

Birmingham City Football Club Community Trust
A public benefit assessment report by the Charity Commission



The Charity Commission

The Charity Commission is the independent regulator of charities in England and Wales. Its aim is to provide the best possible regulation of charities in England and Wales in order to increase charities' effectiveness and public confidence and trust. Most charities must register with the Commission, although some special types of charity do not have to register. There are some 180,000 registered charities in England and Wales. In Scotland the framework is different, and the Commission does not regulate Scottish charities.

The Commission provides a wide range of advice and guidance to charities and their trustees, and can often help with problems. Registered charities with an annual income over £10,000 must provide annual information to the Commission. The Commission has wide powers to intervene in the affairs of a charity where things have gone wrong.

More information about the Commission together with a range of guidance for charities can be found on our website **www.charitycommission.gov.uk**.

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The Charity Commission is the independent regulator of charities in England and Wales. In July 2010 we started a public benefit assessment in relation to Birmingham City Football Club Community Trust. This is a report of our findings.

Section A: The purpose of this report

This report sets out the Charity Commission's findings from its public benefit assessment for Birmingham City Football Club Community Trust ('the charity'), registered charity number 1086631. You can find further information about what public benefit assessments are, how we carry them out, a glossary of terms used and other details on the public benefit pages of our website.

Section B: Key details about the charity

Charity registration details

Birmingham City Football Club Community Trust began its operation in 1997, incorporated as a company on 25 September 2000 and registered as a charity on 18 May 2001.

Location and operation

The charity has been providing grassroots football for the last 14 years. It has an extensive work programme stretching across Birmingham, North and South Solihull, Halesowen, Bromsgrove, Redditch, Evesham, Sutton Coldfield and Tamworth.

The charity offers football and multi-sport coaching programmes to the community through school programmes, which are aimed at primary and secondary school children.

The charity also offers a Football Development and Education Programme for school leavers aged between 16 – 19 years old. It is supported by the Premier League and is a full-time course combining football training with an academic programme.

The majority of the charity's income (72%) is from external sources, such as Connexions, West Midlands police, Birmingham City Council and the Football Foundation. They support such programmes as providing short breaks for children with severe learning difficulties and 'Kickz – Goals Thru Football', a football camp for children and young adults aged between 12 – 19 years old. The rest of its income is derived from donations, investment income and its programmes such as the after schools clubs and football camps.

The charity also receives support from Birmingham City Football Club ('the Club'). The Club allows the charity to make use of its facilities (St Andrew's Stadium and West Hills Training Ground) either free of charge or at preferential rates.

Fees

At the time of our assessment the charity made the following charges:

Summer football camps -	£50 for one week or £15 per day for 7 – 15 years £25 for one week or £8 per day for 4 – 6 years
Breakfast and lunchtime clubs -	£25 per hour is charged to the school
After school clubs -	£3 per child for one hour session

The charity offers a professional sports coaching service to schools. Charges are from £25 per hour up to a maximum of £100 per day.

Opportunities to benefit for those unable to afford the fees

The charity offers the following facilities for those unable to afford the fees:

- in partnership with Birmingham City Council the charity offers free short breaks during the summer holidays for children and young people with severe learning difficulties aged between 10 – 19 years old
- in partnership with Solihull Borough Council and West Midlands Police the charity runs 'Kickz – Goals Thru Football', a football and goalkeeping camp free of charge in the local community for children and young adults aged between 11 – 19 years old
- the Football and Education Development Programme is provided free of charge
- no charge is made to the children who attend breakfast and lunch clubs
- a 50% discount is given to any additional family member who takes part in the football camps. The charity also offers the option of attending the camp at a daily rate to allow those to attend who may not be able to afford a week long placement

Financial position: year ending 31 December 2009

Income	£610,922
Expenditure	£494,560
Net incoming / (outgoing) resources	£116,362
Net assets	£430,170

Section C: Does the charity have an aim which is capable of being charitable?

In this section, we report on the charity's aim and whether it fits within the list of descriptions of purposes within section 2 (2) of the Charities Act 2006 that are capable of being charitable purposes.

The charity's object* is as follows:

"To further and assist in the education (on a social and physical basis) of children attending schools within the Birmingham and surrounding area through the use of the game of football (through its history and rules) and other sports activities as educational tools and in furtherance of that object to provide in Birmingham and its surrounding area facilities at Birmingham City football ground for meetings, lectures and classes for the benefit of such children."

It is charitable to advance the physical education of young people (on the basis that it contributes to their balanced education), including providing sporting facilities to young persons undergoing formal education. The Commission has also recognised that it is possible to advance the physical education of young people not undergoing formal education. There is no need to confine sporting facilities to a particular educational institution and education can include activities such as camps and short breaks.

It is clear that the charity's aim in broad terms is to provide educational opportunities for young people within the Birmingham area. Our assessment found that the charity's operation was fully within this aim.

We concluded that the charity's aim falls within s2(2)(b) of the descriptions of purposes in the Charities Act 2006 - the advancement of education - and is capable of being charitable.

* set out in its memorandum and articles of association incorporated on 25 September 2000 as amended on 19 May 2009

Section D: Is the charity's aim for the public benefit?

Having established in section C that the aim falls within the descriptions of purposes at section 2(2) of the Charities Act 2006, we consider here whether that aim is for the public benefit and, consequently, whether Birmingham City Football Club Community Trust is a charity. We also consider whether the trustees are complying with their duty to administer Birmingham City Football Club Community Trust for the public benefit.

We considered these issues against two public benefit principles. These are:

Principle 1: There must be an identifiable benefit or benefits

Principle 2: Benefit must be to the public, or section of the public

We looked at the sub-principles within each of these.

- Sections D1 and D2 set out our findings for those relating to principle 1.
- Sections D3 – D6 set out our findings for those relating to principle 2.

We set out at section D7 our conclusions on whether the aim of Birmingham City Football Club Community Trust is for the public benefit and whether the trustees are administering it for the public benefit.

Section D1

We looked at the first two sub-principles together:

- **sub-principle 1a - it must be clear what the benefits are**
- **sub-principle 1b - the benefits must be related to the aims**

Relevant benefits

The charity's primary benefit is the provision of football and multi-sport programmes to the community through school programmes, which are aimed at primary and secondary school children, as well as to young people outside of formal education who are offered a Football and Development Education Programme.

The Schools Programme consists of football, quick cricket, basketball, netball, tag rugby, tri-golf, short tennis and dance sessions. The sessions are designed to teach children the basic skills and techniques inherent in the various sports, promote participation in friendly games and provide an understanding of the common skills and principles necessary for the children to develop their own game.

The Schools Programme and Coaching Camps provide a platform for the charity to educate children on the importance of diet and nutrition and introduce physical activity and exercise into participants' daily routines. All coaches involved in the charity's activities are suitably qualified to provide their services to recognised national FA standards.

The Football Development and Education Programme is a full-time course designed to provide educational opportunities for 16 – 19 year olds in the Birmingham area (mainly boys, but girls can also attend) who may have lost focus or just require support as to their education, future career paths or life goals; typically these are students who have not succeeded in formal education, or those who are unlikely to progress into further education after leaving school. The course gives access to qualifications such as BTEC Edexcel Level 2 Diploma in Sport (Performance and Excellence) (equivalent to four GCSEs) and BTEC Edexcel Level 3 Extended Diploma in Sport (Performance and Excellence) (equivalent to three A-levels).

Birmingham City Football Club allows the charity to make use of its facilities either free of charge or at preferential discounted rates. When not being used for the charity's educational activities, the charity offers use of those facilities at Birmingham City football ground (St Andrew's Stadium and West Hills training ground) and other facilities within the area to young people, schools and community groups for meetings, lectures and classes. The charity offers use of these multi purpose facilities with the intention of improving the conditions of life of the children who have a need for such facilities by creating a recreational-based safe environment for children outside of school hours.

We concluded that there are clear, identifiable benefits that are related to the charity's aim. The benefits are sufficient to enable us to conclude that the charity does meet sub-principles 1a and 1b.

Section D2

Sub-principle 1c: Benefits must be balanced against any detriment or harm

We explain in *Charities and Public Benefit* our approach to assessing this sub-principle.

Based on this, we found no evidence or indication of detriment or harm in relation to this charity.

We concluded that there was nothing under sub-principle 1c that would affect the assessment of public benefit in this case.

Section D3

Sub-principle 2a: The beneficiaries must be appropriate to the aims

The charity's beneficiaries are children attending schools and young people within Birmingham and its surrounding area. Although the objects specifically refer to 'children attending schools' we have interpreted the charity's aims as extending to young people within the Birmingham area. The beneficiaries are therefore clearly appropriate to the aim.

We concluded that the beneficiaries are appropriate to the aim and that this sub-principle is met.

Section D4

Sub-principle 2b: Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions

In this section we consider geographical and other restrictions. In section D5 we consider restrictions arising as a result of the fees charged.

Geographical restrictions

In accordance with the charity's objects the charity's services are restricted to Birmingham and the surrounding area which is where the charity's facilities (based at Birmingham City Football Club's ground) are situated.

Age restrictions

In accordance with the charity's objects the charity restricts its services for children and young persons aged between 4 – 19 years old.

Restriction based on playing ability

There is a restriction based on playing ability in relation to entry to the Football Education and Development Programme. For the programme to succeed it is necessary for participating students to have a strong desire to play football and to demonstrate a certain level of playing ability. Football is used as the motivator to encourage young people (principally boys) to engage in further education. The charity's promotional literature stipulates that one of its key aims is to give people aged 16 – 18 years old the opportunity to continue their participation in football in a professional environment, without compromising their education.

The students are not selected solely on the basis of their playing ability. They also need to demonstrate their commitment to the educational element of the programme. Connexions (funding body) refer beneficiaries to the charity with the aim of reaching those who would otherwise fall out of education.

There are approximately seventy places available on the Football Education and Development Programme. Some reasonable process of selection is required to identify which students would benefit the most from the particular type of education provided by the charity.

Owing to the nature of the Programme, which relies upon the use of football development as an incentive and motivator for learning, the restrictions on who has the opportunity to benefit based on playing ability appear reasonable.

These restrictions on who has the opportunity to benefit are rational and justifiable and **we concluded that** the opportunity to benefit is not unreasonably restricted by geographical or other restrictions outlined above and that the charity does meet sub-principle 2b in relation to restrictions other than fees, which is dealt with in section D5 below.

Section D5

We considered the remaining element of sub-principle 2b together with sub-principle 2c:

- **sub-principle 2b (the opportunity to benefit must not be unreasonably restricted by ability to pay any fees charged)**
- **sub-principle 2c (people in poverty must not be excluded from the opportunity to benefit)**

Taken together, these sub-principles mean that the charity must be able to show that there is sufficient opportunity to benefit in a material way that is related to the charity's aim for those who cannot afford the fees, including those in poverty.

We describe in section C of *Public Benefit and Fee-charging* the principal factors derived from case law which we use to assess this.

Our assessment of these sub-principles looked at whether the level at which fees are set has the effect of restricting access to people who are unable to pay the fees from benefiting from the services or facilities. We took into account the nature of the benefit, including whether it was a one-off service or facility, or one that people would want to use regularly or that is usually provided on a longer-term basis.

Some of the benefits provided by the charity are free of charge; for others there is a financial cost.

Benefits for which there is a charge include:

School football camp half term activities: 4 – 6 years old - £25 per week or £8 per day
7 – 15 years old - £50 per week or £15 per day

Breakfast and lunchtime clubs - £25 per hour is charged to the school

After school clubs - £3 per child for one hour session

The charity offers a professional sports coaching service to schools. Charges are from £25 per hour up to a maximum of £100 per day

Benefits which are accessed free of charge include:

- in partnership with Birmingham City Council the charity offers free short breaks during the summer holidays for children and young people with learning difficulties aged between 10 – 19 years old. 80 free places are offered per week
- in partnership with Solihull Borough Council and West Midlands Police the charity runs free of charge the 'Kickz – Goals Thru Football' programme, a football and goalkeeping camp in the local community for children and young adults aged between 11 – 19 years old
- the Football and Education Development Programme is provided free of charge
- no charge is made to the children who attend breakfast and lunch clubs.

Where fees are charged it covers the charity's reasonable operating costs only. The charges levied for the schools programme covers the reasonable costs, such as the provision of the coaching staff.

A large proportion of the charity's activities are provided free of charge. There may be some restriction in access to some services for which higher fees are charged, such as the football camps, but this restriction applies to a small proportion of the overall range of benefits provided by the charity through the services. To mitigate the higher fees, the charity also offers the option of attending the camps at a daily rate to allow those to attend who may not necessarily be able to afford a week-long placement.

The charity advised that where a child wishes to attend one of the charity's activities but cannot afford the fees payable, they will endeavour to provide that individual with the opportunity to benefit.

Overall, many of the charity's services are provided free of charge, and the majority of the other fees charged fit the description of 'low fees' in *Public Benefit and Fee-charging*. Where higher fees are charged the charity has mitigated these circumstances in order to demonstrate that the opportunity to benefit is not unreasonably restricted. Taken together there are sufficient opportunities to benefit for people who cannot afford the fees, including people in poverty.

We concluded that, taking into account what is reasonable and appropriate in the circumstances of this charity, the opportunity to benefit is not unreasonably restricted by the ability to pay any fees charged and people in poverty are not excluded from the opportunity to benefit and so the charity meets sub-principles 2b (in relation to fees) and 2c.

Section D6

Principle 2d: Any private benefits must be incidental

There are a number of instances of private benefit associated with the charity carrying out its aims:

Football coaching camps

Although the charity provides the coaching camps for the purpose of educating children of all abilities of the benefits of physical activities and a healthy lifestyle, the camps can provide an opportunity for local children to develop their football skills to an advanced level such that it may be appropriate (and in the individual's best interests) to refer them, informally, to the Birmingham City Football Club academy or one of its development centres for specialist tuition. This is where the charity's involvement with the individual would cease. Any private benefits arising to the individual would appear to be incidental and a by-product of the charity carrying out its aims.

Football Development and Education Programme

Most students who attend the programme either progress into full time employment or proceed to university. A minority of students have progressed to play for non-league and league football clubs. The pursuit of excellence of any given field is not, in itself, a charitable purpose, but it may be a way of furthering a recognised charitable purpose. In this case, the development of the players' football skills appears secondary to the advancement of their education. An incidental consequence of the programme has been the identification of some budding sports professionals. Neither the charity nor Birmingham City Football Club retains registration of the players and they are not entitled to any payment if a student is signed by another club.

Board of trustees

In November 2008 the charity sought our authority to appoint an employee as a trustee. We advised that we did not have to give our explicit authority for an existing employee to become a trustee but we have advised the trustees that they may need our authority if the circumstances of the employment change. Adequate safeguards should be in place in the charity's governing document regarding the employee's continuing terms of employment whilst he remains a trustee.

Three out of the six trustees are also Birmingham City Football Club representatives. The board of trustees manages any potential conflict of interests by maintaining a balance of Club and independent trustees at all times to ensure that the Club, which provides facilities to the charity, does not have undue influence over the decisions made by the charity.

Issuing free football tickets

Birmingham City Football Club donates a relatively small number of free tickets to the charity for matches at the Club. The charity issues them to schools and community programmes, as part of its holiday programmes, as a way of supporting schools and children and young people in the community. Giving away free match tickets does not directly advance the charity's educational aims, but it is a minor activity. Any potential private benefit to Birmingham City Football Club (such as helping to promote the Club or encouraging people to become supporters) is incidental. There is a strong association between the charity and the Club and the free match tickets are often used (especially by schools) as a reward to incentivize good behaviour or academic achievement.

In this case, we concluded that the private benefits are incidental to the charity carrying out its aim of furthering and assisting in the education of children within Birmingham and the surrounding area.

We concluded that private benefits are incidental and that this sub-principle is met.

Section D7

Conclusion: Is the charity's aim for the public benefit?

We concluded that all of the sub-principles are fulfilled, that Birmingham City Football Club Community Trust's aim is for the public benefit and that the trustees are administering it for the public benefit.

Section E: Overall conclusions and required or recommended actions

We concluded that Birmingham City Football Club Community Trust is a charity and that the trustees are administering it for the public benefit.

We have recommended that, as a matter of good practice, the trustees more widely publicise information about the possibility of assistance for those who are unable to afford those services for which high fees are charged.

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