Review of national sport effort & resources

1. Introduction & executive summary

Patrick Carter

March 2005

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1. Introduction and executive summary

1.1 Cover letter

Dear Chancellor and Secretary of State

In July last year you asked me to gather a team to examine how to 'ensure far better co-ordination of effort and resources in sport' and to explore the 'proposal to involve private and public sectors together in a new National Sports Foundation' with a view to the possible extension of funding for sport. We are pleased to present the final report of the review.

The team has distilled evidence from a wide variety of sources; we have listened to the views of over 200 stakeholders across the public, private and voluntary sectors and we would like to thank them all for their input.

It is clear from our research that sport plays a valuable role in society and that Government has recently made good progress (especially in school and elite sport) although there is still room for improvement in the area of community sport. We have noted that Government does not always receive full credit for its investment, largely as a result of a confusing and fragmented funding infrastructure which lacks clear accountability and sometimes causes duplication across the sporting landscape.

Whilst the private sector generally recognises sport as an attractive platform for marketing, companies are reluctant to invest significant sums of money – especially at grass roots level – to a sector that is at least partially lacking in commercial orientation and effective management. There is, however, an appetite for additional corporate sponsorship accompanied by clear guidance, an understanding of the business needs of sponsors and a well co-ordinated national campaign for sport, as is the case in Germany.

At the operational level, private sector providers are keen to maintain and expand their current investment, as long as they are not penalised by local planning guidelines or a lack of transparency in contract tendering. Together with the re-establishment of a voice for sport at local government level (through the CPA culture block), this private sector investment could help to renew and refinance the current ageing and heavily subsidised facilities to ensure equality of access and participation across the country.

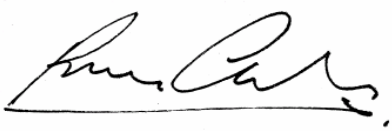
We have, therefore, identified five key areas for consideration and recommend that over the next three years (to March 2008) they inform the priorities of the sports sector.

1. To introduce robust measurement and monitoring systems that inform Government investment at local level and ensure clear lines of accountability
2. To promote the personal benefits of sport and physical activity and to help people identify their local delivery points
3. To improve the local delivery of sport and suggest the Government considers how it can support the co-ordination of public, private and voluntary sector investment – as well as LAs and regional bodies – in order to improve local sporting facilities
4. To create, under strong Government leadership, a single access point and brand for sport in England and to streamline duplicating 'back office' functions that would release more money for front line activity
5. To provide targeted incentives and commercial assistance – via a new National Sports Foundation (NSF) – to encourage individual and corporate support and to 'help sport help itself'

These recommendations directly address the primary issues identified during the review team's consultations. It is our considered opinion that the above five areas represent the next stage of the journey for sport and will build upon the momentum already achieved. The report shows that sport has considerable financial resources which can be redeployed to deliver more and better services. In addition, innovative capital and revenue funding schemes working with the public, private and voluntary sectors could enable us to continue with our programme of reform and ensure that, at all levels, we are fit for purpose by 2012.

Sport is good for public health, for communities and for national identity. The sector depends in no small measure on the good will and involvement of volunteers and commercial investors whose continued commitment will in part be predicated on our getting the next steps right.

There is a significant prize to be won.



Lord Carter of Coles

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1. Introduction and executive summary

1.3 Note to the reader

Focus of this report

- This report examines the existing effort and resources that go into sport in England, the effectiveness of deployment, and the potential for improvements and/or increased resources – so that everyone has opportunities to participate
- The report has a particular emphasis on what conditions need to be in place in order to ensure effective and accountable delivery at a local, community level
  - In school sport, Government has clearly defined the policy and invested in the infrastructure required to achieve its key PSA target.[1] A network of School Sports Partnerships, Specialist Sports Colleges and School Sport Co-ordinators has been established to make this happen
  - In elite sport, which commands a disproportionately high national profile given the (relatively small) financial resources involved, much of the infrastructure is or soon will be in place. Recent performances have improved, though the rest of the world continues to invest and complacency is not an option
  - However, in community sport, delivery is more complex and diverse: a range of public, private and voluntary sector providers operate within locally determined structures. The lack of a 'joined up' approach to community delivery risks not achieving the key policy objective of increasing and widening the base of participation, which would lead to a healthier nation; not fully realising the substantial investment in school sport; and not sufficiently developing the pool of talented participants which form the bedrock of elite success
- This report does not dwell in any depth on the provision of sport for particular segments of society
  - One of the distinguishing attributes of sport is its power to bring people together for enjoyment, regardless of race, ability, background or age; whether a disadvantaged 7 year old or an affluent 70 year old, every person should be in a position to enjoy healthy sport and activity
  - Strategies, which cut across all sports and settings, are in place (and documented elsewhere) to ensure that there are lifelong opportunities for everyone to get involved and stay involved in sport

Parameters of this report

- In terms of its 'reach', this report concentrates on England. Sport is a devolved area of public policy, and many structures – such as Lottery funds and sporting organisations – have a home country remit
- However, in certain instances – such as shared services – a UK-wide perspective may apply

Presentation of this report

- This report is structured in 5 sections
  - Section 1 serves as an introduction and executive summary of the main points
  - Section 2 highlights key findings: the value of sport, recent achievements, international comparisons and barriers to further success
  - Section 3 proposes recommendations in response to the key issues identified by the review team
  - Section 4 indicates a timetable for action and a vision of the future
  - Section 5 presents supporting evidence in a series of appendices and endnotes; there is also a glossary of abbreviations used in this report
- The key points featured within this report are all presented in blue 'highlight boxes': the reader who is pressed for time should focus on these boxes
- Appendix 1 (Review team methodology and consultation) describes the project process and lists all the consultees who contributed, which number over 200 people

Definition of sport

- In this report, the definition of sport provided by the Council of Europe is used: *"Sport embraces much more than traditional team games and competition. Sport means all forms of physical activity which, through casual or organised participation, aim at expressing or improving physical fitness and mental wellbeing, forming social relationships or continuing results in competition at all levels"*

1. Introduction and executive summary

1.4 Executive summary (1/2)

- **The value of sport**: DCMS, Treasury and Government as a whole recognise the significance of sport, which represents 2% of GDP (twice that of agriculture), contributes significantly to the health, social cohesion and identity of the nation and receives £1.8bn in public spending p.a. In addition, 5.8 million volunteers underpin the efforts in the sector
- **Recent achievements**: The review has found that significant progress has been made in recent years
  - The decline in PE and school sport has been reversed
  - Success in the Olympics and other international competitions has increased
  - Our capability and commitment to host major events and train elite athletes through national performance sport facilities have been established: the Commonwealth Games' legacy in Manchester, Wembley stadium and the new Olympic aquatic centre have been, or are being, built
  - Participation has held steady, despite the increasingly sedentary lifestyle of many, especially the young; the 'reach' of sport and physical activity should not be underestimated
  - The DH White Paper 'Choosing Health' recognised the need to promote physical activity and has indicated a way forward in its recently published delivery plan
  - All this has been achieved by the public and private sectors working together and there has been increased momentum and support for our bid to host the Olympic Games in 2012
  - Local delivery structures have been put in place
- **International comparisons**: However, while progress has been good, this report contrasts England's and, where appropriate, GB's performance with peer group countries
  - In terms of sporting outcomes – participation, club membership and elite success – we have scope for improvement
  - In terms of health outcomes – obesity and heart attack levels – we do not compare favourably
  - In terms of per capita public funding for sport, we have fallen behind our peers (except Germany)
- **Barriers to further success**: In particular, the report identifies a number of structural issues which need to be addressed if momentum is to be maintained and our desired outcomes are to continue improving
  - Measurement of baseline data and evidence through research is limited: managing performance is difficult and allocating resources at local level is not well informed
  - Whilst informal sport is important in terms of driving participation, Government effort has been focused on the formal; there is an absence of accessible public information on the personal benefits of activity and sport – in marked contrast to other developed countries
  - The existing substantial investment in school sport risks not being fully realised unless a reduction in the participation drop-off rate post school is secured
  - There is considerable unmet demand for sport and leisure facilities which cannot be met in part for planning reasons. Currently, sport and leisure are designated, for planning purposes, in the same category as cinemas and bingo halls
  - Despite many examples of good practice amongst LA providers, there remain a large number of sport and leisure facilities which are out-dated, under-managed and require significant subsidy to operate
  - Whilst there has been a significant increase in private leisure, school and lottery funded facilities, there has been insufficient investment by LAs in community facilities and little incentive for private, voluntary or public sector providers to meet the need in areas of greatest deprivation
  - There is no clear alignment between national and local level sports delivery, nor is there a systematically 'joined up' approach towards community sport (unlike school sport and PE)
  - Income generation from community use of education-based sports facilities risks 'tripping' significant VAT liabilities, especially in light of financial commitments made through programmes such as BSF; this could affect Government's principle of the 'extended school' at the heart of the local community
  - Government is not getting the credit it deserves for its significant investment in sport, largely because its efforts are presented in a fragmented manner
  - There has been considerable progress in reorganising sporting bodies but there still remains a high level of inefficiency, especially in back office functions
  - While private sector sponsorship at the elite end of sport is well funded, some NGBs and others have made limited progress in developing opportunities at grass-roots level due to lack of commercial orientation and expertise
  - Government has introduced certain tax concessions to encourage both individual and corporate giving to sports clubs, but advertising and subsequent take-up are somewhat limited

1. Introduction and executive summary

1.4 Executive summary (2/2)

- **Recommendations**: Informed by the review team's evidence, this report proposes five key areas for consideration – with 16 supporting detailed recommendations
- 1. To introduce robust measurement and monitoring systems to inform Government investment at local level and ensure clear lines of accountability
  - 1a. Establish and conduct comprehensive national and local participation surveys (using the same protocols)
  - 1b. Measure and publish benchmarks on the performance of LA leisure facilities – enabled by inclusion of the 'culture block' in CPA
  - 1c. Ensure all investment is subject to proper monitoring and evaluation, and conduct on-going research to plug key 'knowledge gaps'
  - 1d. Put in place systems to encourage continuous improvement across the sports sector
- 2. To promote the personal benefits of sport and physical activity and to help people to identify their local delivery points
  - 2a. As a matter of urgency, create and manage a long-term marketing campaign which draws together the many disparate promotional activities, and endeavour to secure commercial partners
- 3. To improve the local delivery of sport and suggest the Government considers how it can support the co-ordination of public, private and voluntary sector investment – as well as LAs and regional bodies – in order to improve local sporting facilities
  - 3a. Develop, communicate and embed a 'single system' for sport in the community from Government to grass roots – by investing in clubs, coaches and volunteers, strengthening school-community links and integrating talent pathways for aspiring performers
  - 3b. With regard to local planning guidelines, work with ODPM to promote sports facilities as community assets to be located in areas convenient for users
  - 3c. Ensure the operation of the VAT system does not impose unnecessary obstacles to the community use of education-based facilities
  - 3d. Consider ways that the Government can support the co-ordination of existing investment streams, both public and private; and whether there is a case for a National Infrastructure Fund (NIF) in order to upgrade and extend the network of local and regional sports facilities
- 4. To create, under strong Government leadership, a single access point and brand for sport in England and to streamline duplicating 'back office' functions that would release more money for front line activity
  - 4a. Establish a cross-departmental Sports Cabinet Committee, chaired by the Secretary of State for Culture, Media and Sport, in order to improve co-ordination across Whitehall on sport and physical activity issues
  - 4b. Create a single access point and national brand to promote Government endeavours in sport, reinforced by a sport 'portal' with both web and telephone customer support
  - 4c. Explore the benefits to be gained from the rationalisation of the back office and other common functions in sporting bodies (sub-contracted to service providers under regular competitive tender)
- 5. To provide targeted incentives and commercial assistance – via a new National Sports Foundation (NSF) – to encourage individual and corporate support and to 'help sport help itself'. In taking this recommendation forward Government should work closely with key partners, including Sport England, UK Sport, Sportsmatch, the Football Foundation, and other successful sports with foundations, as well as the private sector, on how best to deliver a successful NSF
  - 5a. Create a sizeable, capped 'co-sponsorship' fund, called the NSF, that would leverage private sector investment primarily in grass-roots activity, including facilities, and be accessible at all levels (national, regional, county and local)
  - 5b. The NSF could also provide a service to assist relevant sporting organisations in making their case to prospective sponsors, including subsidised training 'credits' for NGBs
  - 5c. Develop clear, Government-endorsed guidelines for 'socially responsible' sponsorship – and disseminate for the benefit of both corporate and sporting sectors
  - 5d. Communicate the full range of tax deductible opportunities to give to or sponsor sport – for both individuals and businesses
- **Timetable for action**: In terms of implementation, the phasing is important
  - Data from robust measurement and findings from initial pilots will provide the due diligence for the infrastructure investment
  - Improving the co-ordination and monitoring of local delivery through a single system for sport in the community should begin immediately, with the accelerated development of 45 fit-for-purpose CSPs
  - Creating a single brand, under strong Government leadership, and streamlining the back office should give rise to an efficient sector which subsequently attracts greater interest and investment from companies
  - In the meantime, efforts should get underway to incentivise commercial partners and equip the voluntary sector to understand better the business needs of sponsors
- **Vision of the future**: By 2012, England will be a healthier nation with significantly increased levels of participation in sport and physical activity. Team GB will celebrate its best ever medal haul at the Olympics and we will be making strides to become one of the best sporting nations in the world

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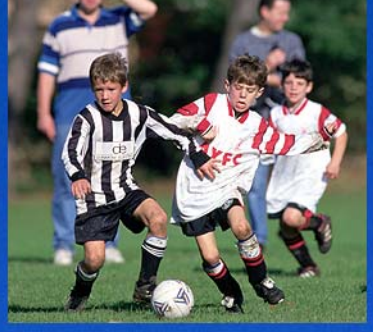
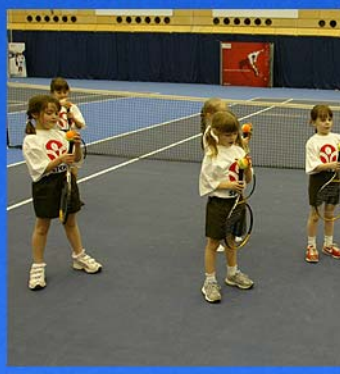


Review of national sport effort & resources

2. State of play: key findings



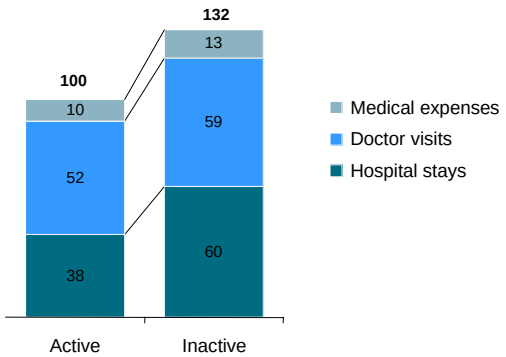
2. State of play: key findings
2.1 The value of sport (1/2)

- Sport touches the lives of many and is key to the delivery of Government objectives. In particular, sport
  - Improves health, reducing direct healthcare costs and the risk of contracting chronic diseases
  - Increasingly stimulates the economy
  - Promotes educational achievement and reduces anti-social behaviour, helping to build sustainable communities

- Few, if any, areas of public policy touch so many people's lives as sport
  - In England, over 17 million adults participate in sport and physical activity (excluding walking) at least monthly[1]; millions of others attend live events; and many more watch sport on TV – BSkyB alone is nearing 8 million subscribers
  - 5.8 million support sport as unpaid volunteers (26% of all volunteering) and 400,000 are employed in the sector[2]
  - A select few perform at the highest level, providing the inspiration that can lift a nation

Sport's role in improving health

Exhibit 1: Indexed comparison of direct medical costs for active and inactive people[3]



- Exhibit 1 reveals that an inactive person generates 32% greater direct annual medical costs than an active one
- Sport has been shown to
  - Reduce the risk of premature death by 37%[4]
  - Reduce incidence of chronic heart disease in middle-aged men by 50%[5]
  - Reduce the chance of developing type II diabetes by between 33-50%[6]
  - Provide increased protection against 20 chronic diseases or conditions[7]
- Inactivity is estimated to cost England £8.2bn[8]
  - Sport and physical activity can positively impact our cumulative toll of 18m annual 'sick days'

Sport's role in stimulating the economy

- Sport accounts for around £20bn of consumer spend, or 2% of GDP – twice as big as agriculture[9]
- Between 1997 and 2002, the sector grew at 7.7% CAGR[10]
- Sport provides 2.2% of UK jobs (400,000 FTEs)[11]
- Sports volunteering has an economic value of over £14bn p.a.[12]

Sport's role in building sustainable communities

Community benefit	Evidence
■ Improves educational attainment	■ *"Schools with good records in PE report . . . higher achievement across the curriculum"*[13] ■ Since the implementation of Sports Colleges *"there are early but clear indications that examination results . . . have improved"*[14] ■ Jesson reports a 10% increase in GCSE grades in specialist sports colleges[15]
■ Reduces truancy costs	■ Positive Futures reported a 10% reduction in truancy amongst regular programme attendees[16]
■ Provides local role models	■ *"Young people involved in competitive sport identified coaches and clubs . . . as very important in shaping their values"*[17]
■ Reduces arrest rates and crime	■ Positive Futures ran eight projects that have recorded significant reductions in either arrest rates or crime statistics among 10–17 year olds in the local community of up to 58% in 12 months[18]
■ Enhances social cohesion and inclusion	■ 'Local' sports provision is a major factor in encouraging certain social groups, including the long-term unemployed and other excluded groups, to participate[19]

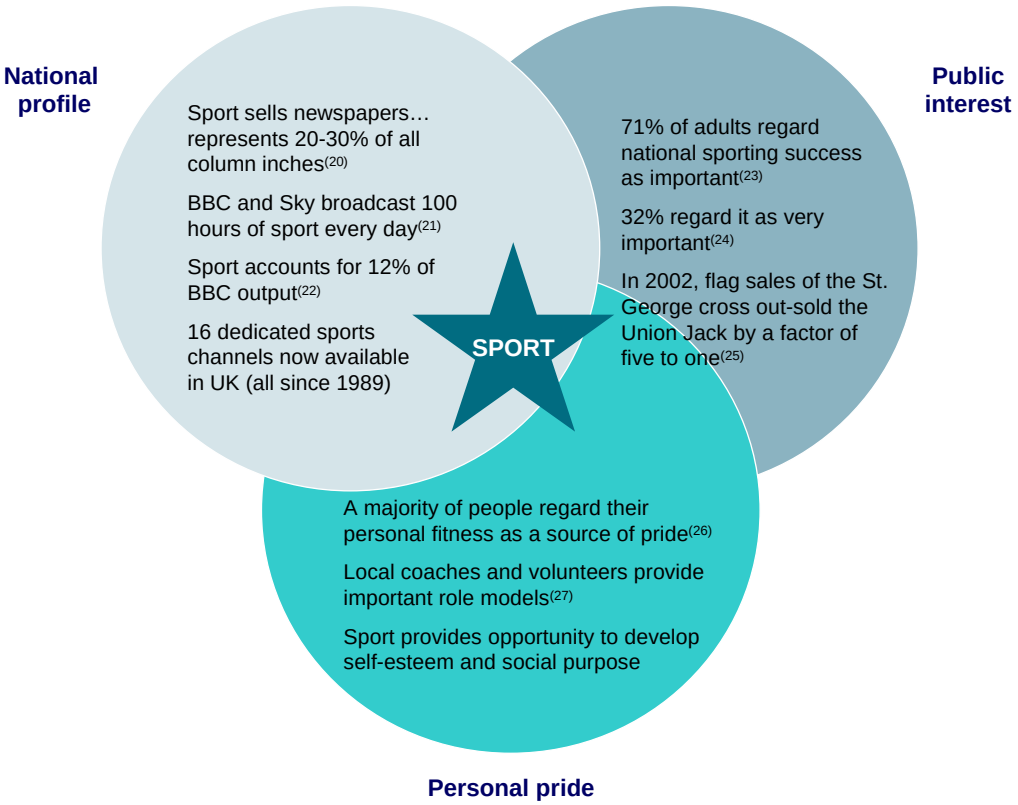
2. State of play: key findings
2.1 The value of sport (2/2)

- Sport has a high national profile, and success on the international stage delivers a 'feel good' factor
- Given sport's value to the nation, Government has a key role to play in setting policy and directing investment
- Sport has made good progress recently, responding to Government's call for reform, as set out in *Game Plan*. The long-term vision for sport and physical activity sets out two overarching objectives by 2020: a major increase in participation, especially amongst the disadvantaged (equivalent to 1% p.a.), and recognition as one of the best sporting nations in the world

Sport's role in inspiring the nation

- Sport has a high national profile; international success is a matter of strong public interest and can deliver a 'feel good' factor; and active involvement in sport – whether as a participant, coach or volunteer – is a matter of personal pride (see Exhibit 2)

Exhibit 2: The influence of sport in society today



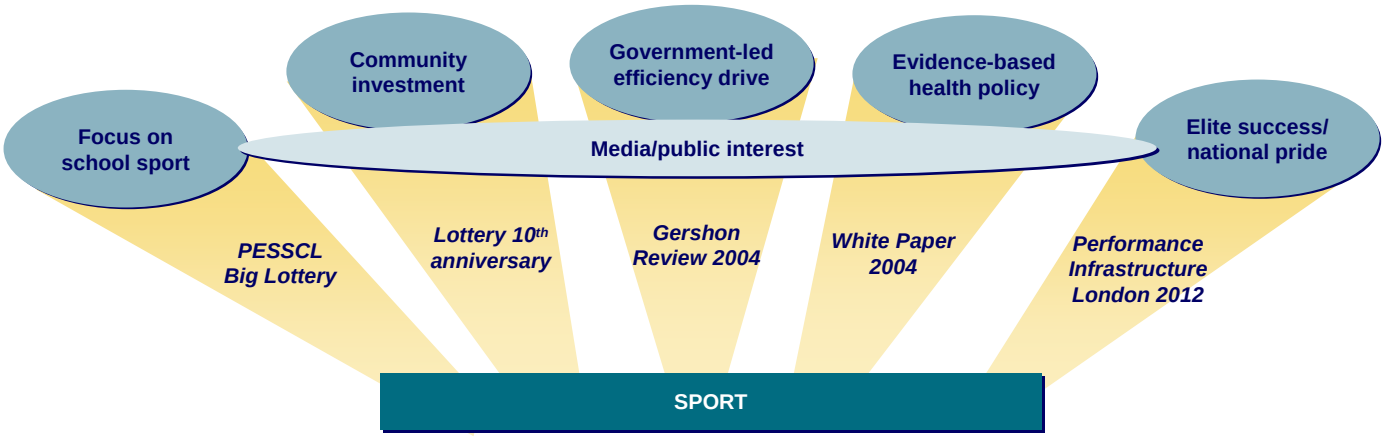
- Given sport's value to the nation, Government has a key role to play in setting policy and directing investment. *Game Plan* recognised the need to 'raise our game' in this important area of public policy
  - This was a watershed in galvanising the community of sports administrators to reform in order to create effective structures that will significantly increase participation and deliver success on the international stage
  - With the vision for sport and framework for delivery in England established, 9 Regional Plans for Sport (led by RSBs) and 20 Priority Whole Sport/One Stop Plans (led by NGBs) have been developed as 'blueprints' for delivery
  - In the school sector, the PESSCL strategy and associated investment is beginning to yield tangible results
  - In elite sport, much of the infrastructure is (or soon will be) in place and recent performances have improved – though there is no room for complacency as other nations continue to invest
- At the beginning of 2005, the strategic direction guiding sport in England is in place: action plans have been drawn up and selective investment has been made in innovative projects to test what works and to establish a culture of evidence-based practice

2. State of play: key findings
2.2 Recent achievements

- This is an exciting and challenging time for sport in England. An unprecedented convergence of factors have put the spotlight on sport
- Sport has seen significant progress in recent years
  - The decline in school sport provision has been reversed, and its impact on lifelong involvement recognised
  - Participation has held steady, despite the increasingly sedentary lifestyle of many, especially the young
  - Elite success has increased (e.g. Rugby World Cup 2003, Athens 2004, cricket, sailing) and inspired the nation
  - Our performance infrastructure is improving (e.g. swimming pools, EIS, Wembley, Olympic Aquatic Centre)

- In recent times, an unprecedented convergence of factors – both internal and external – have directly impacted sport and how it is resourced in this country (see Exhibit 3)

Exhibit 3: Converging factors impacting sports policy and investment



Focus on school sport

- The decline in school sport provision has been reversed (through PESSCL policy setting, £1.5bn Government investment, and YST delivery)
- School sport's impact on lifelong involvement has been recognised: 2 hours/week is not enough; Government is now committed to at least 4 hours/week of quality sport by 2010

Community investment

- The Lottery has shown how sport can change lives, providing opportunities where none previously existed and improving the quality of the sporting experience for millions
- Yet there is concern locally regarding the state of out-dated and 'run down' public leisure facilities; the proposed inclusion of sports participation in 2005-08 CPA is positive

Government-led efficiency drive

- Reform of the national sporting landscape, called for in *Game Plan,* is underway
  - Sport England has radically restructured, devolving decision-making through 9 RSBs
  - UK Sport has reviewed its functions and streamlined the organisation
  - Several sports are reforming or considering reform
- Gershon 2004 indicated a need (and opportunity) for Government departments to achieve efficiency gains of at least 2.5% p.a. over the next 3 years

Evidence-based health policy

- The social and economic costs of inactivity/obesity are huge
- The White Paper 'Choosing Health' (and Wanless and CMO reports) recognise how sport and recreation opportunities for all ages can improve the health of the nation

Elite success/national pride

- Hosting: the Manchester 2002 Commonwealth Games were unanimously regarded as a significant success
- Playing: elite achievements (e.g. RWC 2003, Athens 2004, cricket, sailing) have increased interest and inspired the nation
- Building: our performance infrastructure is improving significantly (from 13 to 23 50m swimming pools since 1997; 9 state-of-the-art EIS facilities; Loughborough and Bath Universities; Wembley; the new Olympic Aquatic Centre)
- Bidding: there is fresh enthusiasm and confidence that we can win the bid for the 2012 Olympics, delivering the legacy of a regenerated East London and higher participation nationwide

Media interest

- Sport is a huge, modern-day phenomenon
  - Press coverage, on both the front and back pages, has increased
  - TV output has grown exponentially, broadcasting both elite sport and public health/ physical activity shows (e.g. Fat Nation, Britain on the Move)
  - Celebrity sports stars are seen as icons of our age

2. State of play: key findings
2.3 International comparisons – participation

- Relative to international peers, we face a performance gap in terms of sporting outcomes
  - England's participation rate in sport and physical activity (at least 3 times/week) stands at 21% and trails both European nations and the world's best by some margin
  - Our trendline has remained flat over the last decade, whilst other countries (e.g. Canada, Finland, Australia) have succeeded in increasing participation. In addition, our drop-off rate declines steadily across the age groups and is especially sharp post school

- In order to understand England's (and, where applicable, GB's) relative standing on the world stage in terms of key sporting and health outcomes, a core set of comparator countries was selected
  - France, Germany, Italy, Finland, USA, Canada, Japan and Australia
  - These countries were selected on the basis of some or all of the following: economic development; European 'rivalry'; recognised sporting achievement (at either participation or elite level, or both); and accessibility of information
  - Appendix 2 (International comparisons) presents a detailed summary of findings
- Precise international comparisons of participation levels are not straightforward as there is no common definition or methodology for measuring participation across countries
  - It is possible, however, to review existing data for each country, take account of the accompanying definition or measurement method and create a 'baseline' that is applicable for all countries analysed
- The common definition adopted, from which each country's baseline emerged, was at least three times per week moderate, or more vigorous, participation amongst adults, for 30 minutes or more[1]
  - This includes all forms of sport and physical activity (e.g. jogging, walking) that leave the participant out of breath or slightly sweating, which is sufficient to derive a health benefit, if practised on a regular and frequent basis
  - Note that robust international comparisons for children's participation are not possible, owing to insufficient data

Exhibit 4: Participation levels in England and peer countries (at least three times/week)[2]

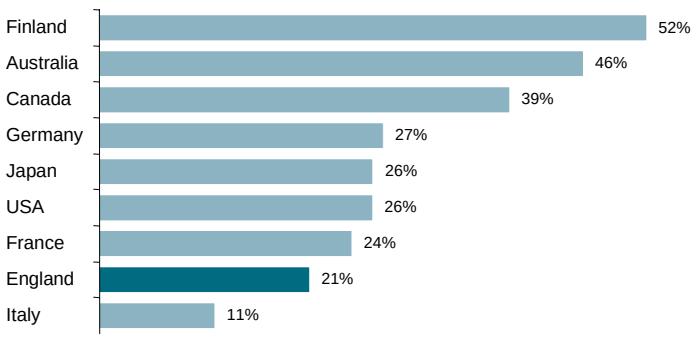
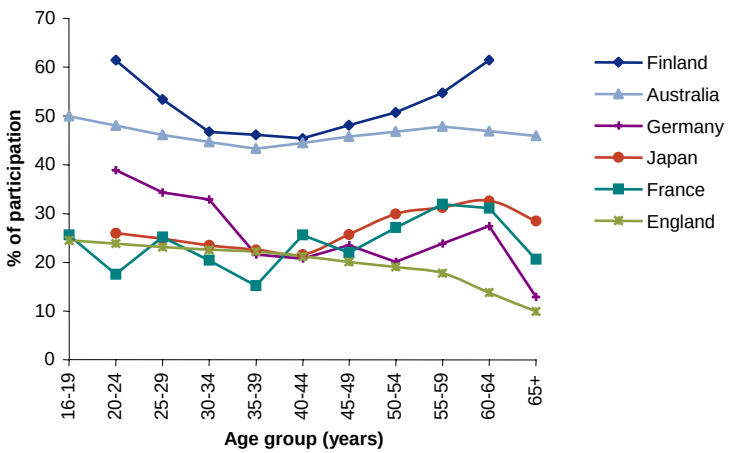


Exhibit 5: Participation levels in England and peer countries, by age (at least three times/week)[3]



- Exhibit 4 shows that England's baseline rate of adult participation stands at 21%. Although better than Italy (11%), we trail our European rivals France (24%) and Germany (27%). We are a long way behind world leaders: Finland (52%), Australia (46%) and Canada (39%)
- In addition, the trendline for participation in England has remained flat over the last decade. The rise in 'globesity' may in part explain this, yet other countries (e.g. Canada, Finland, Australia) have succeeded in increasing participation, and the gap we face is in danger of widening as other countries continue to invest
- In terms of participation levels across various life stages, there are marked differences between the countries (see Exhibit 5)
- Finland's profile is unique in that, whilst participation declines amongst 20 to 40 year olds, it then rises steadily through the age groups, with over 60% of 60 year olds participating frequently
- Australia maintains consistently high participation from 16 to 65 years
- Whilst levels in Germany, France and Japan ebb and flow with age, England's participation rate declines steadily. Of greater concern is our post school drop-off rate: 64% of those under 16 participate regularly (seven times a week)[4] but only 25% of 16 to 19 year olds are physically active (three times a week)

2. State of play: key findings

2.3 International comparisons – club membership and elite performance

- Club membership in England falls sharply after school-leaving age and is consistently below that of Germany and France across the age groups
- Germany's multi-sport club model boasts an average member base of four times that of England, whilst France's state-funded sporting infrastructure translates into 60% more clubs than us
- In terms of Olympic medals won, GB currently ranks fourth in Europe

Exhibit 6: Club membership in England, France and Germany, by age[5]

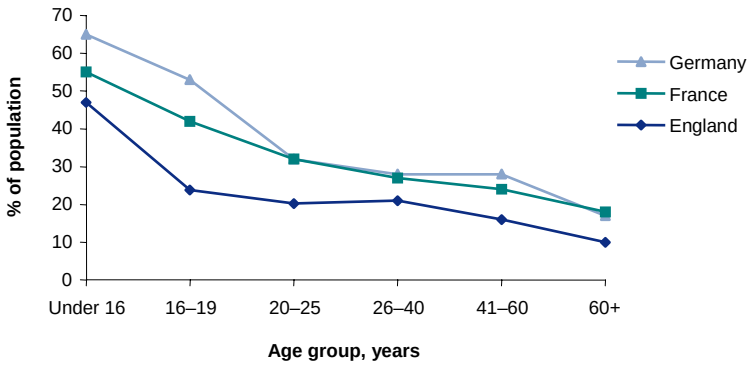


Exhibit 7: Club base and membership in England, France and Germany[6]

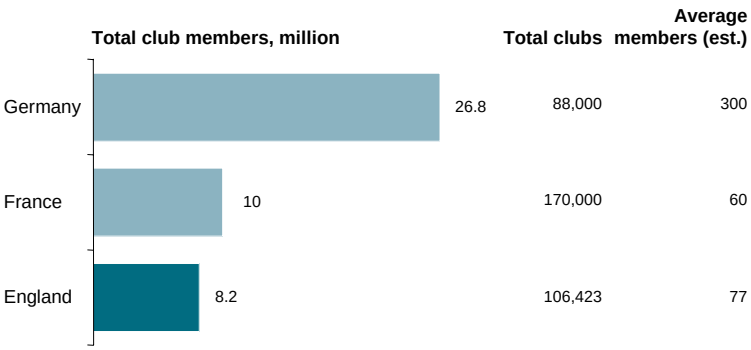
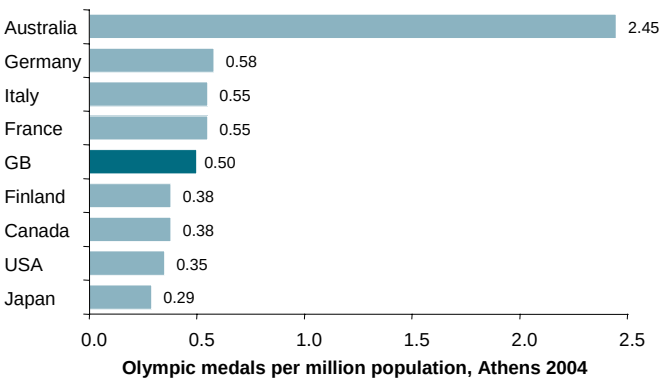


Exhibit 8: Elite performance of GB and peer countries[7]



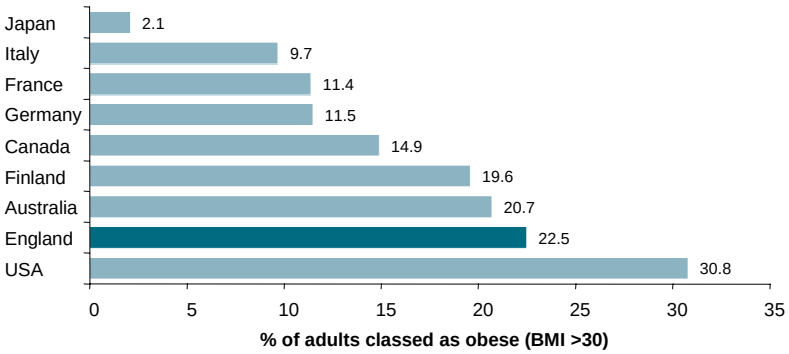
- Exhibit 6 presents a comparison of club membership levels across the age groups for England, France and Germany
- All countries suffer drop-off rates in club membership at school-leaving age, but the decline in England is sharpest. Subsequently, England's club membership levels are consistently lower than those in both France and Germany
- Exhibit 7 compares the absolute numbers of club members and clubs. With Germany having over three times more members but almost a fifth fewer clubs than England, their average member base per club is four times greater. The French club model is different: massive state investment means a huge number of clubs have been built (60% more than in England) and revenue subsidies sustain a low average membership base of 60 people
- In England, club assets are either owned by LAs or privately purchased. Most are run on an amateur/voluntary basis and are predominantly single sport. They benefit from selective grants and/or loans from NGBs and RSBs
- In France, club assets are owned by local Government (37,000 communes), which transfers the day-to-day running to federations, with on-going financial support. Two thirds of French clubs are single sport (both Olympic and non-Olympic) and one third are multi-sport clubs
- In Germany, club assets are both municipal and privately owned. Clubs are largely multi-sport, privately run and affiliated to Regional Governing Bodies of Sport (16 Lander). Only half of clubs have their own facilities; they and others benefit from the use of municipal facilities (which are free in 60% of cases). Clubs with their own facilities also benefit from local Government grants
- Exhibit 8 shows a league table of medals won at Athens 2004, per million population. Elite performance at the GB level is steady (10th in the Athens medal table), but we still underperform relative to our European rivals
- We must be vigilant: if lottery funds dip as expected, resources will need to be found if we are to improve our elite standing, not least as the rest of the world continues to progress
- Cultural factors, a small population and massive investment in elite sport (historically, 80% of the state budget for sport) mean that Australia dwarfs other nations in relative medals won

2. State of play: key findings

2.3 International comparisons – health outcomes and public investment

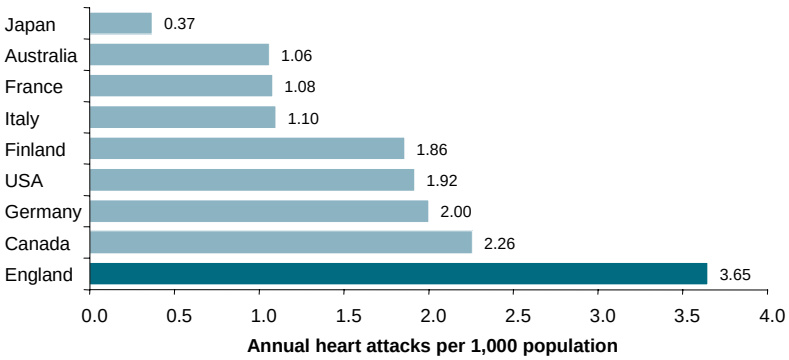
- We also face a performance gap in terms of activity-related health outcomes
  - The adult obesity level in England is 10 times that of Japan and twice that of France and Germany
  - Our heart attack rate is worse still and we stand at the bottom of our peer group, by some considerable margin
- It comes as little surprise, then, that England's public investment per capita in sporting infrastructure is less than most, and three times less than that of France, but slightly more than Germany

Exhibit 9: Obesity levels in England and peer countries[8]



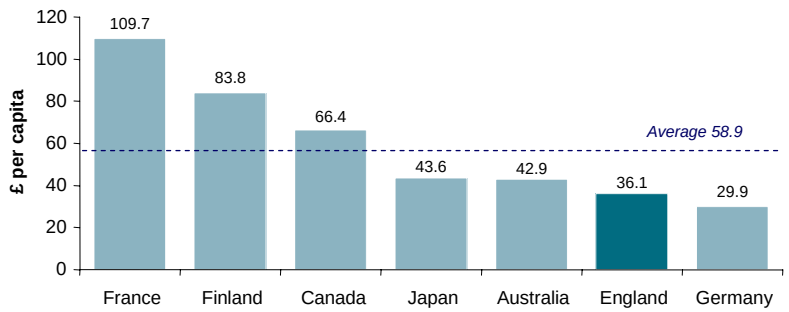
- Exhibit 9 shows that levels of obesity in England are significantly higher than in most other countries
- The adult obesity level in England is 10 times that of Japan and around twice that of Italy, France and Germany
- Both Finland and Australia – the leaders in participation levels – have higher relative obesity rates, suggesting many confirmed 'sports nuts' and 'couch potatoes' but few 'undecideds'. England, on the other hand, has some 60% of wavering or irregular participants[9]

Exhibit 10: Heart attack rates in England and peer countries[10]



- Exhibit 10 reveals rates of heart attack in England are significantly higher than in other countries
- In England, heart attacks occur 10 times more per head of population than in Japan, over three times more than in Australia, Italy and France, and almost twice as much as in Germany

Exhibit 11: Public investment in sport in England and peer countries[11]



- Exhibit 11 reveals that England's public investment per capita in sporting infrastructure stands at £36, some 37% less than the peer group average (£59) – see Appendix 2 for more detail
- England's funding breaks down into £24 (67%) from local Government, £8 (22%) from the Lottery and £4 (11%) from central Government
- France and Finland have the highest levels of state intervention (£110 and £84 respectively), whilst Germany (£30) appears to benefit from the spending power of a thriving club base and significant levels of 'social sponsorship' of club sport programmes and competitions

- Note that, in the USA, sport is not considered a (federal) Government matter: each state invests according to local needs and many clubs are privately owned and operated. There is no dependency culture, and commercial skill sets in NGBs and clubs are high. The one major national sporting body, the USOC, is funded by corporate sponsorship, individual donations and on-going income streams from the LA Summer Olympics (in 1984!) and Salt Lake City Winter Olympics (in 2002)
- In summary, the reality of our current relative sporting position presents significant opportunities for improvement. At all levels – participation, club membership and elite performance – we face challenges. The burden of inactivity will weigh increasingly heavily on the nation's health: current and future funding levels will have to be more focused to redress the balance

2. State of play: key findings
2.4 Barriers to further success (1/6)

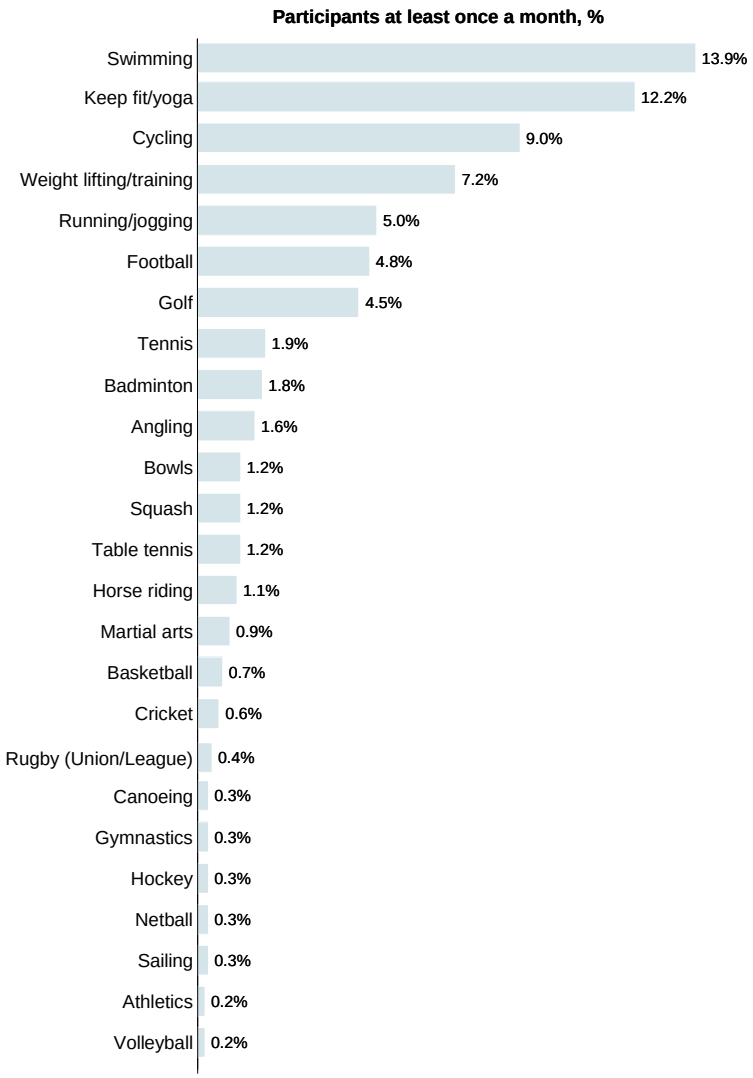
- Measurement of baseline data and evidence through research is limited: managing performance is difficult and allocating resources at local level is not well informed
- Whilst informal sport is important in terms of driving participation, Government effort has been focused on the formal…

Poor measurement and evidence

- Robust baseline data on sports participation does not exist. As a result, performance management in the sports sector is generally poor and 'patchy'
  - There is consensus amongst virtually all stakeholders in sport regarding the immediate priority: to measure and publish robust participation data so that policy making and investment decisions are improved, especially at the local level (see Appendix 3 – Performance measurement)
- Research within sport is improving, but is not yet comprehensive: in particular, we do not know enough about why people do not take up sport, nor what works best when they do
  - Historically, there has been limited in-depth analysis of the barriers to sports participation, as well as insufficient focus on identifying which interventions are most effective in achieving lasting behaviour change (see Appendix 4 – Research in sport)

Lack of focus on informal sport and public information

Exhibit 12: Regular adult participation in England, by sport/activity, 2002[1]



- Exhibit 12 shows 2002 estimates of adult participation in England by sport/activity
- It is interesting to observe both
  - The 'breadth' of activity: in terms of individual sports and exercise options, and
  - The 'depth' of activity: in terms of the numbers of people regularly enjoying healthy, active exercise
- In total, 17.3 million adults participate at least once every month (excluding walking)
- Note the importance of informal sport
  - 5.5 million people swim
  - Around 5 million do keep fit or yoga
  - Over 3.5 million cycle
  - Approaching 3 million people 'do weights'
  - 2 million go running or jogging
  - Just under 2 million take part in football, and a similar number play golf
- By comparison, many of the traditional 'major' sports do not deliver the same volumes of adult participants
  - In tennis, there are 0.75 million 'regular' participants
  - In cricket, there are approaching 0.25 million
  - In rugby (across both codes), just over 0.15 million adults play regularly

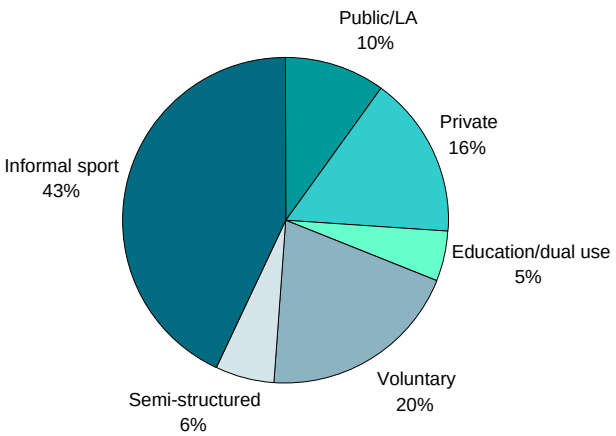
2. State of play: key findings
2.4 Barriers to further success (2/6)

- …there is an absence of accessible public information on the personal benefits of activity and sport – in marked contrast to other developed countries
- The existing substantial investment in school sport risks not being fully realised unless a reduction in the participation drop-off rate post school is secured

Lack of focus on informal sport and public information (cont.)

- Sport and physical activity take place in a variety of settings, from the formal to the informal, across public (LA and education), private, and voluntary sectors (see Appendix 5 – Nature of participation)

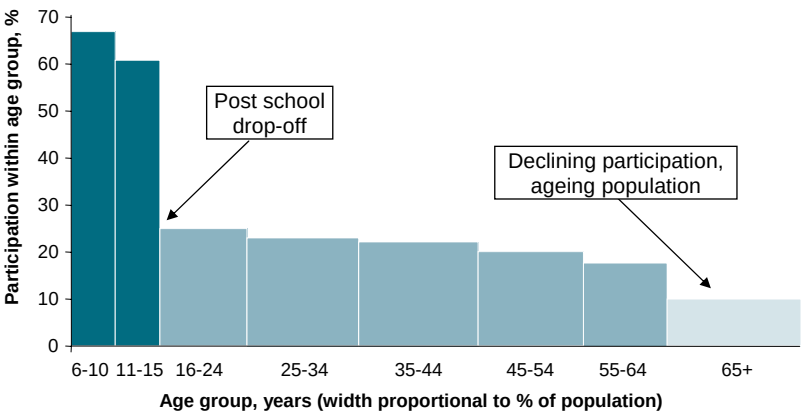
Exhibit 13: Estimated adult participation in England, by setting[2]



- Informal sport accounts for a significant proportion of all sporting activity (Exhibit 13) and is cheap to deliver, yet historically has gone relatively unsupported
- Evidence is not methodically collected across these sectors, which makes direct comparisons difficult
- It is estimated, however, that adults participate in an estimated 1.6 billion activity sessions (excluding walking) each year
  - Just under half take place in an informal setting, e.g. in a park, on the street, at home
  - The remainder take place in a formal setting such as a club or other facility designed for sport
- Whilst significant resources are necessarily directed towards infrastructure, additional targeted investment to support the take-up of informal sport could be cost-effective (see Appendix 6 – Informal sport)
- In England, communication of the personal benefits of sport and physical activity is fragmented. Evidence from other sources confirms that sustained, co-ordinated marketing – with a simple motivational message and 'call to action' – is a key element in supporting wide-scale behaviour change
  - Other countries (notably Canada, Finland and New Zealand) have succeeded in driving an increase in sports participation
  - Beyond sport, in the UK public policy arena, high profile social marketing campaigns have helped raise awareness of issues and drive behaviour change, e.g. drugs education, anti-smoking, sexual health (see Appendix 7 – Marketing campaigns)
- Whilst UK plc works the longest hours in Europe[3] and displays minimum physical activity levels, there is a compelling and growing base of research highlighting the benefits of active, healthy workplaces
  - The workplace represents an obvious but important setting through which the benefits of increased participation in physical activity or sport – informal or otherwise – might be marketed (see Appendix 8 – Workplace activity)

Sharp drop-off rate in post school participation

Exhibit 14: Participation in England, by age[4]



- The increasingly sedentary lifestyle of many, especially the young – combined with an ageing population – present serious social challenges, reflected in Exhibit 14
  - Decrease in leisure time for the employed
  - Increase in passive leisure pursuits: 77% of 8-14 year olds have a TV in their bedroom;[5] rapid penetration of PCs, internet access, satellite TV; rise of computer games and DVDs
  - Decline in walking/cycling to school: 80% of children own a bike, 2% cycle to school[6]
  - Sharp rise in obesity levels: from 16% of the population in 1994 to 23% in 2002[7]
  - Ageing population: by 2020, 2 in 5 will be over 50 and, statistically, less active[8]

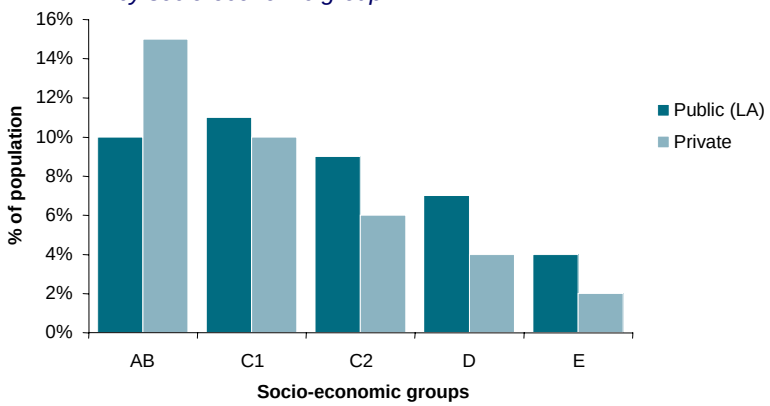
2. State of play: key findings
2.4 Barriers to further success (3/6)

- There is considerable unmet demand for sport and leisure facilities which cannot be met in part for planning reasons. Currently, sport and leisure are designated, for planning purposes, in the same category as cinemas and bingo halls
- Despite many examples of good practice amongst LA providers, there remain a large number of sport and leisure facilities which are out-dated, under-managed and require significant subsidy to operate

Local planning policy constraining private sector investment

- Planning objectives outlined by ODPM emphasise the importance of developing inner city and brown field sites; this often conflicts with the commercial imperatives of health and fitness operators, many of which require sites outside town centres
- However, there is no presumption on ODPM's part against development outside town centres: it recognises the value of community sport and leisure facilities and – within its current policy framework – ODPM is engaging in the issue
- Commercial operators agree that there is demand for new sports facilities, though there are differences of experience in planning applications submitted to meet that demand
- Companies with large footprint, multi-sport sites report facing lengthy (and costly) planning applications. Operators of smaller sites, meanwhile, report fewer concerns and seem to benefit from a simpler format

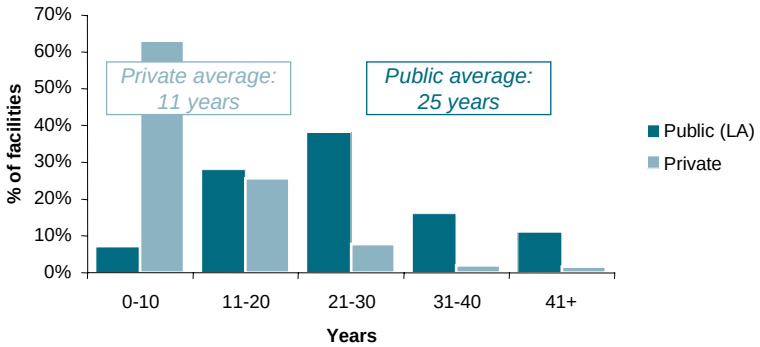
Exhibit 15: Public vs. private sector health and fitness usage, by socio-economic group[9]



- Some private sector operators have stated there is a lack of transparency in tendering for contracts against LAs and Trusts. There appears to be lingering scepticism amongst LAs with regard to the community orientation of commercial providers
- Exhibit 15 suggests, however, that this scepticism is misplaced: both public and private sectors attract users from all socio-economic groups, indicating that well managed sports facilities can play a role in enabling vibrant, active communities
- See Appendix 9 (Alignment of planning policy and participation) for further information

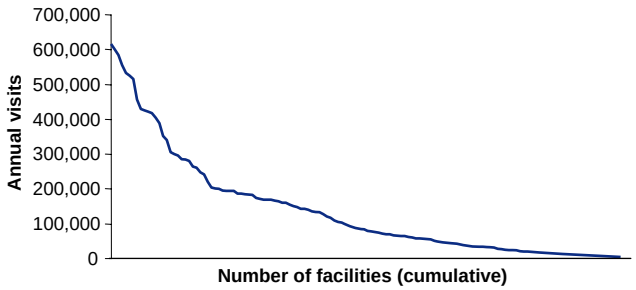
Declining status and performance of LA facilities

Exhibit 16: Public vs. private sector age of facilities[10]



- Exhibit 16 demonstrates that the LA leisure facility stock is old: the average age is around 25 years, with only a third less than 20 years old
  - Invariably, over time, the facilities show their age and can appear unattractive to an increasingly sophisticated consumer
- By contrast, private sector facilities have an average age of 11 years, reflecting significant investment by commercial players since the 1980s

Exhibit 17: LA leisure facility usage[11]



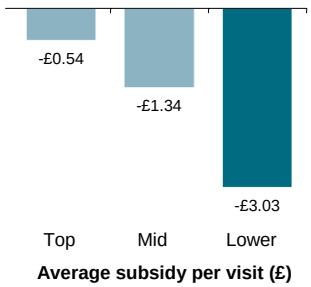
- Exhibit 17 reveals a long 'tail' in terms of LA facility throughput (annual visits)
  - Some LA facilities attract half a million or more visits p.a.
  - The majority, however, have far fewer visits
- Various factors may be at play: over-supply in some areas, location, age or size of facility, local demographics…
- … but the stark difference in high-performing and under-achieving sites suggests that inconsistency of management is a major factor; this is further supported by anecdotal evidence

2. State of play: key findings
2.4 Barriers to further success (4/6)

- Whilst there has been a significant increase in private leisure, school and lottery funded facilities, there has been insufficient investment by LAs in community facilities and little incentive for private, voluntary or public sector providers to meet the need in areas of greatest deprivation
- There is no clear alignment between national and local level sports delivery, nor is there a systematically 'joined up' approach towards community sport (unlike school sport and PE)
- Income generation from community use of education-based sports facilities risks 'tripping' significant VAT liabilities, especially in light of financial commitments made through programmes such as BSF; this could affect Government's principle of the 'extended school' at the heart of the local community

Declining status and performance of LA facilities (cont.)

Exhibit 18: LA leisure facility subsidies[12]



- Given the age of LA facilities and variability in management, subsidies vary considerably by borough and facility (see Exhibit 18)
  - The very best boroughs (e.g. Plymouth) generate a profit per visit (23p), whilst the top tier average is a modest subsidy (54p)
  - For the mid tier, the average subsidy is £1.34
  - For the lower tier, subsidies jump to £3.03 on average. In the highest reported borough (Hackney), the subsidy for each single leisure visit is £13
- Expressed another way, these subsidies per visit translate into…
  - … an average annual subsidy per facility of £262,000, leading to…
  - … a total annual subsidy in England of around £0.5bn, simply to 'keep the lights on' in all existing LA facilities, whereas…
  - … a full re-build of the stock of ageing facilities would cost approximately £4.5bn and would reduce dramatically the current high levels of subsidy[13]

Lack of alignment between national and local level delivery

- There is no clear alignment between national and local level sports delivery, nor is there a systematically 'joined up' approach towards community sport (unlike school sport and PE)
  - The delivery of community sport is complex and diverse: a range of private, LA/public, education and voluntary sector providers operate within locally determined structures (Appendices 10-13 present an overview of each sector)
  - Appendix 14 (Support network) highlights the key role that PE teachers, coaches, volunteers and sports development specialists have in making local delivery happen
- The absence of clear objectives and ambiguity of roles and responsibilities presents a number of risks, namely not
  - Achieving the key policy objective of increasing and widening the base of participation, which will lead to a healthier nation
  - Fully realising the substantial investment in school sport, given that the drop-off rate post school is so sharp
  - Sufficiently developing the pool of talented participants, which form the bedrock of elite success (see Appendix 15 – Pathway to elite performance)

'Limited' community use of education-based facilities due to potential VAT liabilities

- Community use of education-based facilities can give rise to VAT issues for two reasons
  - When sports facilities are provided by a City Academy, voluntary aided or foundation school, community use can jeopardise the possibility of zero-rating, such VAT falls as a cost to the school. DfES funding can be secured to refund irrecoverable VAT, but depends upon DfES being prepared to fund the full cost of the VAT[14]
  - For LAs, community use may give rise to additional exempt income and therefore significant capital expenditure on facilities which generate exempt income (e.g. through the BSF programme) can cause LAs to exceed their 5% partial exemption limit. This is most likely to be an issue for district councils (since their 5% limit is generally lower), for LAs providing leisure facilities in-house and for those with significant capital expenditure on leisure facilities
- In either scenario, pending VAT liabilities mean that schools may be reluctant to promote community use to the extent that they otherwise would (see Appendix 16 – Alignment of VAT and participation)

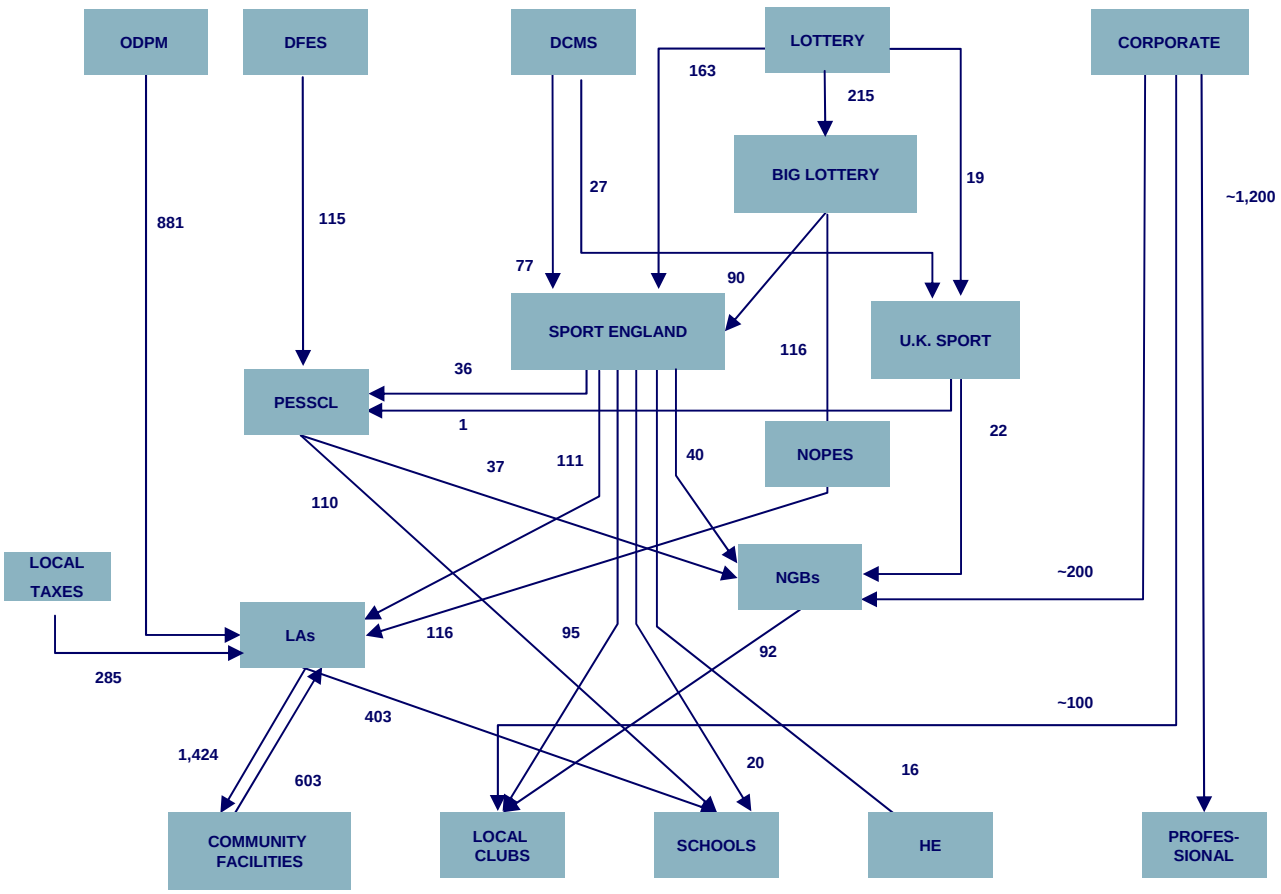
2. State of play: key findings
2.4 Barriers to further success (5/6)

- Government is not getting the credit it deserves for its significant investment in sport, largely because its efforts are presented in a fragmented manner
- There has been considerable progress in reorganising sporting bodies but there still remains a high level of inefficiency, especially in back office functions

Fragmentation of sporting landscape

- Government effort in sport, while significant, is presented in a fragmented manner
  - Government is not getting the credit it deserves for the current £1.8bn annual investment of public funds into sport[15]
  - There appears to be further scope to improve implementation of sport and physical activity policy across Government departments
  - The general public and the private sector (and, some argue, the sporting sector itself) have limited understanding of the roles and responsibilities of Government-funded agencies. It has been suggested that this is a factor limiting private sector investment into sport
- There has been considerable progress in reorganising sporting bodies but there still remains a high level of inefficiency, especially in common back office functions
  - Grant administration is one area where many people are involved in largely manual processes
  - The vast majority of sports organisations, and especially NGBs, lack critical mass; thus scale economies are not achievable and commercial partners are hard to secure
- Appendix 17 (Sporting landscape) describes the reality of a fragmented and somewhat confused landscape, with negative implications for delivery. It also lists some of the efforts made by certain organisations to respond to the agenda for reform
- Exhibit 19 presents a simplified view of funding flows in sport, which throws up challenges regarding accountability of investment and elimination of bureaucracy

Exhibit 19: 'Simplified' funding flows in English sport, £m p.a.[16]



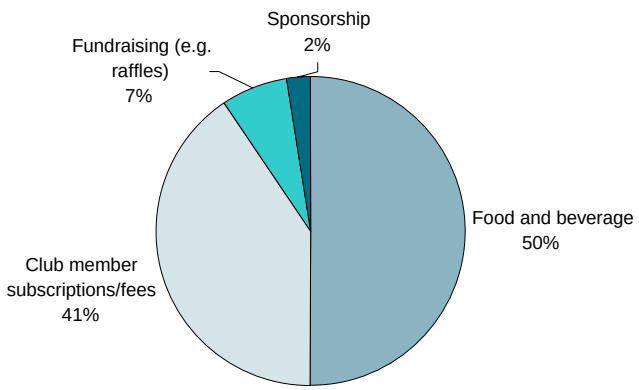
2. State of play: key findings
2.4 Barriers to further success (6/6)

- While private sector sponsorship at the elite end of sport is well funded, some NGBs and others have made limited progress in developing opportunities at grass-roots level due to lack of commercial orientation and expertise
- Government has introduced certain tax concessions to encourage both individual and corporate giving to sports clubs, but advertising and subsequent take-up are somewhat limited

Commercial sponsorship in sport skewed towards the elite end

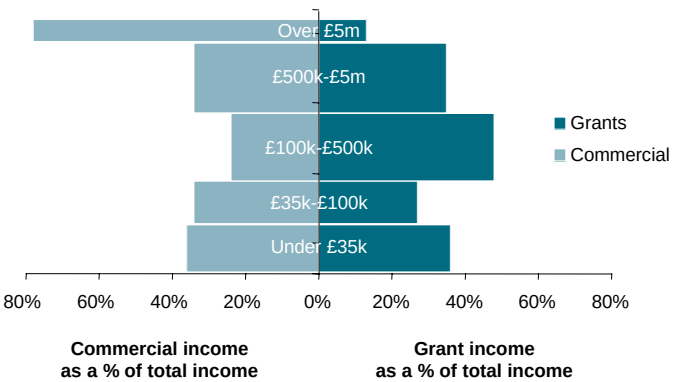
- In the UK, sport attracts £450m in commercial sponsorship annually, of which grass-roots accounts for up to 15%[17]
  - NGBs, who are the de facto rights holders of major events or programmes, need to improve their commercial orientation, as do their affiliated clubs
  - There is growing confusion about what constitutes 'responsible' sponsorship, which is a potential barrier to investment
  - Corporate Social Responsibility is coming up the agenda… and sport is an attractive proposition for companies to engage local communities, but only if business objectives can be met (see Appendix 18 – Sponsorship in sport)

Exhibit 20: Direct income streams to voluntary sector (excluding grants), 2000[18]



- Exhibit 20 shows the direct income streams to the voluntary sector, totalling some £3bn in 2000
- Annual sponsorship of 2% (£60m, or £560 per club) appears low relative to fund-raising efforts securing £210m (or £2000 per club); this suggests clubs may not have the resources, skills or product attributes to attract commercial monies, or that companies are less generous than individuals, or both
- Note that food and beverage receipts (£1.5bn) outstrip membership subscriptions and playing fees (£1.2bn) by some 20%

Exhibit 21: Differences in commercial vs. grant income, by size of NGB[19]



- Exhibit 21 illustrates the relative levels of commercial and grant income for NGBs, categorised by size
  - The height of the bars represents the proportion of NGBs in each category
- Commercial (sponsorship, TV and merchandising) revenues equate broadly to grant funding at around 35% of total income across all except the largest NGBs
  - In the major sports delivering large audiences, increases in TV and sponsorship rights fees push commercial income to over 75% of the total
- Grants vary more but generally represent a greater share of total income (30-50%), excluding the largest NGBs
- If the aspiration of £1 of public funds leveraging £2 of private sector and other monies is to become a reality, NGBs need to explore new ways of attracting commercial partners

Limited awareness and take-up of tax concessions and other incentives to support sport

- The voluntary sector has received good support recently through introduction of the CASC scheme, championed by DCMS
  - Registered CASCs benefit from mandatory relief of 80% on 'business rates', corporation and capital gains tax exemptions and incentives for donations
  - As of December 2004, 2000 clubs had registered as CASCs, with an estimated combined saving of some £5m for sport[20]; however, take-up of this scheme could be greater
- Anecdotally, there appears to be limited awareness and take-up of other incentives potentially benefiting sport, both within the sector (e.g. waiving of VAT on advance block bookings at LA facilities) and beyond (e.g. tax deductions for businesses not based on any specific provision to sport)

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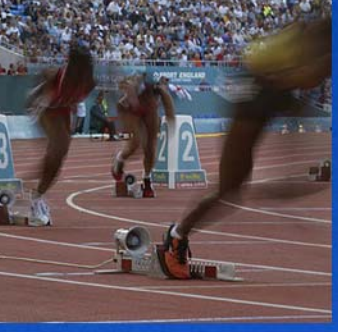


Review of national sport effort & resources

3. Recommendations

3. Recommendations

3.1 Robust measurement and evidence (1/2)

1. To introduce robust measurement and monitoring systems that inform Government investment at local level and ensure clear lines of accountability

- 1a. Establish and conduct comprehensive national and local participation surveys (using the same protocols)
- 1b. Measure and publish benchmarks on the performance of LA leisure facilities – enabled by inclusion of the 'culture block' in CPA
- 1c. Ensure all investment is subject to proper monitoring and evaluation, and conduct on-going research to plug key 'knowledge gaps'
- 1d. Put in place systems to encourage continuous improvement across the sports sector

Recommendations

- 1a. Establish and conduct comprehensive national and local participation surveys (using the same protocols)
  - If the agreed national policy objectives for sport are to be realised, a 'spine of accountability' needs to be embedded throughout the sector: a consistent set of KPIs should be established, and measured via national and local participation surveys (undertaken by independent research firms)
  - The derived local sports participation data should be summed up to county (CSP) level; county data should be summed up to regional (RSB) level; and regional data should be summed up to national level
  - At each level, the headline metric should relate to increased sports participation (a target of 1% p.a., on average), providing a 'golden thread' through sport and ensuring a focus on accountability and continuous improvement
  - A set of supporting metrics (e.g. clubs, coaches, volunteers) should underpin the headline target
- 1b. Measure and publish benchmarks on the performance of LA leisure facilities – enabled by inclusion of the 'culture block' in CPA
  - Given the key local delivery role of LAs and the amount of investment (annual subsidies) in leisure centres, monitoring and evaluation should be improved. This would be accelerated by inclusion of the culture block within CPA, which would allow access to data to be published
  - Relative to other policy areas – in particular education and social services, which adopted a performance measurement culture in the early 1990s – sport and leisure services have not been rigorously assessed and have suffered a diminishing profile
  - Publishing a set of performance tables with benchmarks (e.g. utilisation, priority group access, financial performance and customer service) would aim to encourage year-on-year improvement across LA sports facilities
  - This could be extended to include education-based facilities open for community use, where public funding is high but data is non-existent
- 1c. Ensure all investment is subject to proper monitoring and evaluation, and conduct on-going research to plug key 'knowledge gaps'
  - A monitoring and evaluation toolkit should be developed and consistently applied to all significant interventions so that the investment impact can be rigorously assessed
  - There is a need for a more extensive, better co-ordinated research programme for sport: current research and analysis is not joined up and is poorly shared across the sector
  - An online 'knowledge bank', which can be freely accessed and searched by all stakeholders in sport, should be developed. This would aggregate research commissioned from any source (Government, academic, commercial, NGB, etc.) and could include, inter alia, sport's contribution to wider social outcomes (such as health, educational achievement, community cohesion and economic development) and a refined understanding of non take-up of sport
  - As the strategic lead for sport and substantial investor in research and analysis, Sport England is well placed to consolidate the existing evidence base, as well as commission and disseminate future research findings
- 1d. Put in place systems to encourage continuous improvement across the sports sector
  - Leadership, strategy development and use of resources can all be improved in sport. Tools (such as TAES or Quest) should be made widely available to instil a culture of continuous improvement and support the drive towards efficient and effective management
  - Existing performance tools for LAs – such as BVPIs, LPSAa and LAAs – are at an early stage of development for sport but could be used both to focus attention on priorities and direct resource accordingly

3. Recommendations

3.1 Robust measurement and evidence (2/2)

Progress to date

- Many milestones have recently been reached with regard to improving measurement and evidence within sport
  - Progress on the national strategy for PESSCL is monitored through an annual survey
  - DCMS and its strategic agencies have developed a national cultural survey. Commencing in July 2005, there will be quarterly reports on sports participation nationwide, showing progress against Government's PSA target in this area
  - The Active Places database was launched in July 2004 and provides information on 20,000 sites for playing sport. From May 2005, a 'power user' application will enable LAs and other public agencies to undertake robust supply and demand analysis for sports facilities
  - A monitoring and evaluation toolkit has been developed to track throughput and usage profiles for individual projects. The toolkit is currently being applied to 250 'Active England' projects, an innovative multi-sport pilot programme to determine what works best in increasing and widening participation
  - In December 2004, the Audit Commission published proposals for the inclusion of sport within 2005-08 CPA. Inclusion would be a significant step forward for creating a performance management culture within the sports sector and aligning local government with the objective of increasing participation
  - DCMS and ODPM have endorsed a set of guidelines on LPSAs for sport and active recreation
  - The place of sport in LAAs is work in progress and guidance notes are to be published in June 2005
  - Dialogue is beginning with ODPM to encourage the adoption of a BVPI for sport
- Sport England has been active in strengthening the evidence base for sport throughout 2004
  - The Value of Sport Monitor, a wide-ranging synthesis of sport's contribution to society, was published and will be updated on an annual basis
  - All known UK research into the barriers to the take-up of sport and physical activity has been summarised by a team at Oxford University, and will be used to inform future interventions
  - An innovative information-sharing agreement is in place with the Australian Commission for Sport

Timeline and resources

- The timeline for creating a robust performance management framework across sport is as follows
  - 1a. National participation survey commences July 2005; framework of KPIs and measurement protocols established, and local participation surveys launched by October 2005
  - 1b. Inclusion of sport in culture block within CPA is subject to Audit Commission decision (May 2005), likely to be included from 2006
  - 1c. Co-ordinated annual programme of research and evaluation to improve the evidence base established by July 2005; 'fast track' area-based pilots to find out what works best in place by October 2005, through to October 2006 and beyond
  - 1d. Continuous improvement tools, including Quest and TAES, to be promoted from October 2005
- In the 3 years to 2008, the resource requirement for developing the performance management framework is £18m, for which the funding is in place (from DCMS and Sport England)

3. Recommendations
3.2 Sustained promotion and marketing

2. To promote the personal benefits of sport and physical activity and to help people to identify their local delivery points

- 2a. As a matter of urgency, create and manage a long-term marketing campaign which draws together the many disparate promotional activities, and endeavour to secure commercial partners

Recommendations

- 2a. As a matter of urgency, create and manage a long-term marketing campaign which draws together the many disparate promotional activities, and endeavour to secure commercial partners
  - Government has announced that the NCC will lead on all campaigns (including physical activity) proposed in the DH delivery plan for 'Choosing Health'. Given the public policy priority to raise the nation's fitness and current physical activity PSA targets, Government should ask NCC urgently to appoint a cross-departmental stakeholder board to oversee the creation and subsequent management of a long-term (10-year +) marketing campaign
  - The campaign should build on existing work, such as 'Everyday Sport', 'Britain on the Move' and 'Fat Nation'. In order to ensure maximum impact, the campaign should initially be targeted at the 60% of wavering or irregular exercisers[(1)]
  - Creative execution and media buying should be competitively tendered to a shortlist of world-class advertising agencies
    - Performance of the contract holder should be reviewed and campaign metrics measured at least annually, with the contract regularly re-tendered
  - Upfront scoping and strategy should include
    - Embracing international best practice, particularly from Canada, Finland, New Zealand and Germany
    - Exploring the potential for a 'mixed economy' of public funding and private sector sponsorship, especially engaging broadcast and media channels as critical partners to support delivery of the campaign
    - Ensuring that a single brand identity is developed and communicated nationwide using mass media… but has sufficient flexibility to impact distinct social groups and generate partnership opportunities locally
    - Developing toolkits so that people responding to the campaign message can get involved. Employers, especially, present potential partnership opportunities: efforts should be made to sign up major corporations for 'free' distribution of the marketing message
    - Priming events, media, sports clubs, GP surgeries and other outlets or social groups at the local level to provide easy 'entry points' to sport and activity
    - Engaging, in partnership with Defra, 'natural asset' organisations[(2)] to promote countryside, water-based and urban fringe activities, with relevant information (e.g. access to rights of way) included in the Active Places database

Progress to date

- A campaign has been piloted in the North East ('Everyday Sport'), with promising results related to raised awareness levels and engagement of media, public sector agencies and the private sector. The pilot is being used to refine the campaign strategy and roll out 'second stage' pilots in the regions in 2005-06
- The 'Choosing Health' White Paper profiled the North East pilot as a case study, and endorsed the need to implement a marketing campaign to tackle obesity through physical activity
  - 'Everyday Sport' should build towards this 'end game' for physical activity campaigning

Timeline and resources

- 2a. In order to drive behaviour change, consistent marketing of sport and activity needs to happen over at least 10 years, with regular performance reviews. Next steps include appointing the stakeholder board by July 2005; establishing funding commitments by the end of 2005; developing pilots from April 2006; rolling out a single national campaign from April 2007; evaluating performance and refining execution on a rolling basis, at least annually
- Based on the costs of other successful Government-led campaigns, the expected 'steady state' cost from year 3 onwards of adequately marketing sport and activity is £30m p.a. (but is initially estimated at £10m in year 1 and £20m in year 2). Thus, in the 3 years to 2008, resources required are £60m
  - This cost will be met by a combination of public and private sector funding, including media 'value in kind' from broadcasters and cash from sponsors branding individual marketing executions

3. Recommendations
3.3 Renewed infrastructure and local delivery (1/2)

3. To improve the local delivery of sport and suggest the Government considers how it can support the co-ordination of public, private and voluntary sector investment – as well as LAs and regional bodies – in order to improve local sporting facilities

- 3a. Develop, communicate and embed a 'single system' for sport in the community from Government to grass-roots – by investing in clubs, coaches and volunteers, strengthening school-community links and integrating talent pathways for aspiring performers
- 3b. With regard to local planning guidelines, work with ODPM to promote sports facilities as community assets to be located in areas convenient for users
- 3c. Ensure the operation of the VAT system does not impose unnecessary obstacles to the community use of education-based facilities
- 3d. Consider ways that the Government can support the coordination of existing investment streams, both public and private; and whether or not there is a case for a National Infrastructure Fund in order to upgrade and extend the network of local and regional sports facilities

Recommendations

- 3a. Develop, communicate and embed a 'single system' for sport in the community from Government to grass-roots – by investing in clubs, coaches and volunteers, strengthening school-community links and integrating talent pathways for aspiring performers (see Appendix 19 – Single system for sport in the community)
  - Ensure that there is a common purpose and shared set of performance targets from local level up through the system to Government, with clearly defined roles and responsibilities at each level
  - Establish around 400 CSNs to oversee local projects and interventions, to include improved collaboration with SSPs on strengthening school-community links
  - Equip 45 CSPs as a key 'building block' in the system and channel for investment – alongside LAs and NGBs – in club development, coaches and volunteers. The three core functions of the CSP should be strategic co-ordination, so that the efforts of local deliverers are optimised; marketing and communications, so that sport is advocated to key decision makers and investment partners; performance measurement, so that progress is clearly tracked
  - Task 9 RSBs with overseeing CSPs, playing a strategic role at regional level in terms of influencing policy, championing sport for the achievement of social objectives and leveraging partnership funds
- 3b. With regard to local planning guidelines, work with ODPM to promote sports facilities as community assets to be located in areas convenient for users (see Appendix 9 – Alignment of planning policy and participation)
- 3c. Ensure the operation of the VAT system does not impose unnecessary obstacles to the community use of education-based facilities (see Appendix 16 – Alignment of VAT and participation)
- 3d. Consider ways that the Government can support the coordination of existing investment streams, both public and private; and whether or not there is a case for a National Infrastructure Fund in order to upgrade and extend the network of local and regional sports facilities
  - The delivery of community sport is complex in that it cuts across public, private and voluntary sectors; differences in both ownership and operation of facilities also exist. Notwithstanding the challenges, Government need to take a lead on the improved co-ordination of investment and delivery at the local level
  - One option is to create a fund (NIF) which would invite organisations, including but not limited to LAs, to bid for resources to rebuild our sporting infrastructure and, wherever appropriate, to close down inefficient facilities (thereby eliminating 'default subsidies')
  - The fund would combine both public and private sector finance; investment would be guided through a national facilities strategy (based upon supply and demand modelling, enabled by Active Places); local pilots would ascertain what works best to increase participation and be scaled up nationally
  - Contestability of service delivery – in terms of operation by public, private or voluntary sector organisations, or a combination thereof – should be championed through regular competitive tenders for operating new facilities

3. Recommendations
3.3 Renewed infrastructure and local delivery (2/2)

Progress to date

- It is critical that key partners understand the benefits of linking into a single system for sport in the community
  - At regional level, RSBs have been up and running since 2003, have published four year plans in consultation with regional stakeholders and are leveraging almost £2 of new money for every £1 invested
  - At county level, the development of CSPs is being accelerated such that 20 will be fit for purpose by September 2005 and the remaining 25 by March 2006; measured against a comprehensive 20-point monitor, the current 'traffic light' assessment of readiness places 23 CSPs at green, 14 at amber and 8 red[(1)]
  - At community level, a relatively small number of CSNs are already formed, and others are in development
- In terms of infrastructure, good recent progress has been made
  - The launch of Active Places is enabling development of a National Facilities Strategy, which is on track for publication in October 2005
  - Through the Active England programme[(2)], 250 innovative projects are being developed by December 2005 with the objective of identifying what works best to increase and widen the base of participation. The lessons learned will inform future policy making and investment decisions, and the first annual conference to disseminate best practice is being held in May 2005
  - Through the National Lottery, a network of facilities for performance sport has been created, providing the infrastructure to train elite sportspeople with clear targets for international success
  - The Audit Commission is beginning a study analysing various options for the management of LA sports facilities; this will shed light on the effectiveness of different ownership and operating models for community sport, with implications for both capital and revenue funding

Timeline and resources

- The timeline for improving local delivery and renewing the stock of sports facilities is as follows
  - 3a. Proportion of Sport England community investment allocated to single system to be clarified by October 2005; 20 CSPs to be fit for purpose by October 2005, with the complete network of 45 CSPs fully operational by March 2006; 20 CSNs should be in place and a roll-out programme for all CSNs established by October 2005, with the complete network of ~400 CSNs operational by March 2008
  - 3b. Engage ODPM in dialogue regarding the profile of community sports facilities as soon as possible
  - 3c. Engage HM Customs & Excise, in conjunction with DfES, in dialogue regarding VAT liabilities on education-based sites as soon as possible
  - 3d. Develop options and secure a recommended approach to renew sporting infrastructure by October 2005; if implemented, NIF should be 'open for business' by April 2006
- The resource implications of developing a single system for sport in the community are significant and are currently being evaluated. Initial funding has been committed by Sport England totalling £72.5m over 3 years
  - £20m for core funding to cover essential salaries and premises
  - £52.5m for direct investment in local interventions to improve the quantity (and quality) of clubs, coaches and volunteers
  - As and when the efficacy of the single system is demonstrated, Government should consider further investment
- Further work is required to quantify the financial implications of rebuilding our existing stock of facilities

3. Recommendations

3.4 Single brand and streamlined ‘back office’

4. To create, under strong Government leadership, a single access point and brand for sport in England and to streamline duplicating ‘back office’ functions that would release more money for front line activity

- 4a. Establish a cross-departmental Sports Cabinet Committee, chaired by the Secretary of State for Culture, Media and Sport, in order to improve co-ordination across Whitehall on sport and physical activity issues
- 4b. Create a single access point and national brand to promote Government endeavours in sport, reinforced by a sport ‘portal’ with both web and telephone customer support
- 4c. Explore the benefits to be gained from the rationalisation of back office and other common functions in sporting bodies (sub-contracted to service providers under regular competitive tender)

Recommendations

- 4a. Establish a cross-departmental Sports Cabinet Committee, chaired by the Secretary of State for Culture, Media and Sport, in order to improve co-ordination across Whitehall on sport and physical activity issues
  - DCMS, DfES, DH, ODPM, Home Office, DfT, Defra, DWP and HMT should be represented on the Committee, supported by a senior officials group
  - This would provide a forum for collective decision making on cross-cutting issues, particularly increasing mass participation, and thus drive the delivery of relevant PSA targets
- 4b. Create a single access point and national brand to promote Government endeavours in sport, reinforced by a sport ‘portal’ with both web and telephone customer support
  - This single brand should be used to demonstrate unity of purpose in the nation’s sporting endeavours; existing organisations would retain their functional identity
  - A shared portal would serve as a ‘one-stop shop’ for sport, directing online users to relevant information
  - A contact centre delivering web and telephone customer support should prove cost-effective in terms of replacing various sub-scale sport ‘helplines’. It would offer services to a range of stakeholders, such as
    - Individuals enquiring about local facilities or other informal opportunities to participate… and parents wanting to know about sporting activities for their children
    - Volunteers offering their time but not knowing how to go about it… and coaches asking about accreditation and self-development opportunities
    - Businesses seeking out relevant sponsorship options in grass roots sport
    - Clubs, registering for tax relief under Government-approved schemes… and NGBs, signing up for sponsorship training courses to improve commercial skill sets
- 4c. Explore the benefits to be gained from the rationalisation of back office and other common functions in sporting bodies (sub-contracted to service providers under regular competitive tender)
  - Government should commission a cost-benefit analysis of back office functions, e.g. HR, ICT (including database management), finance/grant administration and procurement
  - The study should also explore the scope for closer co-operation and sharing of services in areas such as communications, research, scholarships and equity/child protection

Progress to date

- Lottery distributors have recently signed up to a shared brand to improve visibility for (and potential revenues from) the general public; a common brand for sport as a whole would be well received by potential sponsors
- Reform of the sporting sector has begun: Sport England and UK Sport have improved their planning processes with the development of WSPs/OSPs; Sir Andrew Foster has led a review of athletics, Lord Burns is conducting a review of football and other NGBs are taking steps to modernise

Timeline and resources

- 4a. The Cabinet Committee should be up and running by October 2005
- 4b. The single band should be promoted in time for potential private sector investment for Beijing 2008; the portal and contact centre should be scoped and operational by June 2006
- 4c. The study into back office savings should be commissioned soon and recommendations received by the end of 2005
- Cost-benefit analyses for both a single brand and back office savings need to be evaluated

3. Recommendations
3.5 Targeted incentives and commercial assistance

5. To provide targeted incentives and commercial assistance (via a new National Sports Foundation) to encourage individual and corporate support and to 'help sport help itself'

- 5a. Create a sizeable, capped 'co-sponsorship' fund, called the NSF, that would leverage private sector investment primarily in grass-roots activity, including facilities, and be accessible at all levels (national, regional, county and local)
- 5b. The NSF could also provide a service to assist relevant sporting organisations in making their case to prospective sponsors, including subsidised training 'credits' for NGBs
- 5c. Develop clear, Government-endorsed guidelines for 'socially responsible' sponsorship – and disseminate for the benefit of both corporate and sporting sectors
- 5d. Communicate the full range of tax deductible opportunities to give to/sponsor sport – for both individuals and businesses

Recommendations

- 5a. Create a sizeable, capped 'co-sponsorship' fund, called the NSF, that would leverage private sector investment primarily in grass-roots activity, including facilities, and be accessible at all levels (national, regional, county and local)
  - Business is already a critical partner in ensuring our national sporting success as well as in developing talent and increasing participation at grassroots level. Barclays have put £30m into the Football Foundation, alongside £45m each from the Government, the FA and the Premier League – an excellent example of how pooling private and public resources can make a real difference in the community. We need to build on that success
  - In taking this recommendation forward, the Government should work closely with key partners, including Sport England, UK Sport, Sportsmatch, the Football Foundation, and other sports with foundations as well as the private sector, on how best to deliver a successful NSF
- The following guiding principles are suggested:
  - The fund is available for sporting partners at all levels to bid into: NGBs, RSBs, CSPs, CSNs, etc.
  - Performance metrics should be set in line with the national framework of accountability
  - An appropriate allocation for priority groups should be maintained (e.g. disabled, disadvantaged, ethnic minorities, girls)
  - The principle of 'additionality' (new sponsorships) and a 2:1 gearing of public money should apply, i.e. private sector contributions receive an additional 50% matched funding
  - The programme encompasses revenue funding only – with a minimum £1,500 and maximum £50,000 threshold (over 1, 2 or 3 years)
  - Applications can (and should) be solicited, wherever possible for broad-scale high impact programmes
- 5b. The NSF could also provide a service to assist relevant sporting organisations in making their case to prospective sponsors, including subsidised training 'credits' for NGBs
  - Provide a matching service for potential sponsor brands and sporting organisations seeking commercial partners
  - On average, a total of 20 training days p.a. for priority/development sport NGBs – which should then proactively pass on commercial insights to affiliated clubs
- 5c. Develop clear, Government-endorsed guidelines for socially responsible sponsorship – and disseminate for the benefit of both corporate and sporting sectors
  - Appoint an independent person to chair a slim-line cross-departmental/agency working group with private sector and charity representation; the guidelines should be distributed to companies known to ESA, Sportsmatch, NGBs and others
- 5d. Communicate the full range of tax deductible opportunities to give to/sponsor sport – for both individuals and businesses
  - Develop guidelines and advertise extensively to enable sport to be more proactive in securing both donors and commercial partners

Progress to date

- The Chancellor announced the NSF in the 2005 Budget, with funding of £27.5m
- The innovative CASC scheme has so far delivered a saving of £5m to sport

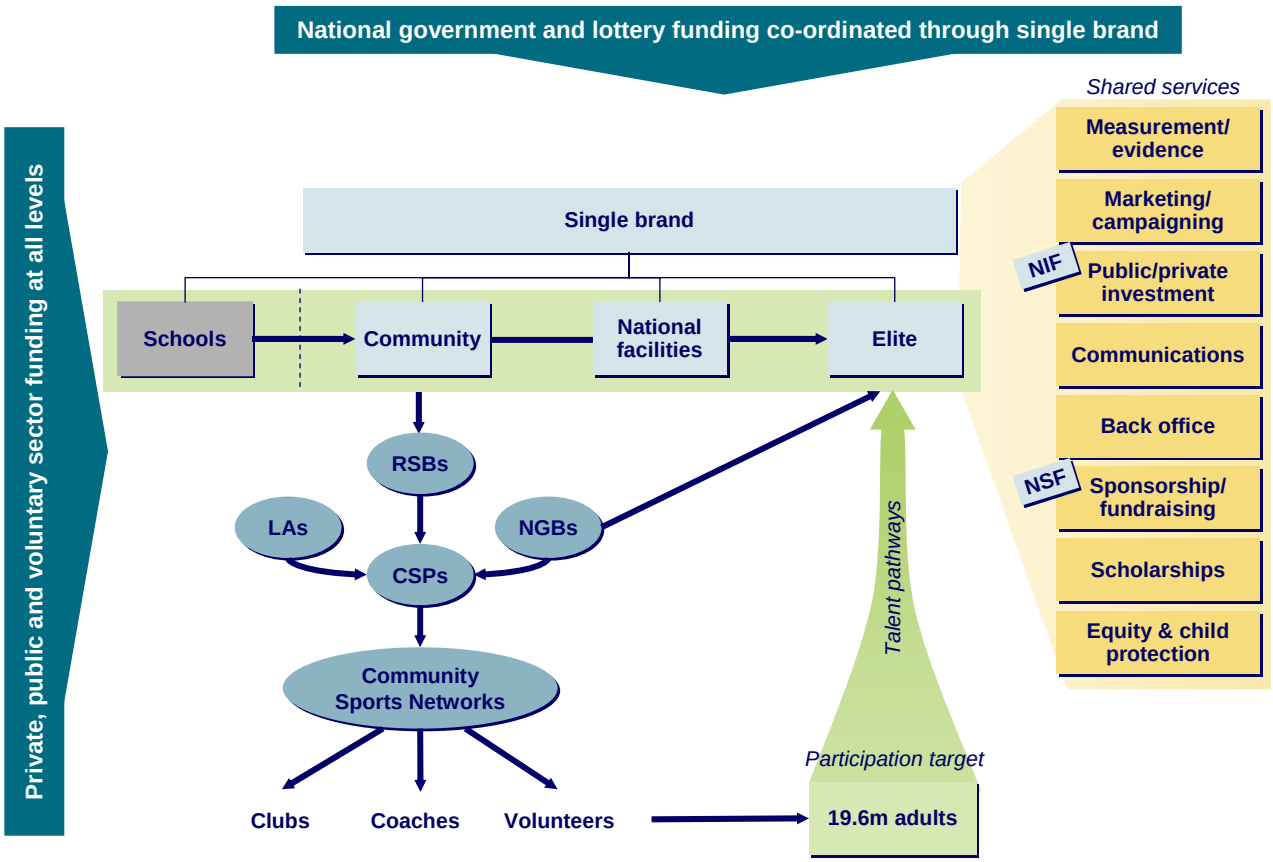
Timeline and resources

- 5a. The modus operandi for the NSF should be decided, following consultation, by the end of 2005; funds will be available from April 2006
- 5b. Commercial training courses should be offered to NGBs as soon as possible, in preparation for NSF funding
- 5c. Guidelines for socially responsible sponsorship should be published by October 2005
- 5d. Materials communicating tax deductible opportunities should be designed and a promotional plan developed by March 2006
- Initial funding for the NSF has already been announced

3. Recommendations
3.6 Summary

- Good progress has been made recently in the development of sport in England, especially at school and elite levels
- The five key areas for consideration highlighted in this report provide opportunities to build on the success to date and represent the next stage of the journey for sport
  - Introduce robust measurement and evidence to inform Government investment
  - Engage in sustained marketing for sport and activity to promote the benefits of exercise
  - Develop a single system for sport in the community and consider the creation of a NIF, combining public and private investment, to drive participation at a local level and ensure accessibility for all
  - Create a single access point and national brand to demonstrate unity of purpose; share back office functions and other common services (e.g. communications, scholarships, equity/child protection) under competitive tender to release more money for front line delivery
  - Provide sponsorship incentives and assistance via a NSF to 'help sport help itself'
- Exhibit 22 draws these five areas of focus together and presents a vision for co-ordinating our national sport effort and resources

Exhibit 22: Vision for co-ordination of national sport effort and resources



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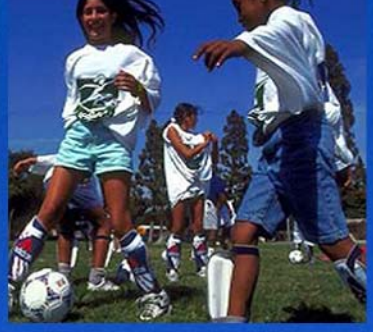


Review of national sport effort & resources

4. End game

4. End game

4.1 Timetable for action

Recommendation	2005/06 (Year 1)	2006/07, 2007/08 (Years 2, 3)
1a. National and local participation surveys	a. National survey commencing Jul 05; local commencing Oct 05	
1b. Benchmarked performance of LA facilities	b. CPA Culture block decision, May 05; likely to be included from 2006	
1c. M&E of investment and on-going research	c. Establishment of programme to improve evidence base, Jul 05;	c. Area based pilots, Oct 05-Oct 06
1d. Continuous improvement tools	d. Introduction of continuous improvement tools, Oct 05	
2a. Long-term marketing campaign	a. Appointment of stakeholder board, Jul 05; establishing funding commitments, end 05	a. Pilots from Apr 06; roll out of a single national campaign, from Apr 07; rolling evaluation and refinement subsequently
3a. Single system for sport in the community	a. Sport England funding, Oct 05; wave 1 CSPs (20) fully operational, Oct 05; wave 2 CSPs (25), Mar 06; 20 CSNs in place, Oct 05	a. Roll out of remaining CSN's, Mar 08
3b. Planning guidelines/promotion of community facilities	b. Engage ODPM asap	
3c. VAT position of dual use facilities	c. Engage HM Customs & Excise asap	
3d. Assessment of NIF to upgrade local sports facilities	d. Develop options to renew infrastructure, Oct 05; if NIF implemented, fully operational by Apr 06	
4a. Cross-departmental Sports Cabinet Committee	a. Cabinet up and running by Oct 05	
4b. Single national brand backed up by web portal and phone support		b. Promote in time for Beijing 2008; portal/contact centre scoped and operational by June 06
4c. Review of potential back office efficiencies	c. Commission cost-benefit study with recommendations by end 2005	
5a. NSF to leverage sponsorship revenues	a. Modus operandi decided, end 05; funds available from Apr 06	
5b. Service to assist sponsor engagement, incl. training	b. Equip NGBs asap	
5c. Government-endorsed criteria for socially responsible sponsorship	c. Consult on and publish guidelines, Oct 05	
5d. Communication of tax deductible opportunities for giving/sponsorship	d. Develop materials and promotional plan, Mar 06	

4. End game
4.2 Vision of the future

2004

England is a nation where…

- Healthcare costs associated with inactivity are over £8bn and there are 18m sick days taken every year
- 21% of adults participate in sport and physical activity 3 x 30 minutes/week
- 64% of children participate in sport and physical activity 7 x 60 minutes/week
- Team GB ranks 4th in Europe in Olympic medals won

2012

England is a nation where…

- Healthcare costs will be cut by at least £1bn p.a. and the economy will benefit from £100m in reduced sick leave
- 30% of adults participate in sport and physical activity 3 x 30 minutes/week
- 75% of children participate in sport and physical activity 7 x 60 minutes/week
- Team GB ranks 1st in Europe in Olympic medals won

1. Robust measurement and evidence, ensuring accountability from Government to local delivery, and driving investment

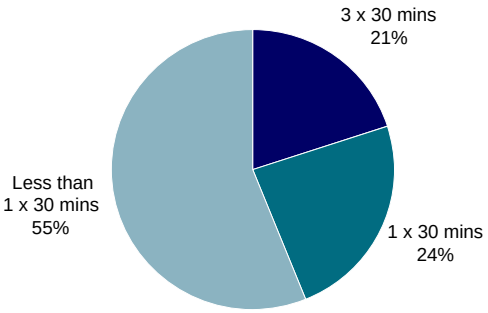
2. Sustained **promotional campaign**, encouraging physical activity and directing people to local points of engagement

3. Improved local delivery through a single system for sport in the community, connecting schools to community settings and deploying effective clubs, coaches and volunteers; simplified planning guidelines enabling **renewed infrastructure**, professionally managed for community benefit

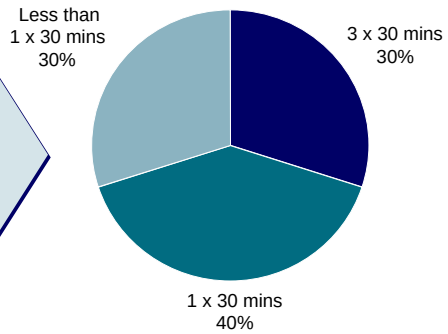
4. Co-ordinated Government leadership for sport, fronted by a **single brand** and supported by an efficient **back office**

5. Targeted incentives encouraging support of sport and **commercial assistance** to improve sponsor engagement

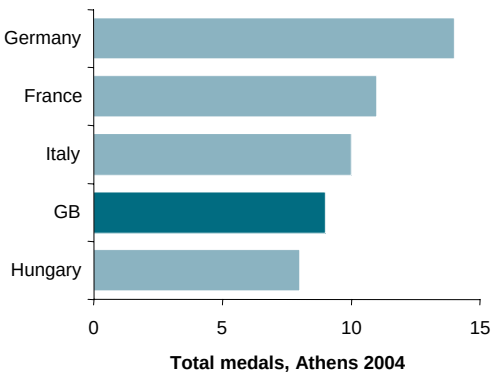
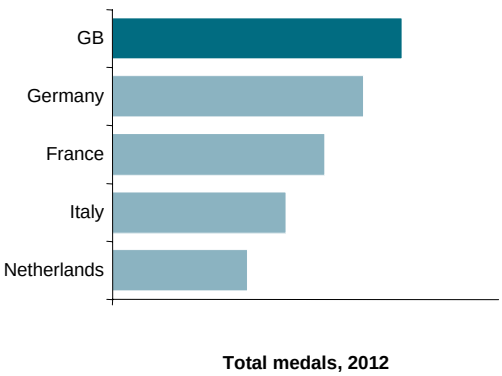
Participation



Participation



Elite success



Elite success