Clubs Registration with FCA & Club Model Rule Book (March 2026)

In 2019 Legion Scotland began work with Geoff Morrey and Laurence Herring from the Royal British Legion Commercial Team to carry out a full desktop analysis of the status of all Clubs in Scotland. This was a precursor to the roll out of the Financial Conduct Authority (FCA) registration and adoption of the Club Model Rule Book.

The National Board of Trustees implemented this process to ensure that all Clubs adopted Limited Liability status to protect their Committees and members from any personal liability. This is good governance and the Trustees have a moral duty to ensure that members of Legion Scotland are not exposed to undue risk.

CURRENT STATUS

As of March 2026, 33 out of 57 Clubs are now (or were previously) registered with the FCA, 30 of which have adopted the Club Model Rule Book.

COMMON MISCONCEPTIONS

For those who are still uneasy about the process or reluctant to engage, there are common themes or reasons for objecting, including but not limited to:

1. Our Branch is already in the SCIO, so we don't need to do it.
2. Our Club is trading well and financially solid, so we're ok for now and don't need this.
3. We already have Public Liability Insurance in place and we are well covered.
4. This means "Head Office" will interfere in the day-to-day business of the Club.
5. This process is nothing more than an asset grab by RBLS.
6. Members won't accept the Club Model Rule Book due to the wording of some rules.
7. It is too much of an administrative burden and we don't understand the process.

These statements are addressed in turn:

SCIO VS FCA

RBLS is a Scottish Charitable Incorporated Organisation, this is a specific legal structure for charities in Scotland that provides limited liability and a separate legal identity. All Branches as part of the Charity have the option to join the SCIO and relinquish their charity number. This is a separate process to the Clubs registering with the FCA. If your Branch has joined the SCIO this does not replace the requirement for the Club to register with the FCA.

FINANCIAL POSITION

If your Club is profitable and trades well, with regular footfall, bookings and engagement, this is good news, but it does not mean that things cannot change in future, and the Club would not find itself facing legal claims or substantial debt recovery. This is of course worst-case scenario, but it is not unheard off and it is important that the club committee and the club members fully understand their personal liability if there was a downturn or unforeseen claim in the future while not being registered with the FCA.

PUBLIC LIABILITY VS LIMITED LIABILITY

Public Liability insurance is a type of insurance cover that protects your members if a member of the public is injured on your property or because of participating in your activities. Public Liability covers legal costs and compensation claims. It may protect you financially but not legally.

All Clubs should have good Public Liability insurance in place and should understand what is within the scope of the policy. It will not cover employees, this requires Employer's Liability Insurance, and it will not cover deliberate or criminal acts resulting in damage or injury. If you fail to have proper procedures in place (that are adhered to) or are non-compliant with statutory requirements this can also affect the validity of your insurance and claim. It is important to understand what is covered by your Public Liability insurance and to ensure you have the correct procedures in place.

Limited Liability status is the legal status of the Club. The club becomes a recognized legal entity and any debt or claim against the club can only be made against the club business, not any individual It protects your trustees/Office Bearers and members from being personally liable for the Club's debts or legal claims and limits personal financial risk.

DAY-T0-DAY BUSINESS
When a Club registers with the FCA, Head Office assists with the administration, submission of the application and the final confirmation once you are registered. Beyond that, it is business as normal and there is no interference.

CLUB ASSETS
The process of registering with the FCA is **not** a vehicle for RBLS to take control of your assets. The Club assets belong to the members. As with day-to-day activity it is business as usual.

CLUB MODEL RULE BOOK
The Club Model Rule Book was adopted by the Trustees and approved by the FCA. It is updated from time to time as required (version 3 is soon due for FCA approval). While most of the Clubs have adopted the Rule Book as is, there have been instances where amendments to some rules have been made and approved by the Trustees before submission to the FCA.

If your Committee or members want to progress with the registration but are stuck on accepting the wording of any rules in the Club Model Rule Book, this does not have to end the process. You can confirm in writing to the Trustees (via the CEO) which rules you take issue with, why, and what your proposed alternative wording would be. The Trustees will consider all proposed amendments, and once agreement is reached between Club and Trustees on final wording, and approved by your members, an amended Club Model Rule Book can be submitted with the FCA application. There is a small fee for amendments which is confirmed during the process.

ADMINISTRATIVE BURDEN
The process of registering with the FCA is not difficult and Head Office supports you through the process. A full step by step guide can be provided at any time, so you can consider and understand the process and ask any questions before you put it to your members.

The Club Committee's main responsibility is to call an SGM (conducted under the current Club rules) to allow their members to discuss and vote on the rule changes and registration with the FCA to become a Mutual Trading Society. A copy of the Club Model Rule Book should be displayed on the Club notice board ahead of the SGM so members can read through prior to voting.

If the Committee are not comfortable with explaining the process, how it works and why it is beneficial, Geoff can attend the SGM to liaise with your members to assist with this and answer any questions.

IMPORTANT INFORMATION
This matter personally affects all club members, officials and committee are elected to serve the best interests of the club members and act on their behalf and in their interests. As such, all club members should be fully aware of all the facts, implications and their personal risk.

It is important for the Club Committee to convey correct information to their members on what the FCA registration means and the legal protection it provides. You have a moral and governance duty as a committee to ensure your members are made aware that they are **all personally liable** should the worst happen if the Club is not registered with the FCA.

The National Board of Trustees will expect all those Clubs who refuse to register to demonstrate that the implications of not registering have been clearly communicated to their members by calling an SGM and providing a copy of the minutes of the SGM noting what was discussed and how the members voted.

FCA registration is for your protection and peace of mind, and you will be fully supported throughout the process. For more information you can contact Lorna Kane on l.kane@legionscotlanbd.org.uk

We are also happy to put you in touch with any of the Clubs who have already registered so you can hear from them firsthand how they put the considerations to their members and how they found the process from start to finish.