

# Six tests for Government to help sport and recreation thrive beyond Brexit

On 23 June 2016, the UK voted in a referendum to leave the European Union (EU). It was a watershed moment and the consequences will shape the UK for decades to come.

Brexit poses some unique challenges for sport and recreation. Our sector is truly international in its reach: the UK plays host to some of the biggest global events which attract world-class talent and millions of fans, many of them from the EU. It is also a sector that relies on a large, highly skilled and flexible workforce supported by an army of volunteers. Brexit will therefore have a significant impact upon sport and recreation in this country.

We do not yet know the precise shape of the future relationship between the UK and the EU. The UK Government's Brexit White Paper is a statement of intent as to what this future relationship should comprise but the final negotiated position may in fact look very different. In this context, although the White Paper does address some of the issues highlighted in our six tests, much more work is needed to make sure the sector's needs are adequately addressed.

And all of this is conditional on agreement on the terms of the UK's withdrawal under the Article 50 process. There remains the possibility that there will be no such agreement and the UK will exit the EU without a transition period at the end of March 2019 – a 'no-deal' Brexit. Such an outcome is deeply undesirable and would present very significant challenges for our members and many other businesses and organisations operating in the sector.

In this context it is important to make sure that the sport and recreation sector is well-placed to manage the process of transition (if agreed) and is ultimately able to thrive beyond Brexit. And it is equally important that we work with Government to identify potential risks and put in place mitigation measures ahead of March 2019 in the event there is no deal with the EU.

This paper sets out six key tests the sport and recreation sector believes must be met for future success but, ultimately, Government must urgently provide greater clarity and certainty on the detail of its plans and work closely with the Alliance and its members to address the key sector-specific challenges and opportunities Brexit presents.

## To help the sector thrive beyond Brexit, Government must:

- 1. Provide flexibility for the sector to attract the people and skills it needs to grow**

The UK plays host to world-leading sporting competitions and events which rely on access to the best talent from around the world, including many EU countries. In addition, the sector relies on people with highly specialist, sport-specific skills and large numbers of workers from supporting industries ranging from catering and hospitality to security. Post-Brexit it is imperative that Government puts in place flexible immigration arrangements which enable UK sports bodies to continue to compete for the best talent and, where appropriate, to adopt sport-specific measures to attract specialist skills or to promote domestic talent. Importantly, Government must seek reciprocal arrangements which enable skilled UK workers, for example in seasonal sports, to pursue employment or to provide services across the EU after Brexit.
- 2. Exploit the opportunities created by Brexit to make the sector fit for the future**

Dependent upon the shape of the future relationship between the UK and the EU, there may be opportunities to reform the tax and regulatory regimes to better support sport and recreation for the long term. Government has already established a statutory levy on betting for the benefit of horseracing and should now begin to explore the potential for introducing a similar mechanism to generate a fair return from gambling to support the long-term development of all sports, including the grassroots.
- 3. Maximise the UK's global influence to protect and promote sport**

The UK is recognised globally for its sporting expertise, notably in the areas of major events, governance, integrity, and high-performance sport. Sport is also a major 'soft power' tool for promoting both the UK and its products and services to wider international markets. Post-Brexit, Government must continue to support the sector so that it can punch its weight on the international stage – through funding for elite sport, supporting bids for major events, working with international partners to protect integrity and promoting better governance of international federations – and leverage our global sporting influence to help promote wider British interests.
- 4. Keep the UK the destination of choice for sports fans and visitors**

Our major sporting events and unique green spaces attract millions of visitors from the EU every year to watch and participate in sport and outdoor recreation. Both make a huge contribution to tax revenues and the growth of local economies. Post-Brexit, the Government must make sure the UK remains the destination of choice for sporting events and outdoor recreation by making it simple and easy for fans and visitors from the EU to travel to the UK, ideally on a visa-free basis. Likewise, Government should seek reciprocal arrangements which make it easy for UK fans and visitors to travel to EU countries. Government should also consider how best to support the expansion of outdoor recreation and maximise the use of our green spaces in any post-Brexit reform of funding for agriculture and rural areas.
- 5. Minimise barriers to trade in sporting goods and services**

The economic value of trade in sporting goods and services between the UK and EU is significant: the total value of UK-EU trade in sporting goods is approximately £2 billion while the trade in sports services is worth £1 billion and growing fast. In addition, many sports rely on existing customs arrangements to move kit and equipment quickly and easily across borders, for example to attend international competitions. Government must ensure that any future relationship with the EU minimises tariffs and other barriers to trade in sporting goods and services and avoids introducing costly and burdensome new customs procedures.
- 6. Confirm the future of European funding for sport**

UK sports bodies currently benefit from EU funding, notably through the ERASMUS+ programme which funds a wide range of projects to deliver training and education, build knowledge and share good practice. UK sports bodies benefit from several million pounds of funding each year under ERASMUS+ as well as from funding through other EU mechanisms including the European Structural Funds. Government must seek continued involvement in EU programmes and funds which benefit sport – where possible by negotiating access on more preferential terms compared to those available to existing third countries – or, alternatively, consult the sector on the creation of a new domestic funding arrangement for sport which would replace EU funds.