

CCB



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The Rt Hon Malcolm Rifkind MP
Secretary of State
Scottish Office
Dover House
Whitehall
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My ref:
Your ref:

7 April 1987

Dear Malcolm

NBM

RATING OF SPORTS CLUBS

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Thank you for your letter of 26 March. The fact is that my task over the next 18 months will have been made appreciably more difficult by the need to fend off pressure to extend your concession to England. I have already had an approach from John Carlisle on behalf of his back-bench Committee.

To help me in dealing with this, I should be grateful if you would take an early opportunity to make a clear statement on the public record, that the principal justification for the concession lies in the anomalously high rateable values of sports clubs in Scotland, and that it will be reviewed in the light of progress towards harmonisation of valuation in 1990. Perhaps you could undertake that this could be done at the time that your amendment to the ADRES Bill - which I see you have tabled - is moved. I would also wish to make the point in replying to John Carlisle. I attach a draft of the reply I propose to send.

I should also be grateful for urgent clarification of the extent of the concession. The concession has been talked of only in relation to sports clubs and the figures you quote, in response to John MacGregor's query, seem to relate to sports clubs alone. However the amendment you have tabled seems to extend to any non-profit making club providing for any recreational activity.

I am copying this to Willie Whitelaw, to other members of E(LF) and to Sir Robert Armstrong.

Jusson

Nicholas

NICHOLAS RIDLEY

DRAFT LETTER FOR THE SEC OF STATE TO SEND TO JOHN CARLISLE MP

RATING OF SPORTS CLUBS

1. Thank you for your letter of 19 March asking whether it is intended to extend the concession made by Malcolm Rifkind in Scotland to sports clubs in England.

2. I am very much aware of the concern that has been expressed by the CCPR and individual clubs about the rating of sports clubs. But the position remains that both Malcolm and I believe that it should be a matter for local authorities to decide whether it is appropriate to give any relief to a particular sports club in the light of local circumstances and the benefit which any club gives to the residents of that area. Local authorities have the necessary powers to give up to 100% relief where they think fit.

3. It seems to be the case in Scotland, however, that sports clubs there bear a heavier rate burden than equivalent clubs in England. This is as a result of differences in rating valuation practice. It was in recognition of this that Malcolm announced that he proposed to give local authorities some help with the cost of any reliefs they may decide to give.

4. It is clearly unsatisfactory that valuation practice should vary in this way and we are now engaged in considering what can be done to bring about greater harmonisation in the revaluations planned for both countries in 1990. I understand that Malcolm intends to review the need for any special arrangements in the light of the outcome of the revaluation.