authorities in discretionary rate relief. The demand for youth work services is not geographically dependent and many youth work organisations work across local authority boundaries. The difference and unreliability of discretionary rate relief between local authorities makes future planning difficult. YouthLink Scotland would be supportive of an increase in the mandatory rate relief to 100% for charitable organisations to ensure clarity, consistency and support for the third sector. This rate relief system has been favoured by Northern Ireland to ensure a thriving third sector and increased public benefit.⁶

Where charitable organisations also run trading activities to support their charitable objectives, the development and sustainability of their organisation, we believe the same mandatory rate relief of 100% should apply. Charitable trading activities such as charity shops and cafes provide a host of benefits to the community including contributing to reducing landfill, providing jobs and volunteering opportunities.

There should also be further clarification around the interpretation of “wholly or mainly for charitable purposes”. With a growing number of social enterprises who are not registered charities but whose activity benefits the community, a change in eligibility would be beneficial.

We are clear that the system of rate relief should not put local authorities in a position whereby they are financially discouraged from increasing the number of charities with premises in their area. The rate relief system should not negatively impact on local authority budgets. In fact, we believe that centralising the mandatory relief rates would reduce the administrative burden of assessing eligibility for discretionary relief would result in local cost savings.

For further information please contact Emily Beever, Senior Development Officer (Policy and Research) ebeever@youthlinkscotland.org or 0131 313 6815.

⁵ YouthLink Scotland, *Youth Work Outcomes*, <http://www.youthlinkscotland.org/webs/245/documents/Outcomes%20January%202016.pdf>

⁶ Department of Finance NI, *Review of Northern Ireland’s Non-Domestic Rating System: Consultation Report February 2016*, p. 5, <https://www.finance-ni.gov.uk/consultations/review-northern-irelands-non-domestic-rating-system>