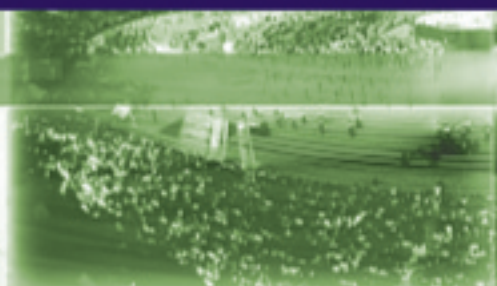




Game Plan: a strategy for delivering Government's sport and physical activity objectives



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FOREWORD BY THE PRIME MINISTER



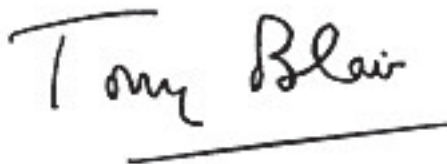
There are millions of people in this country who are passionate about sport – I am one of them, both as a player and as a fan. But the value of sport goes beyond personal enjoyment and fulfilment. Sport is a powerful and often under-used tool that can help Government to achieve a number of ambitious goals. We have to ensure that we are well equipped to do that.

We published *A Sporting Future for All* in 2000, which had a number of detailed proposals about where we wanted this country to get to, in terms of both participation and high performance sport. Successes have been achieved, but I believed that we could do even better. That is why I asked the Strategy Unit to consider our priorities, and to look in detail at how Government could play its part more effectively.

This is not, therefore, the Government's first in depth look at sport and nor will it be the last. But it is a thorough analysis of where we are now and an essential route map to get us to where we want to be in the future.

This report focuses on the importance of increasing grassroots participation for health benefits, estimating that physical inactivity currently costs the nation at least £2bn a year (or 54,000 lives lost prematurely). It highlights the central importance of Government working closely in partnership with those that provide sport – national governing bodies, clubs, schools, local authorities, the voluntary and the private sectors – to help deliver key outcomes. We cannot drive that step change in participation alone. Finally, it emphasises the need for less bureaucracy. There has been too much red tape in the past and it must be made easier to access funding, to find facilities to play in, and to develop individual potential.

The future is bright. Over £2bn of money from Government and the Lottery will be going into sport over the next three years. This is more than ever before. We have prioritised young people, and committed ourselves to ensuring that, by 2005, at least 75% of children will have the chance to participate in two hours of high quality sport and PE every week. I want to make sure we can be as ambitious for adults and sports professionals too. This report provides the foundation on which to build.



Tony Blair
Prime Minister

FOREWORD BY THE RT HON TESSA JOWELL MP, SECRETARY OF STATE FOR CULTURE, MEDIA AND SPORT

Sport defines us as a nation. It teaches us about life. We learn self discipline and teamwork from it. We learn how to win with grace and lose with dignity. It gets us fit. It keeps us healthy. It forms a central part of the cultural and recreational parts of our lives.

Because of our commitment to sport it is now receiving unprecedented levels of public funding – through both the Lottery and the Exchequer. This report is about how to get more of that cash to the front line and spend less on bureaucracy, on box ticking and procedures.

It makes some fundamental recommendations of how to reform the public and other structures which handle money in sport. And it presents our view of how we would like the sporting world to develop over the next 15 to 20 years. We can't get there alone. And nor should we. But with the help of governing bodies, local authorities and all the other organisations in sport, we are determined to achieve that.

Millions of us are involved in one way or another: as players, as coaches or officials, organising clubs, teams and fixtures, or just watching. Sport and physical activity can help the Government achieve key objectives. Crucially, it can help us tackle serious health issues. It can also help to contribute to other areas, such as crime reduction, social inclusion and help with the development of young people in schools.

But let's not lose sight of the value of enjoying sport as an end in itself. You don't need a business plan for that and we should not allow balance sheets and budgets to obscure that.

The Government is investing unprecedented amounts of money in sport and physical activity. Over £2 billion will be invested over the next 3 years. Even at a time of falling Lottery sales, that is a huge sum.

We must get the best value from that cash: the best for sport, the best for Government, and the best for those who take part. To do this we need to work with governing bodies of sport, local authorities, schools, sports clubs and the private sector.

Those involved in supporting and running sport have often been criticised for being inefficient, lacking vision and failing to develop common goals. Too often, too many organisations fail to join up their policies and their programmes. Too often, evidence on how to be most effective is lacking. Too often, initiatives lack sustainability. This means that children and young people miss out on the opportunity to enjoy sport, and we as a nation fail to identify future champions.

The Strategy Unit (formerly the PIU) was asked to consider these issues. I asked them to challenge our thinking and help us set clear priorities. Their aim has been to refine the Government's objectives for sport and physical activity, and to identify ways of improving the delivery of Government support. The report does not therefore seek to address every issue of importance to sport. It has not changed the policies established in *A Sporting Future for All*, launched in April 2000, and has built on the work of the recent *Cunningham Review* of support for elite athletes, and of the *Coaching Task Force*. Its terms of reference are at Annex A of the report.



The present position

In participation terms, we start from a low base. The simple truth is that comparable countries have more people playing sport. Only 32% of adults in England take 30 minutes of moderate exercise five times a week, as recommended by health professionals. There are great disparities within the population: participation is low amongst those with lower incomes and falls with increasing age.

That means we are a long way behind the best-achieving nations: in Finland the participation rate is high at 80% and actually increases with age.

But we shouldn't think that we are also-rans on the world sporting stage. Our performance in international sport is better than we sometimes recognise. Team GB's gold medal haul in the last Olympics was the best since 1920 and we have world champions in more than 50 sports. But we do less well in those sports with a high public profile. And while we host some of the world's greatest sporting events each year, problems have arisen with the so-called "mega-events" which require strong partnerships between sport, the private sector and public authorities if they are to be delivered successfully. No-one who was part of the memorable Manchester Commonwealth Games can argue with that. The strength of the partnership was unshakable and the Games were a wonderful advertisement for all that is best in British sport.

We can learn lessons from Australia. Their purposeful pursuit of sporting excellence, sustained by Government in partnership with sporting bodies, has resulted in Australia becoming, on a per capita basis, by far the most successful sporting nation in the world.

Let's not forget though, that Australia were in the deepest of sporting doldrums after their disastrous display at the 1976 Montreal Olympics. They set their stall out to get to the top. But they did so over a 20+ year period. There are no quick fixes. No magic formulae. Those of us who are in this campaign are in for a marathon, not a sprint.

Overall, the report recommends that the Government should adopt a 'twin track' approach of increasing participation in sport and physical activity and developing sustainable improvement in success in international competition, giving particular attention to identifying and nurturing those with sporting talent. We should aspire to match both Finland and Australia.

The benefits from sport and physical activity

More people taking part in sport and physical activity at all levels will bring a number of benefits. The report is clear that there is strong, systematic evidence of a direct link between regular physical activity and improved health for people of all ages. A 10% increase in adult activity would prevent around 6,000 premature deaths not to mention bringing economic benefits worth at least £2 billion a year.

As a constituency MP, I see local sports projects achieve extraordinary results. I agree with the teachers, police and community workers who all find that sport can also make a valuable contribution to the way people live their lives. It helps to improve all round educational performance, to build confidence, leadership and teamwork in our young people, to combat social exclusion, reduce crime and build stronger communities.

This report draws attention to the lack of systematic and comprehensive evidence to demonstrate these linkages and help policy makers understand exactly how they work. That is why I believe one



of its most important recommendations is that, if sport and physical activity are to be used to address these issues much more effectively, there must be stronger monitoring and evaluation of schemes to build a sound body of evidence and develop best practice.

Increasing participation

We must get more people playing sport, across the whole population, focusing on the most economically disadvantaged groups, along with school leavers, women and older people.

The report acknowledges that providing the best possible introduction to sport and physical activity when young is vital if people are to be active throughout their lives. Giving schoolchildren a choice of activities and ensuring they have high quality teaching and coaching are vital to creating an enjoyable experience of physical activity. Action has already started in schools, in line with the suggestions in the report. In particular, we have tripled the cash going into school sport which will help us to engage and enthuse many more pupils in the enjoyment of sport. We've already put hundreds of school sport co-ordinators in place up and down the country to rebuild our shattered structure of competitive school sport.

That programme will continue apace, and thanks to the last public Spending Review, is now part of core spending in the education system. It is a firm demonstration that this Government is in sport for the long term, not the quick fix.

We have to tackle the large drop-off in the numbers of people playing sport once they leave full-time education. Young people find it hard to continue their interests. That is why forging links between schools and local clubs is a central responsibility of School Sport Co-ordinators.

I recognise there is a pressing need to increase the availability of sports facilities. In some areas new facilities are needed and we need to be better able to identify gaps in provision. We will extend initiatives to make existing facilities, paid for with public money, more widely available – such as opening school facilities to the community. These are public assets and people must be able to use them.

But opening more facilities is not enough. We have to invest in people: more coaches, more leaders and more organisers who can engage, encourage and inspire people to gain the skills and confidence to take part.

Sport depends heavily on the commitment of thousands of volunteers and the Government's Step into Sport programme will improve the training and support we offer to them. But even good facilities and excellent staff will still not be enough to achieve the numbers of people playing sport that the UK needs. Many people will still feel that somehow sport is just not for them. These cultural and other barriers need to be dismantled.

Any effort to address these issues needs to respond to local conditions and opportunities. Local authorities, schools, sports clubs and the private sector are key providers of sport and physical activity.

These groups should be given the support and encouragement to develop plans which deal with the particular problems their communities face. They must have access to funding which supports local initiatives.



Sport and local government have long organised at this level, and grassroots participants look to local bodies to meet their needs. These partnerships need to be developed and improved. Part of the responsibilities of Sport England's new regional boards will be to nurture and extend their County Sports Partnerships and work effectively with other local agencies.

Sport and physical activity also touch on the concerns of a number of government departments and requires stronger joint working arrangements. The report recommends that the Government create a cross-departmental team on sport and physical activity to work with Sport England and other partners to develop initiatives and fund locally generated pilot programmes aimed at increasing participation amongst priority groups. This work will assess what will work best, and feed proposals into the next Spending Review.

Improving international performance

International sporting success helps generate pride and a sense of national identity, and a "feelgood factor". It also boosts the profile of a sport and increases interest in participation. But experience shows that such interest is rarely sustained as facilities are poor and clubs do not have the capacity to meet new demand.

If we are to build on our already strong performance in international sport we must be more systematic in spotting and developing talented competitors. Governing bodies should lead this work, against a talent development plan which avoids the damaging effects of over-specialising and over-competing at too early a stage, but recognises the differing requirements of individual sports when it is appropriate to do so. Talent development plans should, where appropriate reach deep down towards the grassroots of sport.

The measures to improve support for gifted and talented pupils in our schools, and the forging of closer links between schools and sports clubs, key responsibilities for School Sport Co-ordinators, will play an important part in this. As will talent scholarships, to deal with the obstacles facing too many talented children, especially from economically-disadvantaged backgrounds.

The report suggests that improvements are needed in the way high performance funds are allocated between different sports. At present the criteria emphasise sports where a large number of medals can be won, and give less weight to the level of public interest in the sport. The balance needs to be altered to target more popular sports as well as those that will lead the rise up the medal table.

Support for individual elite athletes through the UK Sports Institute needs to be efficient and customer focussed. It will become the centre of excellence that our athletes crave. First class facilities, delivered in a timely and worthwhile fashion.

The Institute is well on the way to being fully established and is already making a difference to many elite competitors. The report points to a number of concerns about possible duplication of functions. These clearly need to be investigated and action taken to resolve them. In the medium term, there should be a shift towards more customer-led funding to ensure that the Institute is efficient and responsive to the needs of the athletes.

We need to ensure that talent development and support for top competitors are organised in a way that meets their needs. Governing Bodies of sport are best placed to design such provision. They will be key delivery partners. Some governing bodies have strong management structures and



detailed business plans which show how they will contribute to achieving the Government's objectives for sport. Where this is so, they will have much greater autonomy over funding delegated to them against agreed priorities. This will be part of the move to increase the proportion of funds being allocated to sporting bodies on a "one-stop" basis: the funding of single plans for each sport, from grassroots through to elite levels. It is an illustration of how the Government wants to free sport of many of the trappings of bureaucracy that currently exist, while retaining accountability for public money. If you get public money then it comes with conditions.

Capacities differ however, and other governing bodies need help to build the capacity to deliver agreed objectives. The report emphasises the need to continue and build on the £7million governing body modernisation programme led by UK Sport. This Government, which established the programme is committed to continue and develop it.

The report echoes the call of the *Cunningham Review* to rationalise and simplify funding streams to governing bodies from the home country and UK sports councils, while suggesting that more should be made of opportunities to raise funding from other sources. We will explore with the devolved administrations the scope for implementing recommendations about rationalising funding to create "single plans" for each sport.

Support for major events

The UK regularly hosts successful major sporting events with little or no government involvement. But "mega events" such as the Olympic Games or World Athletics Championships can only succeed if central government is closely engaged from an early stage. To do this effectively, government needs to seek out and utilise the expertise that already exists and harness new skills to ensure that costs, benefits and risks are assessed before bidding takes place. We must have strong investment appraisal and project management capacity to ensure that the Government is closely involved and able to ensure effective control and monitoring.

The DCMS already has work in hand to improve delivery and ensure that it has access to the necessary skills and that appropriate teams are put together to manage the Government's involvement in major projects. A 20-year strategy for bidding for mega events will be part of our wider vision for sport over the next two decades.

Better delivery

The report points to the need for organisational reform to improve delivery, reduce bureaucracy and ensure that more money reaches those who take part in sport and physical activity. Structures need to be simplified. The capacity of key organisations, in both the public sector and governing bodies, to deliver needs to be increased, for example by acquiring new skills. There needs to be a clear delineation of responsibilities and an acceptance of the need for more effective partnerships.

The report points to the need for organisational reform in order to improve delivery, reduce bureaucracy and ensure that more money reaches sport. Structures need to be simplified and the capacity of key organisations, in both the public sector and governing bodies, to deliver needs to be increased, by acquiring new skills and in some cases increasing the resources available. There needs to be a clear delineation of responsibilities and an acceptance throughout of the need for more effective partnerships.



There is no doubt that in future, the delivery of programmes should be delegated to organisations responsible for the management of sporting activity such as local authorities and governing bodies. More of the available funding should go to sports with substantially less spent on operating costs by the sports councils, and accountability to Government should be strengthened.

Boosting participation at the grassroots will become Sport England's main purpose. UK Sport will develop further its role in promoting talent identification, development and elite performance. They will work closely with national bodies to build capacity, strengthen accountability and increase efficiency. A key recommendation of the report is the need to take an axe to the bewildering array of initiatives and funding streams, which have grown to unacceptable levels. One pot beats 79 pots of money any day.

The key role for my Department is to set priorities for the Government's sports policy. The formulation of strategy must be consultative, and involve the bodies that deliver sport and physical activity. Government should not run sport, and it should not normally intervene in the delivery processes. But there must be stronger accountability. We have already begun to respond to the call for enhanced capacity and greater priority for sport by appointing a Director of Sport: and further reforms will follow. In particular, we will initiate discussions with other departments to see how co-operation can be strengthened right across Whitehall.

Conclusion

The whole Government knows the value of sport. Value in improving health and tackling obesity. Value in giving young people confidence and purpose, to divert them from drugs and crime. And value in the lessons of life that sport teaches us.

My ambition for sport in the UK is to start a twenty year process of re-establishing this country as a powerhouse in the sporting world. A country that can look at the playground or the podium and feel a sense of pride. A country with the constant desire for improvement and the unshakable will to provide sport for all.

This, at the end of all years, is an aim we should all share. The Winter Olympic Games, the World Cup, and the Commonwealth Games in Manchester all demonstrated the power of sport to engage the nation. We can be proud of what our top athletes have achieved, but we cannot stand still.

This report has given us a blueprint for the structure of sport. Those of us who will work to carry that out must take our responsibilities seriously. But we should always remember that sport should be fun.

EXECUTIVE SUMMARY


1. Millions of people take part in sport and physical activity, both as a source of fun and to improve their health. Much of this happens without any involvement by government. However, government has a role to play in widening opportunities to participate, in developing talent, and in enabling our sportsmen and women to compete at the highest levels. The Strategy Unit's role has been to review in detail where and how government can best add value.
2. We conclude that government should set itself two overarching objectives:
 - a major increase in participation in sport and physical activity, primarily because of the significant health benefits and to reduce the growing costs of inactivity; and
 - a sustainable improvement in success in international competition, particularly in the sports which matter most to the public, primarily because of the "feelgood factor" associated with winning.
3. In order to achieve this we make recommendations in four areas:
 - **Grassroots participation:** a wide range of initiatives are needed, with a focus on economically disadvantaged groups, in particular young people (the focus of much current policy), women and older people. These need to tackle all the barriers to participation (such as lack of time, cost, information or motivation), as well as failures in provision (poor coaches or facilities).
 - **High Performance sport:** there needs to be a better prioritisation of which sports are funded at the highest level; better development of talented sportsmen and women to help them reach that level; with funding streams and service delivery more focused on customer needs.
 - **Mega sporting events:** there should be a more cautious approach to hosting these events. A set process for government involvement, including a clear assessment of the benefits is needed.
 - **Delivery:** organisational reform and determining exactly what works is needed before the Government considers further increases to its investment in sport. Less money should go to bureaucrats and more to the end user. Public, private and voluntary sectors need to work together better towards a common goal.
4. The report addresses the following questions:
 - *Where are we now?* The facts about sport and physical activity in the UK today, and where problems lie (chapter 1).
 - *Why do we care?* The benefits sport and physical activity brings, and when government should intervene (chapter 2).
 - *Where do we want to be?* The vision for sport and physical activity in 2020 (chapter 3).



- *How are we going to get there?* Recommendations for participation, high performance sport, mega sporting events (chapters 4-6); and for delivering recommendations in all three of these areas (chapters 7-8).

Where we are now: the state of sport today

5. The quality and quantity of participation in sport and physical activity in the UK is lower than it could be, and levels have not changed significantly over recent years:
 - For sport: only 46% of the population participate in sport more than 12 times a year, compared to 70% in Sweden and almost 80% in Finland.
 - For physical activity: only 32% of adults in England take 30 minutes of moderate exercise five times a week, compared to 57% of Australians and 70% of Finns.
6. Young white males are most likely to take part in sport and physical activity, and the most disadvantaged groups least likely. For example:
 - participation falls dramatically after leaving school, and continues to drop with age. But the more active in sport and physical activity you are at a young age the more likely you are to continue to participate throughout your life;
 - women are 19% less likely to take part in sport and physical activity than men;
 - the impact of social group is significant, with levels of participation almost three times higher for professionals than manual groups; and
 - ethnic minority participation is 6% lower overall than the national average.
7. The UK's performance in international sport is better than we often think. Based on an index of success in over 60 sports across 200 countries, the UK is ranked third of the world's sporting nations (behind USA and Australia). The UK has also performed well in the Olympics. Based on its population and GDP, it gained 10 more medals than would be predicted for the Sydney games. However, we are not as successful in the sports we care most about.
8. The UK successfully hosts major sporting events each year (such as Wimbledon or the London Marathon), with little government involvement. Problems have arisen with the so called "mega events" (Olympics, FIFA World Cup, UEFA European Championships, World Athletics Championships and the Commonwealth Games) where there is a requirement for significant infrastructure investment. Historically, there has been poor investment appraisal, management and co-ordination for some of these events.
9. Total government and lottery expenditure on sport and physical activity in England is estimated to be roughly £2.2bn a year. A significant proportion of this is distributed via local authorities. However, the funding of sport and physical activity is fragmented. Furthermore, money from the lottery and TV rights is decreasing and local government leisure budgets may also be squeezed. In contrast, there is major public investment planned for school sports facilities.
10. Broadly speaking, sport and physical activity is delivered through four sectors: local government, education (schools, FE and HE), the voluntary (clubs and national governing bodies of sport) and private sectors. The role of the health sector in physical activity is also



important. However, government's interaction with these sectors is through a complex set of organisations with overlapping responsibilities and unclear accountability. The situation is further complicated at the international level, because some sports compete as UK/GB, some as Home Countries and some as both.

11. Throughout the sport and physical activity sector the quality and availability of data on facilities, participation, long term trends, behavioural and other factors is very poor. This does not invalidate the case for action, but weakens the ability to make decisions fully based on evidence.

Why do we care: benefits and the role for government

12. Why should government invest in sport and physical activity? Because they have a major part to play in promoting health, and as part of a basket of measures can contribute to improved educational outcomes, reduced crime and greater social inclusion:
 - The benefits of physical activity on health are clear, well evidenced and widely accepted. 30 minutes of moderate activity five times a week can help to reduce the risk of cardiovascular diseases, some cancers, strokes and obesity. Estimates put the total cost to England of physical inactivity in the order of at least £2bn a year. Conservatively, this represents about 54,000 lives lost prematurely. A 10% increase in adult activity would benefit England by at least £500m a year (saving about 6,000 lives). These estimates exclude the costs of injuries. The burden of physical inactivity is an increasing problem, as the continuing rise in obesity and other inactivity-related health challenges demonstrates. As these escalate, so will the costs of physical inactivity.
 - Education plays a key role in affecting levels of participation. Equally, there is some evidence that sport and physical activity can benefit education. Evidence of benefits in crime reduction and social inclusion is less clear. This is not to say these benefits do not exist, but it is difficult to isolate and assess the impact of sport and physical activity in these areas. Experience suggests that where such benefits exist they can be best achieved by using sport and physical activity as part of a wider package of measures. By themselves, they do not necessarily produce the desired outcomes. There is a pressing need to improve our understanding of these linkages.
 - The role of sport in generating a “feelgood factor” through international sporting success also appears to be significant (if difficult to quantify). The flip side of this is a “feelbad” factor if there is poor performance. International success does not appear to stimulate sustained economic benefits (such as increased productivity or consumer confidence).
 - The benefits of hosting mega sporting events, whether economic, social or cultural are difficult to measure and the available evidence is limited. If major new facilities are needed, the economic and regeneration benefits of hosting mega events must be carefully weighed against all costs, including opportunity costs.
13. The interactions between participation, international competition and hosting events are unclear. For example, international success does not appear to stimulate *sustained* increases in participation; and hosting events does not appear to lead to increased long-term success. Without strong links, separate policies are needed to address each area.



14. The existence of benefits to society does not mean government should necessarily intervene in sport and physical activity. Intervention is justified when:
- it corrects “inefficiencies” in provision by the private or voluntary sectors (such as the health costs of inactivity); or
 - it addresses inequality of access or opportunity (eg. differences in participation between social groups).

Government should not seek to replicate the activities of the private or voluntary sectors.

Where do we want to be: a vision for sport and physical activity in 2020

15. Given this justification of government’s role, our long term vision for sport and physical activity by 2020 is: *“to increase significantly levels of sport and physical activity, particularly among disadvantaged groups; and to achieve sustained levels of success in international competition”*. The message is simple: get more people doing more and increase our success rate in top level competition. This gives us three distinct aims:
- **To encourage a mass participation culture** (with as much emphasis on physical activity as competitive sport). A benchmark for this could be Finland, which has very high quality and quantity of participation, particularly among older people. Our target is for 70% (currently ~30%) of the population to be reasonably active (for example 30 minutes of moderate exercise five times a week) by 2020.
 - **To enhance international success.** A benchmark for this could be Australia, which has achieved disproportionate levels of international success. Our target is for British and English teams and individuals to sustain rankings within the top 5, particularly in more popular sports.
 - **To adopt a different approach to hosting mega sporting events.** They should be seen as an occasional celebration of success rather than as a means to achieving other government objectives.
16. These aims for government are long term. They also need to be put in the context of government as a partner of the voluntary and private sectors.

Developing our sports and physical activity culture

17. To develop a sport and physical activity culture will require significant behavioural change, probably only achievable over a 20 year period.
18. Participation levels need to be raised for the whole population; but interventions should focus on the most economically disadvantaged groups, and within those especially on young people, women and older people. There is much work currently ongoing in the area of school sports, but not for adults. The most sedentary groups will gain the most from a small rise in activity.



19. A range of actions are needed to achieve change. Targeting only one area (eg. facilities) will not be enough. A holistic approach should address:
 - the barriers which prevent people from participating (problems of time, cost or lack of information or motivation); as well as
 - failures in provision (poor supply of sporting opportunities, facilities or coaching staff).
20. Different policies are needed for different target groups. For young people the aim should be to develop “sports literacy” (this is an ability across a range of skills, with an emphasis on quality and choice), building on current government work in schools. But work with young people in schools will not, in itself, be enough. Adults should also be targeted, with the aim of enabling as many people as possible to become lifelong regular participants.
21. Examples of interventions that should be implemented are better use of existing facilities (such as opening up school facilities out of hours); initiatives to encourage employees to take part in physical activity through the workplace; direct subsidy for targeted individuals; or greater opportunities for healthy travel such as walking or cycling.
22. To develop mass participation policies and determine what works, we recommend:
 - establishing a cross departmental Sport and Physical Activity Board (SPAB), working with a wide range of partners, particularly in the health sector in order to develop proposals for the 2004 Spending Review;
 - implementing a package of initiatives aimed at adults in the community, including extending availability of school facilities, subsidising individuals and providing consistent information;
 - commissioning a series of robustly evaluated pilot programmes to build an evidence-base. Pilots should be directly commissioned, and an innovation fund should be established to support local ideas; and
 - collecting robust information to enable monitoring and evaluation. This should include a national facilities database; and an annual national survey of participation and fitness. It should be supported by nationally commissioned long-term research, to consider further issues such as the relationship between sport and physical activity and crime reduction.

Enhancing international success

23. Many factors affect the UK’s international success in high-performance sport. Three changes can improve our chances.
24. First, there needs to be a clearer prioritisation of which sports receive public money for high-performance sport. The present approach to funding places emphasis on sports where lots of medals can be won, even though they may command little interest among the wider public. We recommend that a portfolio approach is adopted, with factors such as potential and popularity having more bearing on investment strategy.
25. Second, talented young athletes need to be helped to reach the elite level. We propose a more systematic approach to talent identification and development, led by governing bodies on a sport by sport basis. Where they do not already, they should adopt a single framework which avoids young people over-competing or specialising in single sports too early. There will need to be continued co-ordination, particularly between clubs and schools, to achieve this.



26. Third, funding and service delivery need to be more focused on customer needs. The situation is complicated by devolution. Accepting this, five areas of change will build a new partnership with National Governing Bodies (NGBs), and make the current system more focused on the needs of athletes:
- *A simplification of which sports are funded at a UK and which at a devolved level:* NGBs should decide whether in principle they will be funded at a UK or a devolved level. Subject to agreement by the Sports Cabinet, talent development funding for at least seven out of 23 “overlap” sports should pass to UK Sport.
 - *Implementation of a “one-stop plan” approach to NGB funding:* Those sports which compete at UK level should develop sport-specific one-stop plans, to ensure a collective approach to funding above the grassroots level.
 - *Continued NGB modernisation*, to develop more efficient and effective bodies. This may lead to a reduction in overall NGB numbers, taking account of the need for home country NGBs.
 - *Better co-operation and co-ordination* between the Home Countries, through the sports councils and the “Sports Cabinet” (the body which enables political co-ordination between the home countries on sport); as well as with other delivery partners.
 - As a medium term goal, the English Institute of Sport should, where appropriate, be funded by its customers (NGBs and athletes) rather than funded direct by Sport England. The role of the UK Sports Institute central services team should be reviewed, and where possible be taken on by other deliverers such as the BOA.

Improved approach to mega events and major facilities

27. UK Sport should continue to support a wide variety of major events. But, given the size of investment required, central government should always be involved from the earliest stages if the UK bids for the biggest (mega) events. A new approach to investment in such events is needed. This should include:
- a new mega events and projects centre of expertise within DCMS, reporting to Ministers there and in the Treasury. Central government will consequently be actively involved from the beginning of any proposed mega event project. It should cover cultural as well as sporting events, and have the expertise to evaluate bid proposals, assess winnability and oversee any investments;
 - a long term strategy which sets out those mega events which the government will *consider* supporting over the next 20 years; and
 - an improved approach for all parties at each stage of the event lifecycle: bidding, delivery and evaluation. This process should be based on agreed methods, and overseen by the mega events centre of expertise.




Improving the organisation and delivery of sport and physical activity in the UK

28. Despite making the case for investing in sport and physical activity, before more government funds are invested, organisational reform is needed. Currently, multiple statements of strategy lead to confusion; complex structures lead to inefficiency; staff do not have the right skills; and many management systems could be improved.
29. More funds should go direct to the end user at the frontline of sport, rather than being spent on bureaucracy. For sporting bodies, particularly Sport England and UK Sport, there should be less duplication of function; a clear separation between fund distribution and service delivery; better co-operation and co-ordination; better accountability to government and customers; and increased organisational effectiveness and efficiency.
30. Central government should establish:
 - a clear framework of accountability with funding bodies through revised funding agreements;
 - better co-ordination mechanisms between departments (given the relevance of sport and physical activity to other departments' goals); and
 - enhanced capacity and greater priority for sport and physical activity in DCMS.
31. Sport England and UK Sport should be investors rather than deliverers of services, and as such be smaller bodies with substantially reduced operational costs. Savings should go to the sports user. They should not themselves deliver products, services or programmes unless there is no other possible delivery agent. They should also have:
 - smaller boards with more non-executive business expertise, to aid scrutiny; and
 - customer rather than programme-based funding; revised lottery criteria focusing on the twin priorities of mass participation and enhanced international success; increased delegation of decision making to a regional level.
32. Other national bodies should have clear performance indicators and be funded on the basis of delivery. Government investment should be used to drive modernisation and wider partnership working with the voluntary and private sectors.
33. There should be a non-directive approach to local provision, with more use of performance framework tools such as public health focused targets and local PSAs.
34. In summary, government has an important role to play in sport and physical activity as a partner with the voluntary and private sectors. It does so mainly for the health benefits they yield to the nation. Reform will take us towards the twin-track goal of increased mass participation and improved international success.
35. The new director of sport in DCMS will be responsible for overseeing implementation of the report's recommendations, reporting to the Secretary of State for Culture, Media and Sport. Some issues will need to be the subject of further discussion by a Cabinet Committee, and (where the devolved administrations are affected) the "Sports Cabinet".

1. WHERE ARE WE NOW: THE STATE OF SPORT TODAY

Summary

- The quality and quantity of participation in sport and physical activity in the UK is lower than it could be, and levels have not changed significantly over recent years:
 - for sport: only 46% of the population participate in sport more than 12 times a year, compared to 70% in Sweden and almost 80% in Finland;
 - for physical activity: only 32% of adults in England take 30 minutes of moderate exercise five times a week, compared to 57% of Australians and 70% of Finns.
- Young white males are most likely to take part in sport and physical activity, and the most disadvantaged groups least likely. Participation falls dramatically after leaving school, and continues to drop with age. But the more active in sport and physical activity you are at a young age the more likely you are to continue to participate throughout your life.
- The UK's performance in international sport is better than we often think. UK Sport's index of success places us third in the world. However, we are not as successful in the sports we care most about.
- The UK successfully hosts major sporting events each year (such as Wimbledon or the London Marathon), with little government involvement. Problems have arisen with the so called "mega events" (Olympics, FIFA World Cup, UEFA European Championships, World Athletics Championships and the Commonwealth Games) requiring significant infrastructure investment. Historically, there has been poor investment appraisal, management and co-ordination for some of these events.

- 
- **Total government and lottery expenditure on sport and physical activity in England is estimated to be roughly £2.2bn a year. A significant proportion of this is distributed via local authorities. The funding of sport and physical activity is fragmented and some strands of funding may not be sustainable as money from the National Lottery and TV rights is decreasing and local government budgets are being squeezed. In contrast, there is major public investment planned for school sports facilities.**
 - **Broadly speaking, sport and physical activity is delivered through four sectors: local government, education (schools, FE and HE), the voluntary (clubs and national governing bodies of sport) and the private sectors. The role of the health sector in physical activity is also important. However, government's interaction with these sectors is through a complex set of organisations with overlapping responsibilities and unclear accountability. The situation is further complicated at the international level because some sports compete as UK/GB, some as Home Countries, and some as both.**
 - **Throughout the sport and physical activity sector the quality and availability of data on facilities, participation, long term trends, behavioural and other factors is very poor. This does not invalidate the case for action, but weakens the ability to make decisions fully based on evidence.**

Introduction

1.1 Sport and physical activity are important to many people. They provide enjoyment. They contribute to the health of the nation. When delivered with other initiatives, they may play a part in reducing crime and increasing educational attainment. They can also create a sense of national pride and prestige. There is strong evidence for some benefits. But in other areas, data is poor and further work is needed.

1.2 Government does not run sport, and it is not clear whether it should be involved at all in some aspects of sport. The four key deliverers of sport and physical activity are: local authorities, the education sector, the voluntary sector

(sports clubs and national governing bodies of sport) and the private sector. Government works with these partners to implement a range of policies. But there has been no overall strategic framework to use when making choices between different sporting priorities.

1.3 As a result, the Prime Minister asked the Strategy Unit (SU) to review Government's policy for sport. The team members and methodology are at Annex A.

1.4 Two further issues framed the scope of the report: the definition of sport, and devolution.

The definition of sport

1.5 There are many different definitions of sport. The Council of Europe defines it as: *“all forms of physical activity which, through casual or organised participation, aim at expressing or improving physical fitness and well-being, forming social relationships, or obtaining results in competition at all levels”*. Other definitions such as “physical activity” and “active recreation” are also used by the many agencies involved in delivering sport:

- Physical activity refers to any activity involving movement including walking, housework, manual labour and so on.
- Active recreation refers to any physical activity carried out in leisure time including activities such as dancing or walking.

1.6 We adopt the Council of Europe definition but also define “physical activity” in its broadest sense. We use “high-performance sport” to mean all competitive activity from the level of talent development up to international competition.

Implications of devolution

1.7 Sport policy is a devolved matter. This report therefore concentrates on government sports policy and delivery in England. However it is not possible to undertake a review of English sports policy, structures and systems without considering the wider UK position. The Home Countries come together to compete as part of a Great Britain (GB) or UK team for several key events (most notably the Olympics). Hosting major events is a devolved issue, although given their size, some mega events can have an impact at a UK level. The home countries are also conducting their own reviews of sport.¹

1.8 Given this, we have not excluded completely the other home countries from our

report and, indeed, in sections of our report, we specifically address the opportunities and challenges arising from devolution. However, all our recommendations and conclusions are based on an analysis of the situation in England, unless otherwise stated.

The state of sport and physical activity today

1.9 In this chapter, we set out key facts regarding participation, international success, and hosting events in the UK. In each of these areas outcomes are mixed relative to international benchmarks. We also consider the levels of public funding for sport and physical activity, and describe the agencies through which they are delivered.

1.10 The greatest challenge in assessing the state of sport and physical activity has been the lack of reliable data. The quality and availability of information on long-term trends in participation, facilities and patterns of behaviour is poor. As we discuss in chapters 2 and 4, although this does not invalidate the case for action, it weakens our ability to develop evidence-based policy interventions.

Grassroots participation could be improved

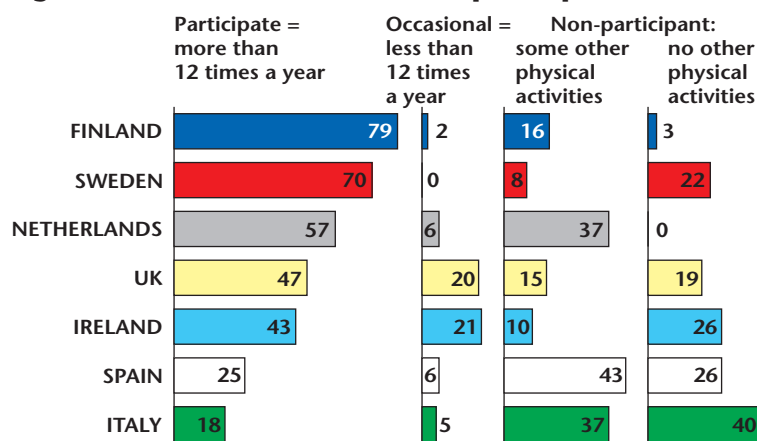
1.11 We turn first to grassroots participation in sport and physical activity. Compared to several other countries the UK has low levels of participation and great variations exist between different segments of society.

Compared to Scandinavia, UK performance is poor

1.12 A number of comparative studies show that participation in physical activity in the UK

¹ For example, in Wales there is currently a Quinquennial Review of the Sports Council for Wales, a Culture Committee Review of Sport in Wales, and work towards delivering a Welsh Assembly Government Strategy for Sport. The Scottish Executive is implementing a review of the strategy of sport in Scotland.

Figure 1.1: UK ranks middle in EU participation



Source: Compass 1999

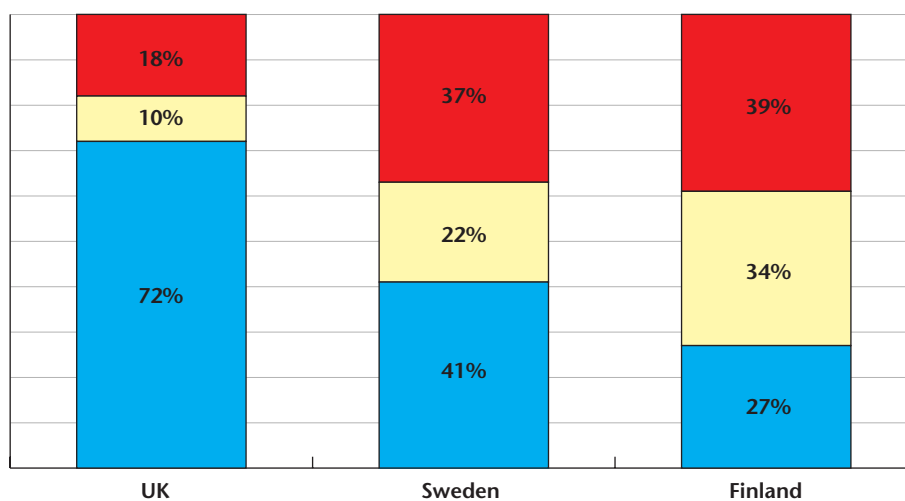
is higher than that of some European countries. However, compared to Scandinavian countries, participation in sports and physical activity is low (see Figure 1.1). The picture is that of a north/south divide with those countries most similar to Britain in terms of culture and

weather achieving greater levels of participation.

1.13 Not only are the levels of participation in the UK lower than those in Scandinavia. Both regularity and quality of participation in the UK is significantly lower as the figure below shows.

Figure 1.2: UK participants do less regular, less intense activity²

All adults 16+



Source: Compass 1999

Intensive Regular Occasional/rare

² Intense >120 times/year, regular >60<120, occasional and rare <60 times/year.



1.14 It is difficult to compare these findings with levels of physical activity in other countries due to a lack of standardisation in methods, samples and definitions. However, three recent surveys give a reasonable indication of the relative performance of the UK:

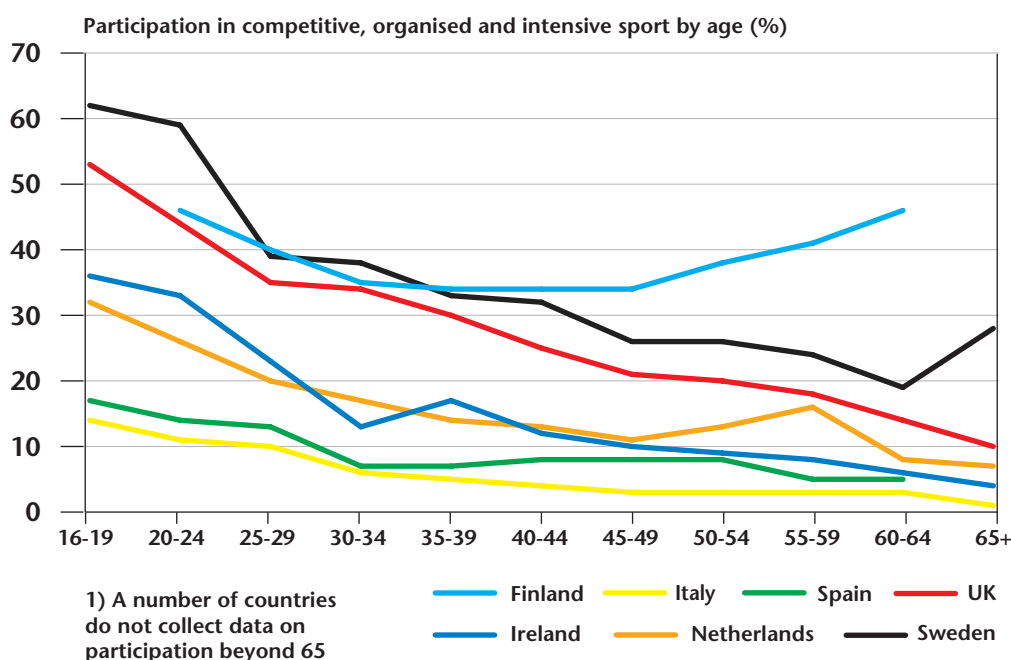
- 70% of Finns report undertaking at least 3 hours per week of exercise or physical activity during their leisure time.³
- 57% of Australians report undertaking at least 2.5 hours a week of moderate and vigorous physical activity (includes non-leisure time activity).⁴
- 32% of adults in England reported taking 30 minutes of “moderate exercise” five times a week.⁵

1.15 Allowing for the differences in definitions and time, the message is still clear. The UK population is, on average, less active than a number of other countries which indicates that there is room for improvement.

Age has a significant impact on participation

1.16 In common with some other European countries, participation at grassroots level drops as individuals age. However, as Figure 1.3 shows, this does not need to be the case. In Finland and Sweden participation in organised and competitive sport actually increases amongst older people, due to the focus placed on this group in these countries.

Figure 1.3: Participation in competitive and organised sport declines with age in most EU countries



³ National Public Health Institute Health Behaviour and Health Amongst Finnish Adult Population (2001). A survey of 5000 individuals carried out in Spring 2001 with a 70% response rate.

⁴ Bauman A, Bellew B, Vita P, Brown W, Owen N *Getting Australia Active: towards a better practice for the promotion of physical activity* (2002). Figure based on a national survey of 3,590 individuals undertaken in 2000 with a 80% response rate.

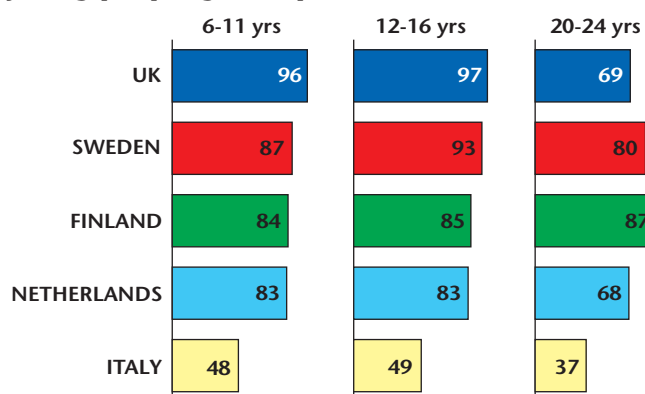
⁵ Department of Health *Joint Health Surveys Unit* (1999). This figure is comparable with the 28% regular and intensive activity found in the Compass survey.

1.17 The fall in sports participation with age is worrying because individuals reduce their chances of maintaining health and agility and being able to live independently into their old age. However, comparing 1999 results with similar work undertaken in 1977 shows that more people are now participating in sport as they get older.⁶ This may show that people who are exposed to a wide range of sporting activities in their youth are more likely to continue to participate throughout their lives – the “sports literacy” effect. People who are in

the older age groups in the 1990s were more likely to be “sports literate” than those who were in the equivalent age groups in the 1970s.⁷

1.18 Focusing on young people, participation is quite high compared to other countries. However, there is a dramatic drop in participation once they leave school (see Figure 1.4). This drop is higher in the UK than a number of other European countries.⁸

Figure 1.4: Levels of activity decrease as young people grow up



Source: Compass 1999

Participation amongst women is particularly low

1.19 Figure 1.5 shows that for most sport and physical activity, participation is higher amongst men. Swimming and keep fit/yoga are notable exceptions.

1.20 Compared to other countries, the UK does not perform too badly although participation rates for females are lower than Scandinavia.

1.21 When a comparison of intensive participation is undertaken,⁹ the gap between UK males and females is greater than any other country in the Compass sample apart from the Scandinavian countries, where the gap is in the opposite direction, as shown in Figure 1.6.

⁶ Rodgers B *Rationalising Sports Policies, Sport in its Social Context, International Comparisons* (1977).

⁷ Ibid.

⁸ As shown in the Compass report.

⁹ Intensive refers to an annual frequency of participation of >120 per annum but not at a competitive level.



Figure 1.5: Levels of female participation are generally lower than male

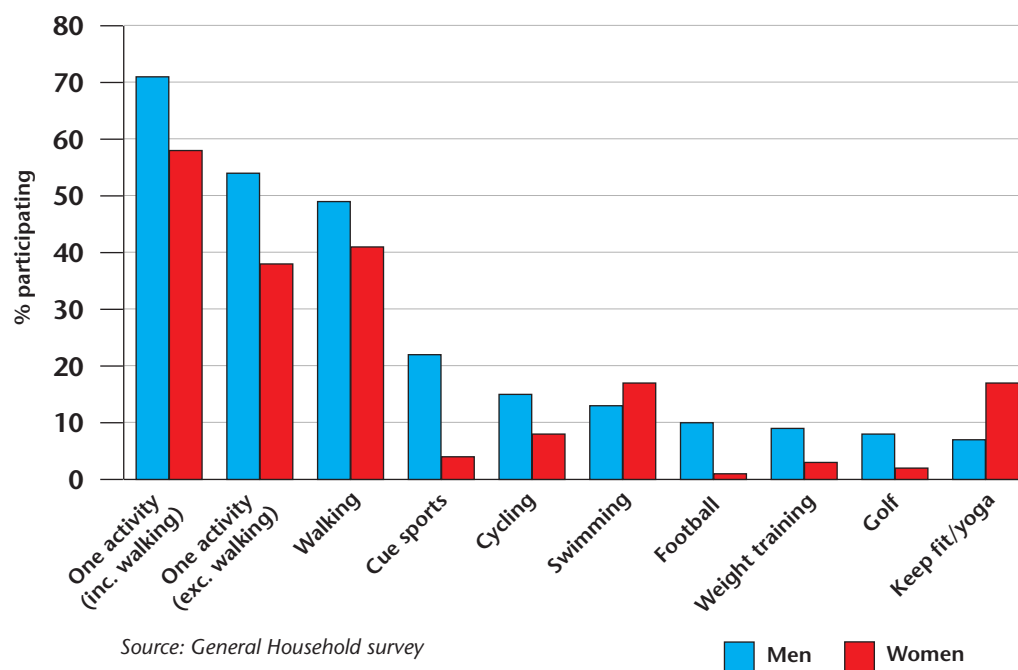


Figure 1.6: Intensive participation by gender varies across the EU

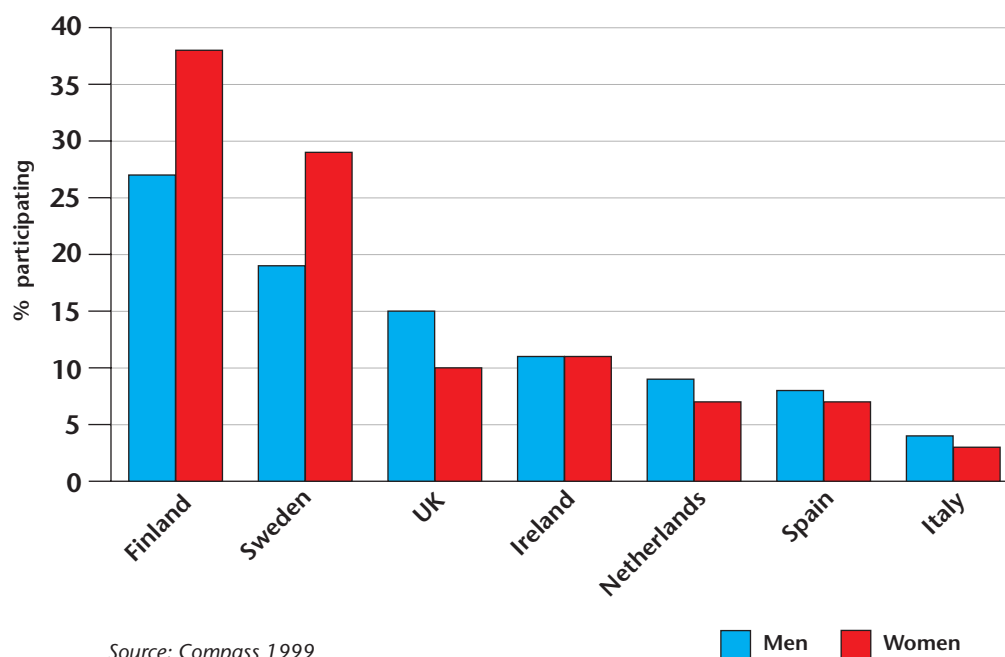
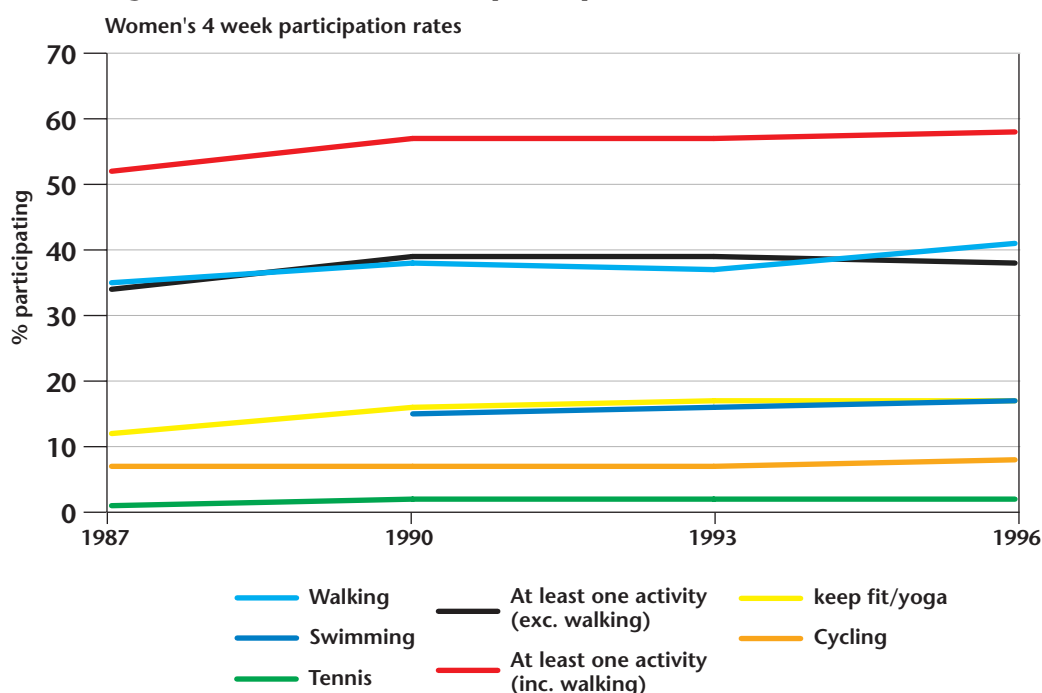


Figure 1.7: Trends in female participation – selected activities



Source: General Household Survey 1996

1.22 Changing trends in female participation can be difficult to track fully due to a lack of up-to-date comparable data. Using the information contained in the 1996 General Household Survey, however, it appears that participation rates are relatively static, with modest increases in some activities (see Figure 1.7).

Participation varies with socio-economic group

1.23 Not surprisingly, propensity to participate in sport varies across social groups as Figure 1.8 below shows. Furthermore, the link between gender and social class appears to be increasingly significant when looking at participation rates through this lens.

1.24 Generally, individuals in the DE socio-economic group have poorer health and mortality rates than those in the other groups, therefore the health benefits of participation in physical activity are particularly important for this group.

Ethnicity and disability affect levels of participation

1.25 For ethnic minority groups overall, the participation rate in sport is 40% compared with a national average of 46%. This varies across the sexes and there is significant variation between different ethnic groups (see Figure 1.9).

1.26 Indian (31%), Pakistani (21%), and Bangladeshi (19%) women in particular have a lower involvement in sport than the national female average of 39%.

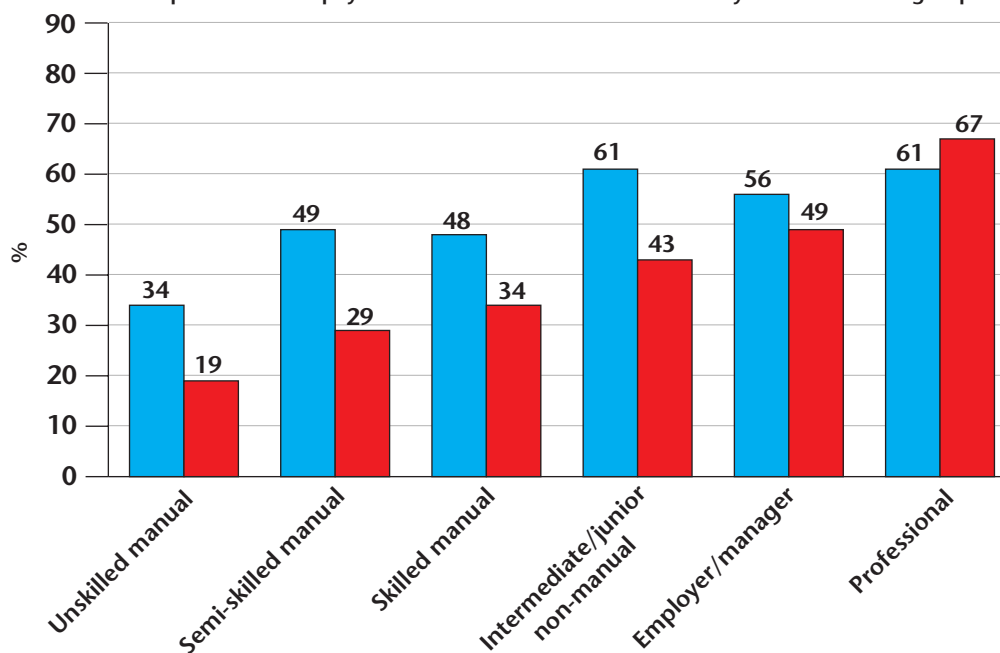
1.27 Sporting patterns are also different for different ethnic groups, for example participation rates in football amongst all ethnic groups is higher than the national average, whereas for swimming it is lower.

1.28 A national survey by Sport England (2000) revealed lower levels of participation in sport among the young disabled compared with the rest of the population (see Figure 1.10). The most popular sports for the young disabled are



Figure 1.8: Participation varies with socio-economic group

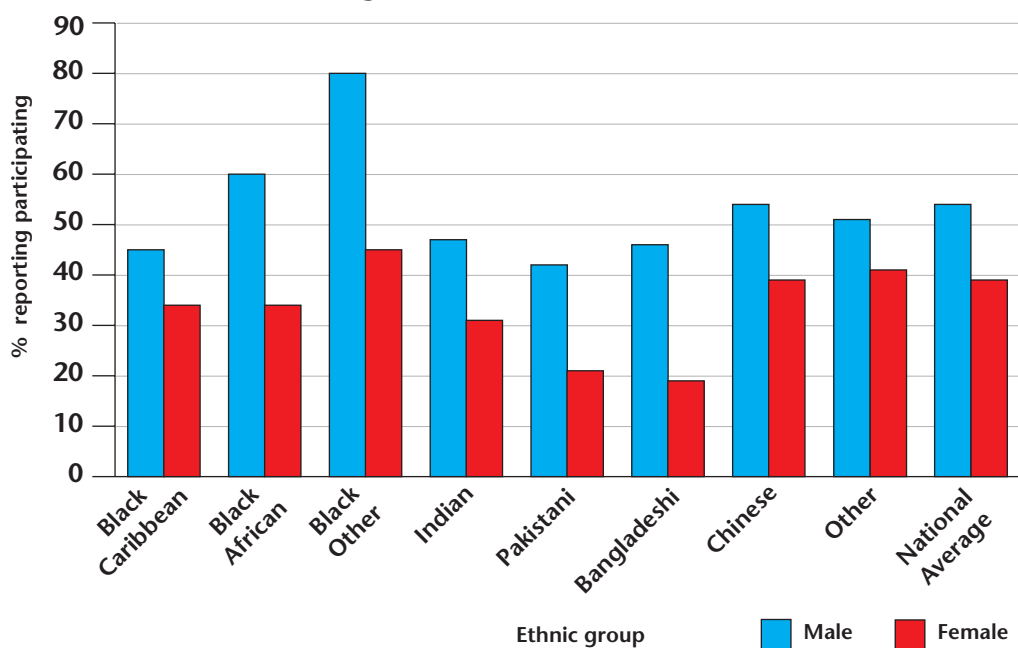
Participation rates in physical activities in the last four weeks by socio-economic group



Source: Centre for Leisure Research, GHS

Male Female

Figure 1.9: Ethnic minority participation is generally lower than the UK average



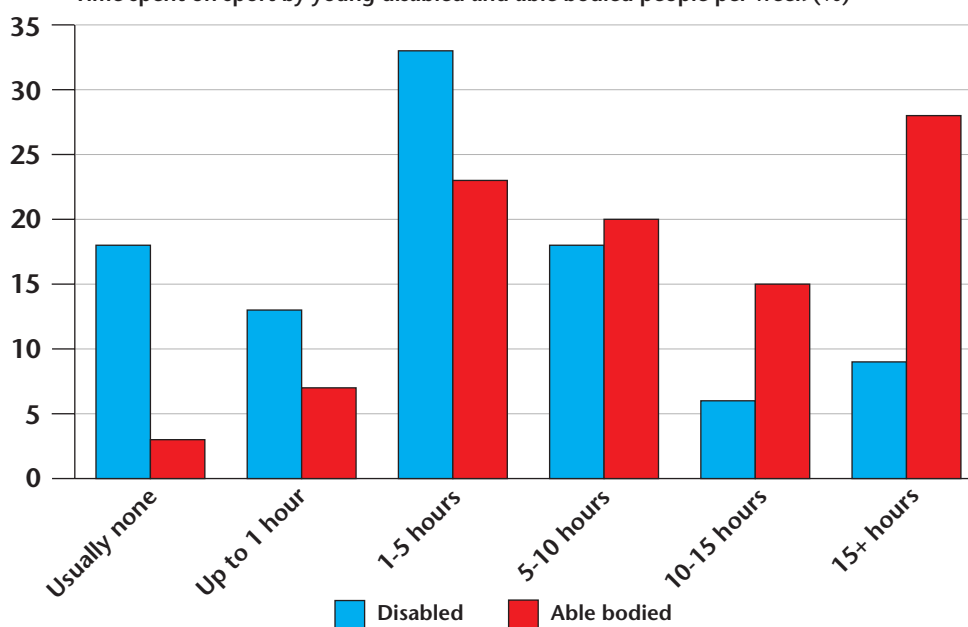
Source: Sport England's Sport Participation and Ethnicity in England – National Survey 1999/2000

horse riding and swimming, where participation levels are higher than in the overall population of younger people. However, these are sports which tend to organise events specifically for people with disabilities. Participation in other sports alongside the non-disabled is low.

1.29 Levels of sports participation vary amongst men and women and people in different socio-economic and ethnic groups. There are also wide variations between young disabled people and their non-disabled counterparts.

Figure 1.10: Young disabled people have a low rate of participation

Time spent on sport by young disabled and able bodied people per week (%)



Source: Sport England's Disability Survey 2000 – Young People with a Disability and Sport

1.30 In addition overall levels of participation in physical activity are low compared to other countries.

1.31 If we need to increase participation in sport and physical activity across the population, then there is a particular need to target specific groups who are below the national average.

International success is better than perceived

1.32 Here we provide a snapshot of the UK's position in terms of international success. It is better than perceived, but not always in the most popular sports. This position has been achieved during a period of changing arrangements for funding and supporting athletes and the final impact of these changes may not become apparent for a number of years.



The UK appears to be highly ranked in the world of international success

1.33 Defining and measuring international success is difficult. UK Sport has a World Sporting Index which awards points for success based on each country's share of medal success or top 3 placings (male and female) in 60 sports (see Figure 1-11).

1.34 Based on this index, the UK is ranked third in the world. But we do not perform as well in the sports that are of most interest to the general public. The *Sporting Preferences* survey, undertaken by UK Sport in April 2001, sought to identify those sports in which the general public preferred to see success. When a world ranking built on these sports is compiled, the UK slips to 10th place.

Figure 1.11: UK ranks third, on one measure

	World ranking (across 60 sports) 2002	World ranking (by UK's 10 most popular sports) 2001
1	USA	USA
2	Australia	Australia
3	United Kingdom	France
4	Russia	New Zealand
5	Germany	Russia
6	France	Brazil
7	China	China
8	Italy	Norway
9	Canada	South Africa
10	New Zealand	United Kingdom

Source: UK Sport

1.35 In the last 15 years the UK has not won the Football World Cup, the Football European Championships, the Rugby Union World Cup, the Ashes, or had a Wimbledon or grand slam tennis tournament winner. These are the sorts of tournaments by which success is judged, and perhaps the reason France and Australia are seen as countries to emulate is the fact that they have won these major competitions in recent years. Therefore whilst we perform well in some sports, until these teams actually win major events, it is possible that the UK will always be perceived as underachieving.

1.36 Research conducted by Sport England on behalf of the Lottery Unit supports this view. This study asked adults to rank specific world sporting events in terms of how important they felt it was that the country achieved success. This research shows the high degree of preference for success in specific sports such as

football, athletics, tennis and rugby (see Figure 1.12).

Olympic performance is in line with expectations

1.37 Olympic success has been correlated closely to GDP and population size.¹⁰ UK Olympic performances appear to be lagging in terms of medals per population, relative to a sample of competitors (see Figure 1.13).

1.38 However medals per head of population does not take account of the resources that might be available to spend on sport. Other research (see Figure 1.14) used GDP per head to predict medal wins at Sydney. This model showed that if a comparison is undertaken of medals compared to GDP per head,¹¹ the UK actually performed well at the Sydney Olympics, winning 28 medals compared to a prediction of 18.

¹⁰ Bernard AB and Busse MR *Who wins the Olympic Games: Economic Development and Medal Totals* (2000).

¹¹ Adjusted for home advantage and the impact of being a past communist country.

Figure 1.12: We most want to win at football

	Proportion of adults %	
	Most important	Ranked in top four
Football World Cup Finals	36	61
World Athletics Championships	16	53
Wimbledon	9	43
Rugby World Cup	7	35
World Motor Racing Championships	6	28
Cricket World Cup	5	33
World Snooker Championships	3	17
World Swimming Championships	2	22

Source: Sport England Attitudes towards sport, selected findings (2002)

Figure 1.13: UK had a low medal per capita ratio at the Sydney Olympic Games...

Country	Gold	Silver	Bronze	Total	Population (millions)	Medals per million
Australia	16	25	17	58	19.1	3.04
Sweden	4	5	3	12	8.9	1.35
Romania	11	6	9	26	22.3	1.17
Germany	13	17	26	56	81.9	0.68
France	13	14	11	38	59.0	0.64
UK	11	10	7	28	59.1	0.47

Source: DCMS research (to support the national coaching taskforce)

1.39 In Sydney 2000, there were 13 more medals than Atlanta 1996 and 98 more personal bests. In the year before Sydney, 39% of athletes were ranked in the top 10, versus

52% before Atlanta. Athletes (87% of the Sydney Team) believed that Lottery funding had a positive impact on their preparation and performance.¹²

Figure 1.14: ...but UK “overachieved” using more sophisticated predictions of medals per GDP/head of population

Country	Predicted medals	Medals won	Over/under achievement
Russia	59	88	29
China	49	59	10
UK	18	28	10
Australia	52	58	6
Netherlands	19	25	6
Canada	23	14	-9
Spain	18	11	-7
Germany	63	57	-6

Source: See footnote 10

¹² BOA Athletes Commission Report, Sydney 2000 Olympic Games.



The hosting of mega events has not always been successful

1.40 Mega events¹³ have recently been a particular area of concern for the Government, with Wembley and Picketts Lock at centre stage. However, this concern needs to be taken in context. The UK is one of a small number of countries in the world that regularly stages successful major international events (see Figure 1.15).

1.41 Several smaller facilities and stadia have been part of wider regeneration plans. Frequently, other developments are linked to these through Section 106 Planning Agreements. The Commission for Architecture and the Built Environment cites the examples of:

- the relocation and development of Arsenal FC which has helped to regenerate a derelict site and provide new housing; and
- the Walker stadium's role in regenerating Bede Island in Leicester.

1.42 Understandably, the failure to win the bid to stage the FIFA 2006 Football World Cup, the loss of staging rights to the 2005 World Athletics Championships and the lengthy deliberations over the construction of an English National Stadium focused attention on sporting events and major facilities. However the recent Commonwealth Games in Manchester were regarded as a success and an example of what could be achieved (see Figure 1.16).

1.43 Historically, the problems arising have been due to poor investment appraisal, management and co-ordination of some of these mega events. Better cost-benefit and winnability assessments, clear delineation of management roles and responsibilities and the need for a multiplicity of government interventions all point to the need for early and effective government engagement in these large projects.

Figure 1.15: The UK hosts many successful sporting events

- **Calendar Events** The UK has an impressive track record for hosting many of the world's most recognised calendar events eg. the All England Tennis Championships at Wimbledon, the London Marathon, FA Cup Final, British Open Golf Championship, and British Formula 1 Grand Prix.
- **One-off events** In hosting the 1996 European Football Championships and the 1999 Rugby Union and Cricket World Cups, the UK has also demonstrated that with facilities in place, it can also deliver one-off large scale, international events.
- **Showcase Events** The UK has continued to successfully host 'showcase' type events with recent examples being the 2001 World Modern Pentathlon Championships and the 2001 World Senior Amateur Boxing Championships. The 2003 World Indoor Athletics Championships will be held in Birmingham.

¹³ 'Mega' Events consist of the Summer Olympics, FIFA World Cup, UEFA European Championships, IAAF World Athletics championships and the Commonwealth Games. These events are awarded, after competitive bidding, to an International Federation and often involve significant infrastructure investment.

Figure 1-16: The Manchester Commonwealth Games

The 2002 Commonwealth Games were widely regarded as a success, portraying a positive image, particularly of Manchester. The Games:

- had an estimated global TV audience of over 1 billion;
- sold over 90% of the public ticket allocation (almost 750,000 tickets in UK alone);
- was the largest Commonwealth Games ever with 17 sports, 5,900 athletes and officials; and
- met its commercial revenue targets.

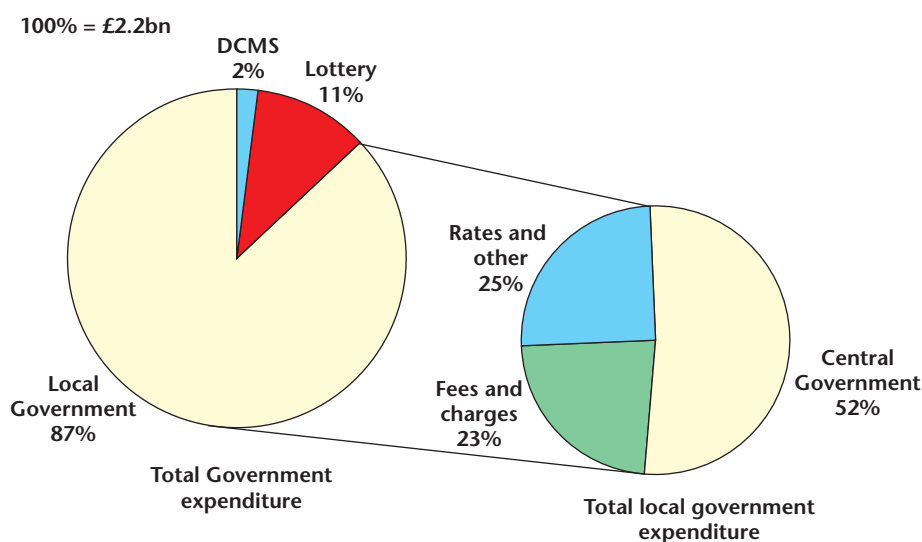
In the aftermath, studies have been commissioned to ascertain the sporting benefits arising from Games, and to review the organisational arrangements. Ensuring that the Games' facilities had a robust legacy was a top priority, with ongoing funding arrangements for the venues. Over time it will become clear whether the pre-Games legacy and regeneration forecasts have materialised, but it is too early for that analysis so soon after the Games' completion.

The funding of sport and physical activity is fragmented

1.44 Sport and physical activity is funded from a variety of sources. Government is a major funder. The voluntary sector makes a significant unpaid contribution. The private sector has

played a major role particularly in the health and fitness sector. TV and sponsorship money has increased significantly in recent years, although much of this is directed at football and Formula 1 motor racing.

Figure 1.17: Estimated government and lottery expenditure on sport and physical activity, 2000



Source: DCMS, Leisure Industries Research Centre¹⁴

¹⁴ Total expenditure on sport has been estimated based on lottery grants, sports council allocations, local government expenditure on leisure and recreation, education, sundry policing and grants to local clubs, sundry central government expenditure through departments such as MOD, Royal Parks and the prison service.

Sport receives significant funding from government sources

1.45 Government is a major funder of sport and physical activity in England.

1.46 Figure 1.17 shows that in 1999-2000 total government and lottery expenditure on sport was about £2.2bn. This amount should be treated with caution, as precise figures are not consistently identified in budgets.¹⁵ As can be seen from the diagram, almost 90% of Central Government expenditure was channelled through local government, although half of this amount (£1,015m) was received by local government as part of their block grant from central government.¹⁶ The remainder of local government spend was raised through rates, fees and charges. Lottery funding amounted to around £237m in 2000. In 2002 this figure increased significantly due to the monies allocated to school sport through the New Opportunities Fund.

1.47 These calculations emphasise two important points:

- the role of local authorities has in the past been underestimated. They are the major source of funding; and
- actual public sector spend on sport and physical activity is significantly higher than is often claimed, and many commentators only cite the relatively small amounts channelled through the sports councils (under 5%).

1.48 The fragmented nature of sports funding makes it difficult to carry out a direct comparison of expenditure in England in relation to other countries.¹⁷ Existing comparisons only take account of the funding streams provided by the sports councils and the lottery for each country. Given the different approaches to funding adopted by each country, such comparisons are based on incomplete information and cannot be regarded as telling the full story.¹⁸

The funding of sport in England overall has increased

1.49 Funding for sport has increased overall in the last 10 years, especially with the advent of the Lottery. Exchequer funding through Sport England and UK Sport has also increased (see Figure 1.18). Sponsorship and TV rights have increased significantly, although they are concentrated in a few popular sports, primarily football and Formula 1 motor racing.

1.50 Central government expenditure is planned to increase to support investments in schools. However, the TV rights market and sports sponsorship may have reached a peak. The bulk of these go to football and Formula 1 motor racing. This possible decline, combined with decreasing Lottery receipts (see below) mean that government funding will become increasingly important for several sports in the next few years.

¹⁵ The central government figures exclude amounts spent through DoH on health related physical activity programmes, the Home Office on crime diversion and the FCO on promoting UK abroad. There may also have been elements of expenditure incurred under headings such as 'neighbourhood renewal' but it would be impossible to extract such figures and allocate a proportion to sport.

¹⁶ Roughly 50% was contained within the central government block local government allocation for Environmental Protective and Cultural services and 40% within the local government education block for use in school sport.

¹⁷ It is not appropriate to compare the funding of national institutes or councils as, in many cases, substantial additional funding is provided through other channels (ie. local government). For example, the total budget for the French Ministry for Young People and Sport in 2001 was 3401m francs, roughly £340m. This equates to around £5.60 per head. The sports council budgets (Sport England and UK Sport) for 2001 equates to approximately £1 per head (excluding lottery). However if lottery funds and local government expenditure on sport (as reported by local councils) were included this figure would rise to approximately £23 per head. Therefore to undertake a realistic comparison of England and France, an analysis of French regional and/or local government funding would be required.

¹⁸ See for example CCPR, *Everybody Wins: Sport and Social Inclusion* (2002), which asserts that government spends only £1.38 per capita on sport. This only takes account of sports council funding.

Figure 1.18: Exchequer funding for sport has increased in recent years

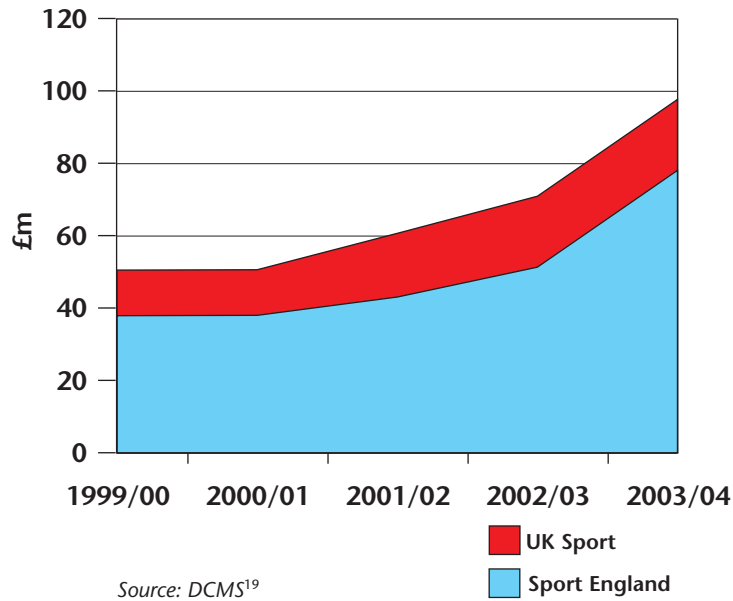
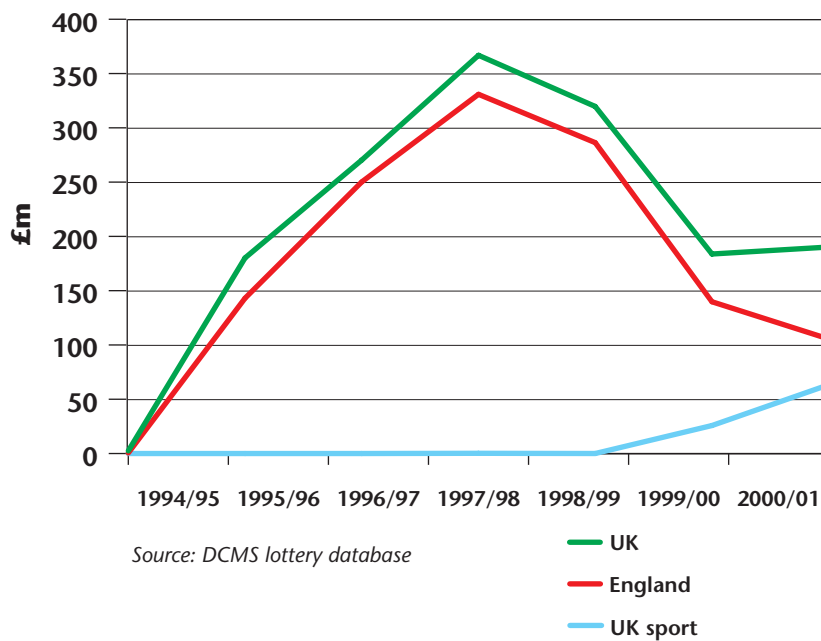


Figure 1.19: Sport lottery awards by year, UK and England



¹⁹ Excludes £30m in 2002-3 for Commonwealth Games.

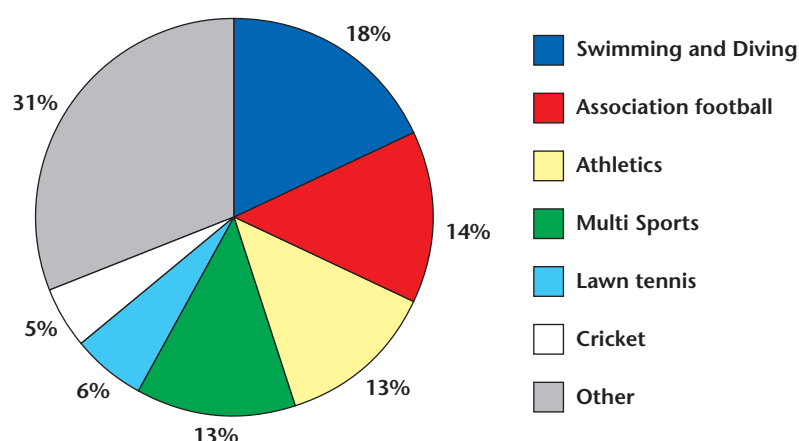
National Lottery awards are significant but prioritisation is unclear

1.51 Since the inception of the National Lottery in 1994, the amounts allocated to sport have varied depending on ticket sales, peaking in 1997-98. Declining lottery receipts have meant declining income for Sports Councils in recent years (see Figure 1.19).

1.52 Future plans for sport lottery expenditure assume an annual amount of £200m to be available for sport in the UK. In addition however, government has allocated £750m for the UK, of which £541m is for England, through the New Opportunities Fund for the development of sport facilities in schools.²⁰

1.53 To date, approximately 70% of lottery funding has been allocated to six sporting areas (see Figure 1.20).

Figure 1.20: 70% of lottery funding has gone to 6 activities since its inception (100% = £1.2bn)



Source: DCMS lottery database²¹

1.54 The top six categories of expenditure are: football, swimming, athletics, multi-sports, tennis and cricket. There is no clearly articulated strategic reason for the funding of these sports compared to others, and allocation has historically been led by applications. The interaction between lottery funding and funding from private sources is not obvious as some of the sports which are supported by lottery

funding also attract large amounts of private monies (eg. football) while others are very dependent on public resources (eg. cycling).

1.55 Furthermore, 22% of the £1.2bn of lottery money going to sport has gone into 5 major infrastructure facilities.²²

²⁰ The introduction of NOF meant that the "six good causes" received 16.25% each of funds. Although this represents a reduction from the 20% which Sport England originally received, sport has benefited significantly from NOF funding streams.

²¹ The amount awarded to football includes the £120m awarded to the FA for Wembley, which would benefit rugby league and athletics also. Multi-sports refers to expenditure on facilities that can be used for more than one sport, typically a sports hall with facilities for, say, football, basketball and cricket.

²² English National Stadium, Manchester Sport City (Commonwealth Games), Sheffield National Network Centre, Nottingham Ice Arena, Manchester Aquatics Centre (Commonwealth Games).

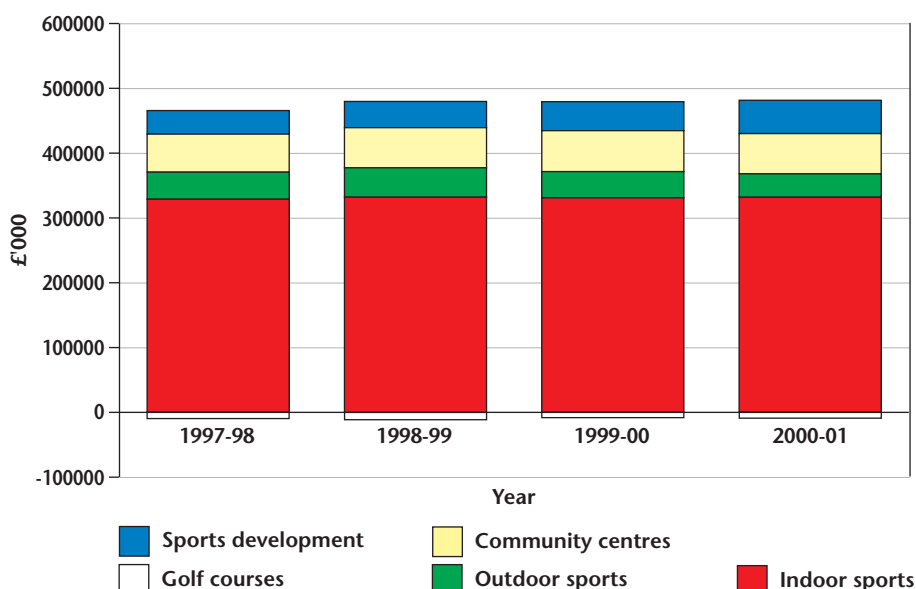
Local government expenditure

1.56 Direct, identifiable spending on sports (including indoor, outdoor and sports development) by local authorities has increased slightly over time in cash terms (see Figure 1.21). However this increase does not match the increase in the leisure services Retail Policy Index over the same time. It is also notable that

there is a high level of funding for indoor sports.

1.57 Additional local government expenditure may be incurred through other local government budgets but these amounts would not be readily identifiable as sports expenditure.

Figure 1.21: Expenditure by local authority leisure departments has remained relatively static



Source: CIPFA leisure and recreation statistics estimates

The above figure shows expenditure after user charges (hence the negative expenditure on Golf) and excluding capital charges

Figure 1.22: Value of volunteering

Type of sports volunteer	Volunteer hours (m) per year	Value of volunteer hours at £8.31 per hour (£m)
Governing bodies and sports clubs in 94 sports	165.5	1,375
International events hosted in the UK	0.3	2
Disabled sport	3.2	26
Schools	2.6	21
Youth organisations	11.6	96
Total	183.2	1,522

Source: Leisure Industries Research Centre (1996)



The value of volunteering is significant

1.58 Grassroots delivery depends critically on the voluntary sector. The UK has a network of 110,000 community amateur sports clubs run by 1.5m volunteers.²³ The value of the voluntary sector is difficult to estimate and has not often been accurately measured.

1.59 However, the value that volunteers add to the sector can be estimated by considering the cost of replacing volunteer labour with paid staff. But even this is difficult as there is no real market measure and most volunteers forego their leisure time to work unpaid. The LIRC²⁴ study (Figure 1.22) uses average hourly earnings as a proxy for the hourly cost of stewards.

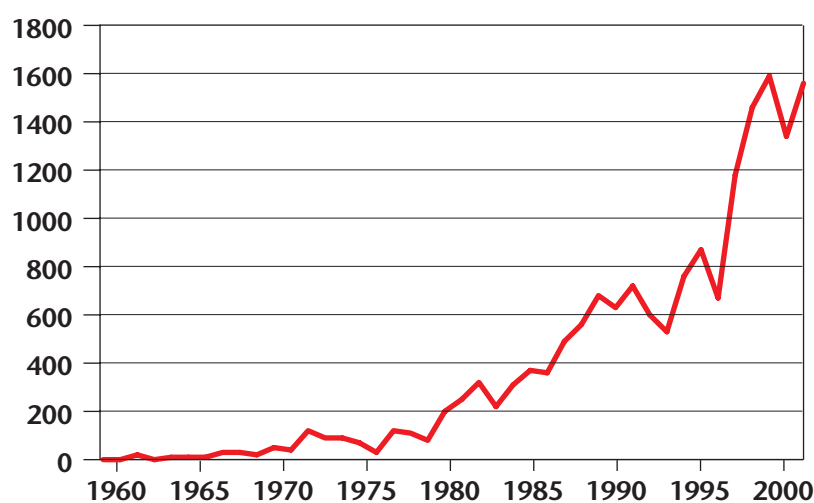
The impact of the private health and fitness sector is significant

1.60 The growth in private health and fitness clubs since 1980 is substantial with 1,791 private health clubs in the UK in 2001 and 720 more in the planning stages compared to a minimal number in 1980. Membership of private clubs has increased by 21% between 2000 and 2001 and almost 3 million people are members of such clubs. The chart below shows the growth of private health and fitness clubs, which was particularly dramatic in the 1990s.

1.61 This compares to public health and fitness centres of which there are 2,268, with 2.4m members.

1.62 If the growth trend in the private sector continues, private provision will become more widespread and may provide an alternative to public provision.

Figure 1.23: Private health clubs in the UK 1960-2001



Source: Leisure Database Company

²³ CCPR *Everybody Wins* (2002).

²⁴ Taylor P, Shibli S, Michels G, and Gratton C *Valuing Volunteers in UK Sport, a Sports Council survey into the voluntary sector in UK* (1996).

Structures for delivering sport are complex

1.63 The structures for administering and delivering sport in the UK are extremely complex. They have evolved, ad hoc, over a long period of time. Figure 1.24 shows the bodies responsible for sport in England.

1.64 Broadly speaking, sport and physical activity is delivered through four sectors: local government, education (schools, FE and HE),

the voluntary (clubs and national governing bodies of sport) and private sectors.

1.65 Sport in the UK is largely devolved. This means that the four home countries each have the power to set different sports policies. A Sports Cabinet (chaired by the Secretary of State for Culture, Media and Sport) meets twice-yearly to co-ordinate high-performance sport at the UK level. This is discussed further in Chapter 5.

Figure 1.24: Key organisations involved in sport in England

National (Government)	National (Non Government)
<ul style="list-style-type: none"> • DCMS • Other Government Departments 	<ul style="list-style-type: none"> • UK Sport • UK Sports Institute • Sport England • English Institute of Sport • National Governing Bodies (NGBs) • National Sports Organisations (NSOs), inc. Youth Sport Trust, CCPR and SportscoachUK
Regional	Local
<ul style="list-style-type: none"> • SE Regional Offices • Regional Cultural Consortia • Regional Sports Boards • Government Offices • Regional Federations of Sport and Recreation • County Partnerships • NGB regional and county level 	<ul style="list-style-type: none"> • Local Authorities • NGB local level • Local Sports Councils • Local Sports Clubs and Associations • Private Health and Fitness Clubs • Further and Higher Education Institutions • Schools (private and state)



1.66 Central government is responsible for the overall development of sports policy in England as is laid out in *A Sporting Future for All* – the Government’s national strategy for sport. DCMS leads on decisions about the allocation of exchequer funds for sport. ODPM also has a role to play in funding sport through local government allocations, although there is no specified level of funding laid down for local authorities; and DfES plays an important part in funding physical education and school sport. All government departments work towards the achievement of targets set out in their Public Service Agreements.

1.67 There are five Sports Councils in the UK, which form the link between government and the sports organisations. They are NDPBs,²⁵ operating at ‘arms length’ from government, though expected to account for their decisions and explain them to government, Parliament and the general public:

- UK Sport focuses on high-performance sport at the UK level, to achieve sporting excellence at international level. It also develops sporting policies that have a UK-wide application, notably on drugs and major events.
- The home country sports councils (Sport England, **sportscotland**, the Sports Council for Wales and the Sports Council for Northern Ireland) distribute government funding and lottery funding.
- The sports councils have three-year funding agreements with their sponsor departments which set out their objectives and targets.

1.68 National Sports Organisations are independent of government and represent different interest groups. Most of them are charitable, and often rely on Sport England for much of their funding. Among the most significant are the Central Council of Physical Recreation (CCPR) – which is the umbrella organisation for National Governing Bodies – and the British Olympic Association (BOA), which through the provisions of the Olympic charter co-ordinates the preparation of British teams for the Summer and Winter Olympics.

1.69 Each sport has at least one National Governing Body (NGB), which oversees rules and competitions and delivers funds with a focus on coaches, officials and administrators. There are over 300 governing bodies for the 112 sports recognised in the UK.²⁶ This is because there are specific subsets of some sports (for example representing women or specialities within the sport); and also because of Home Country representation. In some cases this represents legitimate specialisation, but it also means that for every sport there are often competing and rival organisations bidding for resources. Sports Councils give money to NGBs to deliver key programmes: for example, English NGBs received around £12m from Sport England in 1999-2000; and UK level NGBs received two thirds of UK Sport lottery spend in 2000-01.

1.70 There are several regional bodies that have a direct interest in sport:

- **Sport England’s Regional Offices** are directed by Sport England central office and provide regional advice and assessment.

²⁵ NDPBs (Non Departmental Public Bodies) are bodies which have a role in the processes of national Government, but are not government departments or part of one, and which accordingly operate at arm’s length from Ministers.

²⁶ This is lower than the figure of 400 sometimes cited. CCPR represents 265 NGBs.

- **9 Regional Sports Boards** (RSBs) have been established (with grant-aid support from Sport England) to bring together key regional sports stakeholders, to provide a voice for sport in each region. Their membership varies from 25-45 per region and includes regional agencies, local authorities, the voluntary and the private sectors. They have no executive function, and work in partnership with the Regional Development Agencies and Regional Assemblies. The senior officers of the RSBs meet several times a year as the English Sports Forum.
- Many RSBs have overseen the establishment of **County Partnerships** (of which there are 45) to deliver Sport England programmes in partnership with Local Authorities and other sub-regional stakeholders, such as the county-level arms of NGBs.
- Each **Government Office** in the Regions has a DCMS representative (who has responsibility for the full range of DCMS policies including sport).
- There are also **Regional Cultural Consortia** which bring together the activities of DCMS in the regions. They are charged with drawing up a strategy for the future of culture in the region. The chair of the RSB usually represents sport on this forum.
- **Regional Federations of Sport and Recreation** bring together representatives of Governing Bodies at the Regional and County level, as well as the regional arms of other National Sports Organisations. Individual NGBs also have regional and county structures. But they do not conform to a uniform structure, so there is wide variation with overlapping boundaries.

1.71 Sport and leisure is not a statutory duty for local authorities. However, local authorities are key providers and enablers of sport and recreation services to local communities, working in partnership with the voluntary and private sectors. They are the biggest provider of sports facilities and provide opportunities through sports development teams and officers, who work with the voluntary sector, schools and community. Recently, much local authority sports policy has emphasised the role of sport as a lever for community development. The National Service Framework for Coronary Heart Disease assigns a role for local health communities (including local authorities and led by PCTs) to deliver local programmes to increase physical activity and reduce obesity.²⁷

1.72 Sport and leisure is the responsibility of Metropolitan Authorities, London Boroughs, Shire Unitary Authorities and District Councils. This leads to a situation whereby, in two-tier areas, districts are responsible for sport, but counties are responsible for issues such as education and strategic planning which impact on sport.

1.73 Professionally or voluntarily run local clubs, many of which are affiliated to NGBs, provide most of the sporting opportunities at non-high performance levels. It is estimated that there are currently 110,000 sport clubs in the UK, mostly run by volunteers. There are an estimated 1.5 million volunteers working in these clubs, which is three times the number working in paid employment in sports-related activity. Recent research by the CCPR estimates that the number of sports clubs has declined by 40,000 since 1996.²⁸

²⁷ Department of Health *The National Service Framework for Coronary Heart Disease* (2000).

²⁸ CCPR *Boom or Bust? Voluntary Sport in peril* (2002).



Conclusion

1.74 This chapter highlights a number of areas where there is scope for improvement. They are:

- increasing mass participation in sport and physical activity;
- improving success in popular sports;
- improving the approach to hosting mega events;
- simplifying the fragmented funding arrangements; and
- reforming the organisational framework.

1.75 The next chapter examines the benefits to society from making improvements in these areas and sets out government's role in stimulating the changes needed.

2. WHY DO WE CARE: BENEFITS AND THE ROLE FOR GOVERNMENT

Summary

- Why should government invest in sport and physical activity? Because they have a major part to play in promoting health, and as part of a basket of measures, can contribute to improved educational outcomes, reduced crime and greater social inclusion:
 - The benefits of physical activity on health are clear, well evidenced and widely accepted. 30 minutes of moderate activity five times a week can help to reduce the risk of cardiovascular diseases, some cancers, strokes and obesity. Estimates put the total cost to England of physical inactivity in the order of at least £2bn a year. Conservatively, this represents about 54,000 lives lost prematurely. A 10% increase in adult activity would benefit England by at least £500m a year (saving about 6,000 lives). These estimates exclude the costs of injuries. The burden of physical inactivity is an increasing problem, as the continuing rise in obesity and other inactivity-related health challenges demonstrates. As these escalate, so will the costs of physical inactivity.
 - Education plays a key role in affecting levels of participation. Equally, there is some evidence that sport and physical activity can benefit education. Evidence of benefits in crime reduction and social inclusion is less clear. This is not to say these benefits do not exist, but it is difficult to isolate and assess the impact of sport and physical activity in these areas. Experience suggests that where such benefits exist they can be best achieved by using sport and physical activity as part of a wider package of measures. By themselves, they do not necessarily produce the desired outcomes. There is a pressing need to improve our understanding of these linkages.
 - The role of sport in generating a “feelgood factor” through international sporting success also appears to be significant (if difficult to quantify). The flip side of this is a “feelbad” factor if there is poor performance. International success does not appear to stimulate sustained economic benefits (such as increased productivity or consumer confidence).

- The benefits of hosting mega sporting events, whether economic, social or cultural are difficult to measure and the available evidence is limited. If major new facilities are needed, the economic and regeneration benefits of hosting mega events must be carefully weighed against all costs, including opportunity costs.
- The interactions between participation, international competition and hosting events are unclear. For example, international success does not appear to stimulate sustained increases in participation; and hosting events does not appear to lead to increased long-term success. Without strong links, separate policies are needed to address each area.
- The existence of benefits to society does not mean government should necessarily intervene in sport and physical activity. Intervention is justified when it corrects “inefficiencies” in provision by the private or voluntary sectors (eg. to reduce the health costs of inactivity); or it addresses inequality of access or opportunity (eg. differences in participation between social groups). Government should not seek to replicate the activities of the private or voluntary sectors.

Benefits of sport and physical activity

“The futility of arguing whether sport is good or bad has been observed by several authors. Sport, like most activities, is not a priori good or bad, but has the potential of producing both positive and negative outcomes...Questions like ‘What conditions are necessary for sport to have beneficial outcomes?’ must be asked more often.”¹

2.1 There is a widely held belief that sport can confer a broad range of economic and social benefits on individuals, communities, and the nation as a whole.² As the (then) English Sports Council claimed in its strategy document, *England, the Sporting Nation* (1997): “the benefits of sport are well rehearsed – national identity and prestige, community development, personal challenge, as well as economic and

health benefits. Sport is a central element in the English way of life.”

2.2 We consider three ways of engaging in sport and physical activity:

- Playing sport and being active recreationally.
- International success.
- Hosting events.

2.3 In this chapter we examine the benefits arising from each of these activities and how these categories interact with each other.

2.4 Many participants in the sporting world refer to the concept of:

- sport for good – referring to the use of sport to achieve greater social objectives; and
- sport for sport – referring to participation in sport as an end in itself.

¹ Patriksson G Scientific Review Part 2 *The Significance of Sport for Society – Health, Socialisation, Economy: a scientific review* prepared for the 8th conference of European Ministers responsible for sport, Lisbon, 17-18 May 1995, Council of Europe Press (1995).

² Collins MF, Henry IP, Houlihan B and Buller J Sport and Social Exclusion (1999).

2.5 We consider that these definitions are unhelpful and have chosen not to use them. Instead we focus on the benefits and disadvantages at the individual, the community, and the national level arising from all aspects of participation in sport and physical activity.

2.6 However, as set out in Figure 2.1, difficulties in measuring benefits and impacts restrict the quality and quantity of evidence available.

2.7 The existence of benefits does not automatically mean that government should intervene in sport. Therefore we also examine the case for government intervention on efficiency and equity grounds, either to stimulate provision by the private or voluntary sectors in order to reduce the health costs of inactivity; or to address inequality of access or opportunity, for example differences in participation between social groups or absence of facilities in certain areas.

Figure 2.1: Difficulties in measuring net benefits of sport

- **Sporting inputs.** It is difficult to obtain a meaningful measure of 'sporting input' which is consistent across all outputs (eg. the sporting participation input which is relevant to health outcomes is potentially very different to that which is relevant to crime outcomes).
- **Definitions.** There are complex issues of definition and measurement: the desired outcomes are often qualitative and rather amorphous, eg. better social cohesion, increased national pride.
- **Timing.** Many of the impacts of participation are long-term, whereas many projects are short-term and monitoring does not continue beyond the immediate period of the project.
- **Monitoring and evaluation.** There is a lack of systematic monitoring and evaluation of the presumed outcomes of sports-based projects, with often limited local evaluation expertise and funding.
- **Outcome interdependencies.** There are significant interdependencies between the various benefits: many of the proposed 'final outcomes' (eg. reduced crime, increased quality of life) are derived from intermediate factors like increased self-esteem, increased stake in social relations, etc.
- **Parallel influences.** There are parallel influence difficulties, eg. the personal development aspects of programmes may be just as – if not more – important as the sports component in achieving reductions in crime.

2.8 There are a range of possible beneficial outcomes from sport and physical activity:

- personal satisfaction and better social life;
- improved health;
- improved educational outcomes;
- crime reduction;
- social inclusion; and
- enhancing the environment.

2.9 However, some benefits are easier to achieve than others and sport can also have bad outcomes (eg. hooliganism). For example,

simply by doing sport or physical activity, there are likely to be health benefits. But in the case of other outcomes (such as crime reduction or improved educational standards), more is needed, such as expertise with children at risk or specialist teachers.

2.10 We conclude that the health benefits from physical activity are the most strongly supported by the evidence that is currently available, and the most likely to achieve good outcomes for government. There are indications of links between sport and physical activity provision and wider educational benefits. Some



practitioners also report positive results from schemes that use sport to help to reduce crime and social exclusion. However, systematic evidence is lacking here and we must improve our understanding of the linkages if policy is to be fully effective. We discuss these findings in the following sections.

Fun

2.11 Sport provides an opportunity for individuals to express their physicality, and can be a source of personal satisfaction.³ Pleasure from sport as a leisure activity is derived as a complex mix of physical and psychological benefits.⁴

2.12 In many cases, sport can be the means to providing an individual with a wider social circle. For women, in particular, it can be one of the main reasons why they choose to participate in leisure activities generally (although these need not be sporting activities).⁵

Health

2.13 A range of international medical research evidence⁶ shows that regular physical activity can yield a number of physiological benefits in adults (see Figure 2.2).

2.14 Research has also found a consistent link between exercise and anxiety reduction⁷; and protection against the development of depression.⁸

Figure 2.2: Physical health benefits of physical activity for adults

International medical research evidence highlights that regular moderate activity yields physiological benefits in terms of reduced risk of:

- obesity (physical activity helps prevent the development of obesity by ensuring an adequate energy balance);
- cardiovascular diseases, development of high blood pressure and blood pressure for people with hypertension;
- some forms of cancers;
- non insulin-dependent diabetes mellitus;
- strokes;
- osteoarthritis, as regular physical activity is necessary for maintaining normal muscle strength, joint structure and joint function; and
- osteoporosis, as weight-bearing activity is essential for normal skeletal development during childhood, adolescence and for older women.

³ It has been argued that sport fulfils two key requirements for personal satisfaction that are not commonly found in other everyday activities: individuals can ensure that the challenges undertaken match their skill levels; and sport is an interactive experience with a clear beginning, middle and end providing emotional resolution. See Csikszentmihalyi, M *Beyond Boredom and Anxiety* (1975).

⁴ "They concentrate their attention on a limited stimulus field, forget personal problems, lose their sense of time and of themselves, feel competent and in control, and have a sense of harmony and union with their surroundings". Ibid.

⁵ Coalter F, Allison M and Taylor J *The Role of Sport in Regenerating Deprived Areas* (2000)

⁶ See WHO World Health Day (2002) <http://www.who.int/world-health-day/brochure.en.pdf> and Department of Health and Human Services *Physical Activity and Health: A report of the Surgeon Centers for Disease Control and Prevention* (1996).

⁷ Scully D, Kremer J, Meade M, Graham R, and Dudgeon K Physical exercise and psychological well being: a critical review *British Journal of Sports Medicine* 32 pp. 11-20 (1999).

⁸ An exhaustive review of the link between physical activity and depression in the 1996 Report of the U.S. Surgeon General concludes that physical activity contributes to relieving the symptoms of depression and may protect against the development of depression.

2.15 Research undertaken by the National Heart Forum⁹ shows the potential reduction in deaths from heart disease that can be achieved from making lifestyle changes:

- Reducing cholesterol – 10%.
- Increasing physical activity – 10%.
- Reducing obesity – 2%.
- Reducing smoking – 5% (if less than 10 cigarettes smoked per day), 20% (if more than 20 per day).

2.16 For children and adolescents in particular, regular exercise can be an important health maintenance strategy, both now and for the future, helping to prevent obesity and its associated problems. Overweight children are at increased risk of many health problems, including hypertension, hyperlipidemia, type-2 diabetes, growth hormone dysregulation, and respiratory and orthopedic problems. Further, obesity in adolescence is independently

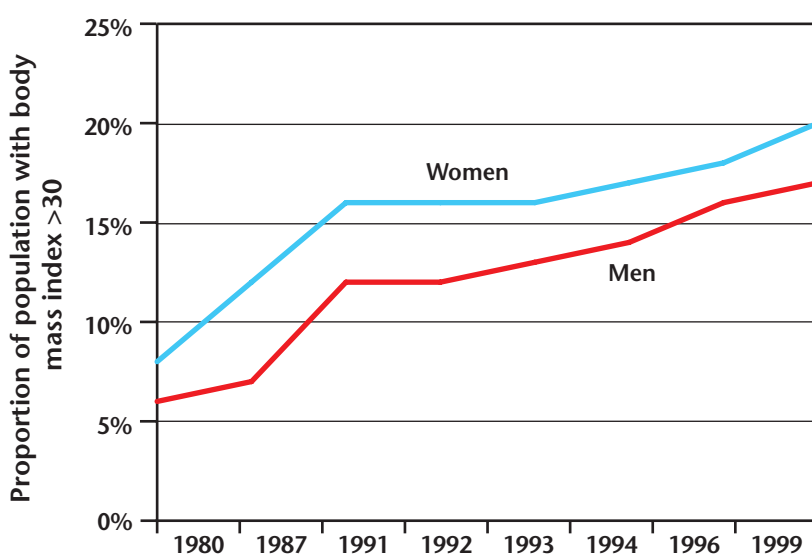
associated with chronic diseases that develop in adulthood.

2.17 This is an increasing problem as Figure 2.3 shows. In 1980, 8% of women and 6% of men were classified as obese in England. In 1998, this had almost trebled to 21% of women and 17% of men¹⁰. There is no sign that this upward trend is moderating: "...the main reason for the rising prevalence [of obesity] is a combination of less active lifestyles and changes in eating patterns."¹¹

2.18 With these trends in mind, we developed a simple model to estimate the costs of physical inactivity to England. It considered three types of cost:¹²

- *Costs to the NHS.* We assessed the contribution of physical inactivity to the costs associated with angina pectoris, myocardial infarction, stroke, colon cancer, type 2 diabetes, hypertension and osteoarthritis.

Figure 2.3 Increasing obesity in the UK



Source: Prescott-Clarke & Primatesta/The Future Foundation

⁹ <http://www.heartforum.org.uk/research.html>

¹⁰ Department of Health Joint Health Surveys (1999).

¹¹ National Audit Office *Tackling Obesity in England* (2001).

¹² A spreadsheet of the full SU model is available at www.strategy.gov.uk as an appendix to the electronic version of this report.



- *Costs from days off work.* We assessed the contribution of physical inactivity to days off work associated with the diseases above. We then applied an average £75/day income as a measure of lost productivity.
- *Costs of premature death.* There are several ways this calculation might be made. We chose to adopt an earnings lost approach for working age people dying prematurely of causes attributable to physical inactivity. Lost earnings were discounted at 6%.

2.19 We considered both the total cost of inactivity and the annual savings from a 10% reduction in inactivity. Figure 2.4 below shows that the total cost to England of physical inactivity, according to this basic and

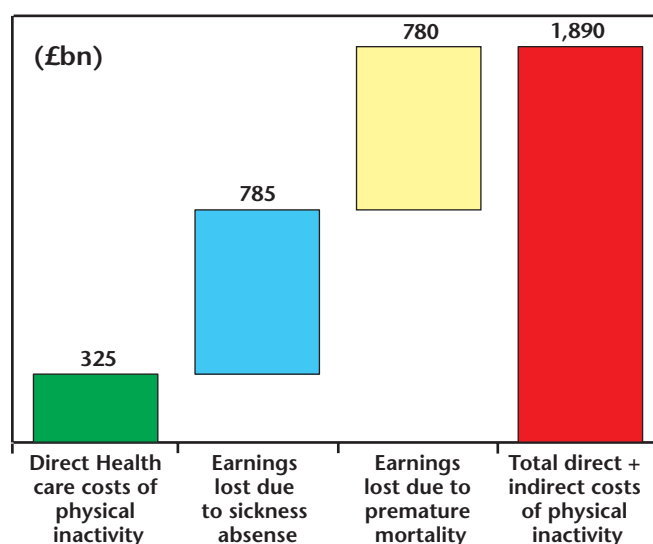
conservative model, is in the order of £2bn a year. This figure comprises indirect costs of about 10,000 working days lost and 54,000 lives lost prematurely (approximately 150/day).

2.20 Using this model we also calculated a 10% increase in adult activity would benefit England by around £500m pa (6,000 lives/day).

2.21 This is a conservative estimate because it assumes relatively low levels of inactivity and a narrow range of diseases:

- *Physical inactivity estimates.* We based our estimates on people doing up to three occasions of moderate or vigorous activity in the last four weeks. An alternative approach might be to use an estimate based on those people who do not do 30 or more minutes

Figure 2.4 The total cost of physical inactivity to England per annum



Source: SU analysis

of moderate or vigorous activity five days a week. This latter approach would increase total costs of inactivity to around £3bn pa.

- *Narrow disease range.* No consideration is taken of therapeutic, psychological or secondary preventative effects. Adding

depression and back pain attributable to physical inactivity could add 75% to the direct health care costs and approximately 400% to the cost of absence from work.

2.22 The costs may therefore be considerably higher. Assuming higher levels of physical inactivity and a wider range of diseases, as described above, a total cost of £8.2bn (£1.7bn NHS, £5.4bn work absence and £1bn early mortality) can be calculated.¹³ This comprises about 5% of the NHS budget, 72,000 days lost and 86,000 lives lost prematurely.

2.23 However, set against this are possible negative impacts of sport and physical activity on health. A national survey conducted in 1991¹⁴ found that a large proportion of injury incidents occurred in young men playing vigorous sports, and that most of these cases were new (as opposed to recurrent) injuries:

- Most injury incidents (70%) involve men, with almost half of these (48%) occurring in the 16-25 age group.
- Soccer was responsible for over a quarter (29%) of the incidents, and no other activity was involved in more than 10% of the incidents, although rugby accounts for by far the highest injury rate (participants sustain almost 100 injuries per 1,000 occasions of participation).

2.24 The overall costs of sports injuries were estimated conservatively at up to £996m¹⁵ in 1989/90 (representing 0.2% of the UK's GDP in 1989).¹⁶ This appears to be significant and cannot be ignored.¹⁷ However it should not deter government from promoting sport and physical activity for health because:

- as current work in schools and improved coaching and refereeing start to have an impact, injury rates should reduce due to improved skill; and
- for those over 45, the balance between health costs saved due to ill health and costs incurred due to sporting injuries is different.

2.25 For completeness, another cost associated with increased physical activity which needs accounting for is the increased pension burden on the state from longer lived pensioners.

2.26 Overall, the policy implications of this are clear. First, if sport and physical activity are encouraged on improved health grounds, encouragement should be biased towards those sports or activities that are the least injurious and have the widest appeal.

2.27 Second, it supports a preventative approach to improving public health. The implication for government is that health policy objectives can be met by interventions aimed at increasing physical activity, ie. a 'prevention rather than cure' approach.

2.28 The Department of Health's strategy *Our Healthier Nation* acknowledges the importance of physical activity for health, but it is not a priority area.¹⁸ Neither does the department's strategy for 2003-2006, *Improvement, Expansion and Reform* give priority to physical activity¹⁹, although it is included in most of the National Service Framework (NSF) documents (particularly the one on Coronary Heart Disease).

¹³ Department of Health has also commissioned an analysis of the benefits of activity and the costs of physical inactivity to the NHS which follows this approach. This has not yet been finalised. The completed findings will be published in spring 2003.

¹⁴ Nicholl et al for the *Sports Council National Survey* (1991).

¹⁵ The direct treatment costs of new injuries were estimated at £237m per annum. The estimated value of lost production due to time off work as a result of new injuries was a further £405m per annum. Recurrent injuries may have cost up to another £354m in treatment costs and lost production at work.

¹⁶ This is a conservative estimate since it excludes costs associated with injuries to children and persons over 45 years, as well as injuries in non-vigorous activities; and it excludes the cost of fatal accidents.

¹⁷ It cannot simply be subtracted from the benefits calculation since estimates were not made on a comparable basis. Further work is needed to estimate the true net cost.

¹⁸ www.ohn.gov.uk

¹⁹ www.doh.gov.uk/planning2003-2006/improvementexpansionreform.pdf.



2.29 Notably, health promotion featured prominently in the Wanless review of long term resource requirements for the NHS. It acknowledged the cost implications of a preventative approach, saying that “lifestyle changes such as stopping smoking, increased physical activity and better diet could have a major impact on the required level of health care resources”.²⁰ The action plan arising from the 2002 cross cutting review on reducing health inequalities provides an opportunity to address public health issues through sport and physical activity.

2.30 The major impact that physical activity has on health is recognised in a number of other countries. Australia, the USA, Canada and New Zealand, amongst others, are currently

developing physical activity strategies as part of an approach to sport or health promotion. Increasingly, such strategies focus on physical activity rather than sport in an effort to encourage individuals to have a more active lifestyle. Most recommend a minimum of 30 minutes of moderately intensive physical activity most days (see Figure 2.5), supplemented by more vigorous activity to achieve higher health benefits.


2.31 As shown in chapter 1, the UK is lagging behind other countries in achieving these activity targets.

2.32 Importantly, the physical activity required to achieve the recommended daily target can take many different forms, including brisk walking and cycling, and need not consist of traditional competitive sporting activities.

Figure 2.5: International recommended physical activity

Country	Recommended Activity	Comments
UK	30 minutes of moderate intensity activity five times or more a week (1999)	See www.ohn.gov.uk/
USA	30 minutes of moderate exercise, 15 minutes of running or 45 minutes of playing volleyball most days of the week (1996)	<p>The US Department of Health and Human Services has set 15 objectives relating to physical activity within its ‘Healthy People 2010’ strategy. These include:</p> <ul style="list-style-type: none"> ● reduced proportion of adults who engage in no leisure-time physical activity; ● increased proportion of adolescents who engage in moderate physical activity for at least 30 minutes on 5 or more of the previous 7 days; ● increased proportion of public and private schools that require daily physical education for all students, and that provide access to their physical activity facilities outside of normal school hours; ● increased proportion of worksites offering physical activity and fitness programmes. <p>See www.health.gov/healthypeople/document/tableofcontents.htm</p>

²⁰ www.hm-treasury.gov.uk/Consultations_and_Legislation/wanless/consult_wanless_final.cfm.



Country	Recommended Activity	Comments
Canada	30 minutes of moderate intensity activity or 20 minutes of vigorous activity 4 days a week (1998)	The Fitness and Amateur Sport Act (1961) established the federal Government's commitment to fitness and health by requiring the Minister of Health to 'encourage, promote and develop fitness'. Federal, provincial and territorial governments have set a target to decrease the number of physically inactive Canadians by 10% by the year 2003. Achieving this goal could save Canadians about \$5 billion in lifetime costs for medical care, sick leave, and lost tax revenues. Health Canada has produced a number of guides to active living which encourage the incorporation of physical exercise into ordinary daily routines through activities such as walking and stretching. See www.hc-sc.gc.ca/hppb/paguide/
Australia	30 minutes of moderate intensity physical activity on most, preferably all, days (1997)	This increased focus on physical activity has arisen because participation has decreased amongst Australians in recent years. It has been recognised in <i>Getting Australia Active: towards better practice for the promotion of physical activity</i> (2002); and <i>Backing Australia's sporting ability - a more active Australia</i> (2001) which affirms the commitment of the Australian Sports Commission to the provision of positive sporting opportunities. See www.dhs.vic.gov.au/nphp/sigpah/gaa/ and www.ausport.gov.au/fulltext/2001/feddep/active.asp

For many aspects of health, the relationship between activity and health benefits is such that the greatest public health benefit is achieved from sedentary people doing a little more, rather than moderately active people pushing to meet ever higher targets. This is a critical consideration in terms of policy development and who to target.

2.33 Figure 2.6 shows the variety of physical activities that can deliver improved health outcomes. In this context, sport will be in a position to make a larger contribution to the

health objective when it is seen across a range of organised and informal activities in both indoor and outdoor settings. This is in contrast to the emphasis of a lot of local authority investment (as discussed in chapter 1), which has tended to focus on more traditional sporting activities.

2.34 Indeed, there are many myths associated with health and physical activity as Figure 2.6 shows.

Figure 2.6: Alternative ways of meeting moderate physical activity guidelines

- Washing and waxing a car for 45-60 minutes
- Washing windows or floors for 45-60 minutes
- Playing volleyball for 45 minutes
- Playing touch rugby for 30-40 minutes
- Gardening for 30-45 minutes
- Wheeling self in wheelchair for 30-40 minutes
- Walking 2.8 km in 35 minutes (12.5 min/km)
- Basketball-shooting baskets for 30 minutes
- Bicycling 8 km in 30 minutes
- Dancing fast (social) for 30 minutes
- Pushing a stroller for 30 minutes
- Raking leaves for 30 minutes
- Walking 3.2 km in 30 minutes (9.5 min/km)
- Water aerobics for 30 minutes
- Swimming laps for 20 minutes
- Bicycling 6.4 km in 15 minutes
- Skipping for 15 minutes
- Running 2.4 km in 15 minutes (6.3 min/km)

Less vigorous, more time**More vigorous, less time**


Source: New Zealand Health Strategy DHB Toolkit 1 (2001)

Figure 2.7: Physical activity myths**If you don't lose weight, there's no point in exercising**

"Many people don't see immediate weight loss and say it's all for naught and stop," says exercise expert William Haskell of Stanford University Medical School. In fact, exercise has a laundry list of benefits. "It improves the ability of insulin to enter cells, so it lowers the risk of diabetes. It also lowers the risk of heart disease by improving blood clotting mechanisms, lowering triglycerides, and raising HDL ['good'] cholesterol. The psychological benefits of exercise are frequently overlooked. Exercise isn't a panacea, but it has consistently been shown to relieve both depression and anxiety."

You can't be fit and fat

"The notion that all fat people are sedentary and unfit and at high risk of disease is not true," says Steven Blair of the Cooper Clinic in Dallas, Texas. "Overweight and obese individuals who are fit do not have elevated mortality rates. We need to get off those people's backs." In Blair's study of



25,000 men 10% of the normal-weight men – and 50% of the overweight men – were unfit. Getting all of those unfit people – fat or thin – to move more could make a difference. In Blair's study, low fitness was as strong (or stronger) a predictor of dying as other risk factors, like high cholesterol, high blood pressure, and diabetes.

No pain, no gain

"Many people still believe that you have to work at a very high intensity in order to get a benefit," says Blair. In fact, moderate-intensity exercise lowers the risk of dying just as much as high-intensity exercise. For example, says Jo Ann Manson of Harvard Medical School, "in the Nurses' Health Study, women who regularly engaged in brisk walking reduced their risk of heart disease to the same degree as women who engaged in vigorous exercise. You don't need to run a marathon." The trick is making sure that the exercise is at least moderate-intensity – that is, equivalent to walking at a pace of three to four miles an hour. High-intensity exercise does have one advantage though: it saves time.

If you can't exercise regularly, why bother?

It takes ten to twelve weeks of regular exercise to become "fit" – that is, to improve your performance on a treadmill (a measure of your oxygen capacity). But your health can improve after that first brisk walk or run. "Take a 50-year-old man who is somewhat overweight and typically has moderately elevated blood sugar, triglycerides, or blood pressure," says Stanford's William Haskell. "A single bout of exercise of moderate intensity – like 30 to 40 minutes of brisk walking – will lower those numbers."

If you didn't exercise when you were younger, it could be dangerous to start when you're older

"Many people think they're too old to start an exercise program," says Tufts University's Miriam Nelson. "They think it's unsafe because they have heart disease or diabetes or because they're too out of shape to start." You're never too old to start, says Nelson. In one Tufts study, the participants were frail nursing-home residents whose ages ranged from 72 to 98. After just ten weeks, strength-training improved their muscle strength, ability to climb stairs, and walking speed.

Source: Center for Science in the Public Interest, www.cspinet.org 2002

2.35 Whilst government's interest in increasing physical activity resides primarily in health benefits, many individuals' motivation for taking part in sport is simply because it is fun and provides a means of socialisation. Different sporting and physical activities will be 'fun' to different groups of people. Therefore the overarching principle in increasing participation should be to offer a wide variety of accessible opportunities – ie., to recognise that different target groups may have different needs and wants, and wherever possible try to cater to them.

2.36 The focus on active recreation for health purposes links with a wider health agenda which is interested in any form of physical activity eg. walking to work. A key conclusion from a public health perspective, therefore, is that it is increased physical activity (potentially achieved through a range of activities), as much as participation in competitive team sports alone, which delivers improved health benefits to a wider range of individuals.

Education

2.37 Clearly schools and educational institutions in general are vital places for people to learn sport and physical activity skills. In this section we examine the effect of sport and physical activity on educational outcomes.

2.38 There is a range of sociological research looking at the links between sports participation and educational performance, focusing on three mechanisms linking sport and educational outcomes:

- **Pre-existing conditions.** Athletic participation has no effect on academic performance and grades and any correlation between them is the result of pre-existing conditions such as individual personality traits such as motivation or drive.²¹
- **Zero-sum theory.** Students allocate time and energy from a finite reserve to different activities. Therefore, the more time that is allocated to sports, the less is available for academic pursuits.²²
- **Developmental theory.** Through participation in sports and other extra-curricular activities, a student is exposed to social relations such as school personnel and other achievement-oriented peers who may generate and/or reinforce the individual's academic goals. Participation can also enhance the visibility and popularity of the student and thus have a positive influence on

his/her educational motivations.²³ Activities like sports help the students to acquire skills and qualities like organisation, time management, discipline, self-esteem, motivation and inter-personal skills.²⁴ These skills can lead to future educational success.

2.39 Much of the sociological evidence from the USA has supported the developmental theory, ie. that sports participation can have a positive impact on educational outcomes.²⁵ However:

- the positive impact derives from associated adults (parents, coaches etc) paying more attention to the young person because of their sports participation rather than the participation as such; and
- participation outside of school, participation in minor sports and attendance at a school where the greater emphasis is on academic success may reduce the positive impacts.²⁶

2.40 The evidence is mixed about positive association between athletic participation in school and social/occupational mobility and earnings. There is some evidence that for men in the labour market, participation in sport results in increased earnings, however this is not the case for women.²⁷ Alternative studies have shown that social/occupational mobility and career success is not influenced by sport as such but is more dependent on motivation or personality differences.²⁸

²¹ Stevenson C L Socialization Effects of participation in sport: A critical review of the research *Research Quarterly* 46 pp. 287-301 (1975).

²² Coleman J S Athletics in high schools *The Annals of the American Academy of Political and Social Science* 338 pp. 33-43 (1961).

²³ Hanks M Race, sexual status and athletics in the process of education research *Social Science Quarterly* 60 pp. 482-495 (1979).

²⁴ Ibid; Otto LB and Alwin DF *Athletics, Aspirations and Attainments Sociology* (1977).

²⁵ Note, however, that much of the early research predicting positive academic outcomes from sports participation has been criticised for being based on non-representative samples from which it is difficult to test the direction of causality (ie. whether sport participation leads to better educational outcomes, or whether those who achieve better outcomes tend to be those who will more naturally participate in sport).

²⁶ Coakley J *Sport in society: Issues and controversies* (1997).

²⁷ Long JE and Caudill SB The impact of participation in intercollegiate athletics on income and graduation *The review of economics and statistics* (1991); Picou JS, McCarter V and Howell F Do High School Athletics Pay? Some Further Evidence *Sport Sociology Journal* 2 No. 2 pp.238-241 (1985).

²⁸ Coakley J *Sport in society: Issues and controversies* (1997).

2.41 There is an absence of large-scale studies in the UK concerning the sports-education linkage. However, a range of case study evidence from the UK lends support to the developmental view of sport, and points to two main conclusions:

- Sport may have direct or indirect impacts on cognitive, emotional and motivational development, which may lead to improved academic performance.
- Sports can be used to attract under-achieving students to educational programmes.

2.42 Typical of such case studies are:

- an investigation by the Qualifications and Curriculum Authority (QCA) into the effectiveness of physical education and school sport.²⁹ Preliminary results of a three-year investigation (started in 2000) indicate that schools with good records in physical education (PE) reported higher achievement

across the curriculum. Schools with high participation in sports also tended to have lower truancy rates and better behaviour;

- the *Fit to Succeed Project* in Exeter³⁰ which encouraged students to take part in more regular physical activity, reported fewer behavioural problems. In addition government SAT test scores have been highest in children who say they exercise at least three times a week;
- a 5 year longitudinal study at the Wright Robinson Sports College assessing the relationship between physical activity and academic achievement. Initial results (though based on only one year's data) suggest that physically active children perform better; and
- the *Playing for Success* initiative, which uses the environment and medium of sport to raise pupils' educational skills and self-confidence (see Figure 2.8).

Figure 2.8: The Playing for Success initiative

- Leeds United Football Club's Playing for Success Centre provided ten-week programmes for under-achieving pupils from local primary and (some) secondary schools.
- Programmes were held after school hours and on Saturday mornings for pupils from inner-city areas. Just under a third of pupils attending the centres had special educational needs, and under-achievement and low self-esteem were considered major issues for all pupils attending the Centre.
- During sessions pupils worked in groups of five on a range of activities, including an integrated learning system testing maths, spelling and reading; an internet and e-mailing session; CD-Rom and word-processing classes; and a non-computer based activity (eg. painting, completing homework).
- Sessions were held at Leeds United's Elland Road football ground. Other 'football factors' included using the Leeds United brand name to 'give the pupils a fresh identity'; presentations of certificates and prizes by members of the management team and players; and invitations to pupils and parents to attend two Premier League games.
- Pre- and post-tests in mental arithmetic and reading indicated substantial improvements: there was a 29% recorded increase in Key Stage 2 maths, and a 17.6% increase in reading. At Key Stage 3 the increases were 14.6% and 10.8% in maths and reading respectively.

²⁹ QCA website (www.qca.org.uk).

³⁰ School Health Education Unit website (www.sheu.org.uk/fts/fts.htm).

- There is clearly a 'value added' in terms of attractiveness to children that results from using the brand of the football club and the location of the study centre at Elland Road. However, the evaluation by the National Foundation for Educational Research (Sharp et al., 1999) suggests that the reasons for the apparent success are largely educational. For example: having access to computers and the internet; high staff-student ratios; an informal, supportive atmosphere and encouragement from staff to allow pupils to develop independent study skills.

Source: Coalter, F., Allison, M. and Taylor, J., *The Role of Sport in Regenerating Deprived Areas*, Edinburgh, Scottish Executive Central Research Unit (2000).

2.43 The fourth of these examples seems to support the view offered by research from the USA that the positive impacts from such projects are more to do with personal attention and support than sport itself. This is an area that would benefit from further research in the UK to establish exactly what factors contribute to improved educational performance.

2.44 Another important rationale for investment in school sport is the hypothesis that those who are active in sport throughout their childhood – the 'sports literate'³¹ – are more likely to continue to participate throughout their lives. This has been supported by two comparative studies of (European) cross-country participation³² and a USA based study, which found increased physical activity amongst women who had five PE sessions per week in the six years of elementary school.³³

2.45 In England the developmental view of sport is reinforced through the presence of physical education as a statutory requirement in the national curriculum from Key Stages 1 to 4 (ages 5 to 16). A recent DfES White Paper³⁴ reiterated the Government's commitment that "all children will be entitled to two hours of high quality PE and sport each week within and beyond the timetabled curriculum" (p. 12).

2.46 Government has put in place a strategy for physical education, school sport and clubs links to achieve this commitment; to contribute to other objectives such as improved health and socialisation; and to create continuous pathways for participation beyond school. Figure 2.9 sets out two of the key elements of this strategy.

³¹ To use the language of Rodgers B *Rationalising Sports Policies; Sport in its Social Context: International Comparisons* (1977).

³² Ibid. and *Compass Sports Participation in Europe* (1999).

³³ Trudeau F, Laurencelle L, Tremblay J et al Daily Primary School Physical Education: effects on physical activity during adult life *Medical Science Sports Exercise* 31 pp. 118-123 (1999).

³⁴ DfES *Schools: Achieving Success White Paper* (2001).



Figure 2.9: Key elements of the Physical Education, School Sport and Clubs Link strategy

Specialist Sports Colleges. These are secondary schools with a special focus on physical education and sport, which are funded to provide the lead in innovative practice and to work with partner secondary and primary schools to share good practice and raise standards. Since their introduction to the specialist schools programme in 1997, a total of 161 schools have been designated Sports Colleges.³⁵ Subject to receiving sufficient high quality applications, the network of specialist sports colleges will be expanded to at least 400; this target may be reached as early as 2005. Evidence suggests that they are making progress in raising academic standards, and that they are improving whole school standards as well as contributing to the development of sport in their neighbouring schools and local community. A recent Ofsted evaluation report³⁶ was positive about the wider impact of Sports Colleges on young people's development.

The School Sport Co-ordinators programme, linked with the roll-out of specialist sports colleges, is creating a national infrastructure for the delivery of PE and school sport in England, focussing initially on urban and rural areas of disadvantage. The programme will enhance: strategic planning; primary liaison; school to club links; the quality and quantity of opportunities for out of school hours activities; coaching and leadership; and whole-school improvement. It is a multi-agency initiative, being delivered by DCMS, DfES, Sport England, the Youth Sport Trust and the New Opportunities Fund. By 2006 the number of school sport co-ordinators will rise to 2,400 and primary and special school link teachers to 13,500.

2.47 The success of the schools programme is based on the integration of these elements. Specialist sports colleges provide a 'hub' from which a partnership development manager works with school sports co-ordinators in secondary schools and link teachers in primary or special schools to develop sport and PE in its 'family' of schools. A typical partnership is comprised of a Specialist Sports College acting as the hub for 4-8 secondary schools, each of which have about 5 primary or special schools clustered around them.

2.48 Other elements of the school PE and sports strategy include:

- lottery investment to improve facilities including the New Opportunities Fund (£581m for England over 3 years), and the Space for Sport and Arts scheme (£130m); and

- enhanced PE/Sport professional development opportunities for teachers and others.

New investments in coaching (as a result of the Coaching Task Force report) will support this strategy.

2.49 This strategic approach to sport and PE for young people has resulted in a significant investment of Government resources. Between 1997 and 2002-03 DfES has invested £16.2m in capital and £42m in revenue funding for sports colleges. This is alongside substantial expenditure on the School Sports Co-ordinator Programme (£40m from Lottery and DCMS between 2000-02). NOF has also invested £19.5m in out of school hours activities.

³⁵ As of Sept 2002. Source: Ibid.

³⁶ Ofsted *Specialist Schools: An evaluation of progress* (2001).



Figure 2.10: Future Government funding for PE, school sport and clubs

Year	DfES	DCMS	Total
2002-03 Baseline	£23.5m Sports Colleges	£40m SCo ³⁷ £3m Step Into Sport	£66.5m
2003-04	£10m SCo /Training £10m Sporting Playgrounds ³⁸ £26m Sports Colleges	£40m SCo £3m Coaching ³⁹ £20m Club Capital £4m Step Into Sport	£113m
2004-05	£69m SCo/Training £39m Sports Colleges	£9m Coaching £5m Club/Talent Development £20m Club Capital £4m Step Into Sport	£146m
2005-06	£105m SCo/Training £50m Sports Colleges	£16m Coaching £5m Club/Talent Development £20m Club Capital £4m Step Into Sport	£200m

Source: DfES

2.50 Government has recently announced a significant increase in resources committed to school PE and sport (see Figure 2.10).

2.51 This increase in funding is to meet the joint DCMS/DfES target of ensuring that 75% of 5-16 year olds spending at least 2 hours of high quality physical education and sport per week in and beyond the school curriculum by 2006. It should also build the basis for continued participation after school through the development of school/club links.

2.52 Overall, there is a range of evidence that supports using sport as part of an approach to improved educational outcomes in the broadest sense (ie. including attendance, attitude and behaviour). However, such evidence highlights the difficulty of distinguishing between playing sport itself and other factors, such as personal attention when identifying the key success

factors of sport and educational initiatives. To obtain educational benefits, additional inputs such as one to one mentoring or intensive teacher support are required, which increase the cost and risk of failure of the intervention.

2.53 The case for physical literacy and the increased likelihood of maintaining participation after school is supported by a range of European and American studies.

2.54 The Healthy School Standard includes criteria for physical activity and safe travel. These address the need for a "whole school" approach to the promotion of physical activity and for schools to encourage their staff and pupils to consider cycling and walking to and from school and to provide training in safety and security, supported by safer school travel policies (such as cycling proficiency).⁴⁰

³⁷ School Sport Co-ordinator Programme.

³⁸ From the Capital Modernisation Fund.

³⁹ Funding for coaching will contribute heavily to investment in PE, school sport and club links but is not limited to the 5-16 age range.

⁴⁰ DfES *National Healthy School School Guidance* (1999)



Crime reduction

2.55 Youth crime is a widespread problem. 25% of males and 15% of females aged 12-17 admitted committing at least one offence in the previous 12 months and approximately 50% of these offenders committed persistent and/or serious offences.⁴¹

2.56 Displacement and therapeutic prevention are the two mechanisms suggested for sport having a positive effect on crime reduction:

- **Displacement** – where individuals involved in sport are not available to commit crime;
- **Therapeutic prevention** – where sports participation may lead to crime reduction through being:
 - an antidote to boredom.⁴² To the extent that crime is encouraged by boredom, sports participation might provide a socially acceptable source of excitement;
 - a way of enhancing self-esteem through physical fitness and achievement.⁴³ Low self-esteem may increase the likelihood of an individual committing a crime. If sporting achievement enhances self-esteem it may reduce crime;
 - a way of improving cognitive skills.⁴⁴ Sports participation may improve cognitive skills (eg. self-discipline and empathy) which can lead to a reduction in the propensity towards criminal behaviour;
 - an alternative to participating in delinquent peer groups.⁴⁵ The theory of

differential association proposes that adolescents conform to the values and norms of particular social milieu, which may be dysfunctional. Sport offers an alternative social milieu; and

- a creator of positive relationships with 'significant others'.⁴⁶ Sport links participants with a range of individuals (eg. coaches and teachers) who may act as appropriate role models and espouse conventional values and conformist behaviour

2.57 Evidence from the USA suggests sport and physical exercise, as one of a basket of measures, can have a positive effect on behaviour if it is played with an emphasis on:⁴⁷

- a philosophy of non-violence;
- respect for self and others;
- the importance of fitness and self-control;
- confidence in skills; and
- a sense of responsibility.

2.58 This suggests that simply playing sport is not enough to reduce criminal behaviour.

2.59 There are many sports-based schemes operating around the country which are designed to combat juvenile delinquency. Most are aimed at young males. Beyond this, the programmes vary considerably in terms of sources of funding, the organisations and types of individuals involved, and degrees of targeting.

⁴¹ Home Office *Aspects of Crime: Young Offenders* (1999).

⁴² Roberts K and Brodie DA *Inner-city Sport: Who Plays and What are the benefits?* (1992).

⁴³ Trujillo C Effects of weight training and running exercise intervention programs on the self-esteem of college women *International Journal of Sports Psychology* Vol.14 pp. 162-173 (1983).

⁴⁴ Ross R and Fabiano E *Time to think: A cognitive model of delinquency prevention and offender rehabilitation* Johnson City, Tennessee: Institute of Social Sciences and Arts (1985); Hopkins D and Putnam R *Personal Growth Through Adventure* (1993); Purdy and Richard Sport and juvenile delinquency: An experimental assessment of four major theories *Journal of Sport Behaviours* 6(4) pp. 179-193 (1983); Paulhus DL Sphere-specific measures of perceived control *Journal of Personality and Social Psychology* 44 pp. 1253-1268 (1983).

⁴⁵ Segrave J and Hastad DN Future Directions in Sport and Juvenile Delinquency Research *Quest* 36 pp.37-47 (1984).

⁴⁶ Schafer W Some social sources and consequences of inter-scholastic athletics: The case of participation and delinquency *International Review of Sports Sociology* 4 pp.63-81 (1969).

⁴⁷ Coakley J *Sport in society: Issues and controversies* (1997).



2.60 There is some case study evidence that such schemes can have an impact, as shown in Figure 2.11.

2.61 The above evaluations highlight a number of problems with undertaking such reviews:

- **Establishing a causal relationship.** This is difficult when the intervention is only one

of a range of interventions being used at any one time. This difficulty is confirmed by a 1996 Home Office review of programmes and academic literature on sport and leisure schemes aimed at reducing criminality among young people, which concluded that “it is difficult to argue that such activities have in themselves a generalisable influence

Figure 2.11: Evaluation of crime reduction programmes

Positive Futures

This programme is aimed at 10-16 year olds at risk. It aimed to reduce youth offending, drug use and increase regular participation in sport and physical activity. 24 schemes were operated throughout the country based on offering a sporting programme linked with education.


An evaluation of these 24 schemes concluded that:

- all involved felt that the schemes were valuable in the short-term but were less sure about long-term benefits;
- it is difficult to differentiate between the benefits from these schemes and those from other schemes operating in the same areas;
- quantitative evidence showed a decrease in crime in all 24 areas, however, in many cases this evidence did not distinguish between crime reduction amongst young people on the programme and all young people in the local area;
- there was little evidence of the impact on drug use, mainly due to the difficulty in collecting such evidence; and
- there was a significant improvement in sporting participation.

Summer splash

- During summer 2000 and 2001 a number of areas ran Summer Splash schemes providing sport and arts activities for 13-17 year olds from deprived estates. Evaluation of these schemes was undertaken in both years. Evaluation data from 2000 examined 6 schemes in detail (out of a total of 105) but could only comment on crime statistics in 3 due to a lack of data. Of these three, one experienced a fall in crime, one showed no significant change and one recorded an increase in crime.
- The 2001 evaluation indicated that crime rates dropped significantly across the board (for example an average 20% reduction in criminal damage⁴⁸) but details were not available to examine the pattern, or causes of, such reductions.

⁴⁸ Source: DCMS/Youth Justice Board *Summer Splash Schemes* (2000).



on criminality". The lack of empirical research means important practice issues remain unresolved.⁴⁹

- **On-going monitoring.** Without adequate monitoring, the nature of the longer-term impacts of programmes are hard to assess. A recent national survey noted that only a small minority of the 116 programmes examined even attempted to monitor their ongoing impact on crime reduction.⁵⁰
- **Value for money.** Measuring the achievement of value for money is difficult. There is no comparison of the relative cost/benefits of different programmes.

2.62 Given the above difficulties, it is unsurprising that the impact of the sporting component of crime reduction programmes has seldom been isolated and measured. There is still, however, a widely-held view that sport can have value as part of a package of measures to tackle crime.⁵¹

2.63 Overall locally-provided ongoing sports programmes with credible leadership seem to have the best chance of reducing crime on a permanent basis. However the cost of such programmes, the existence of skilled leaders and the suitability of programmes for other groups (such as girls) are all issues that must be addressed.

2.64 It appears that like education, playing sport will not lead to a permanent reduction in crime by itself. Successful programmes require a variety of other support mechanisms to be in place.

Social inclusion

2.65 Broader benefits may accrue when sport is used for community development, for example helping to develop self-esteem and transferable skills. This is particularly beneficial for those who are ordinarily more likely to be excluded from community activities through poverty, disability or ethnicity.⁵²

2.66 Using sport to promote social inclusion can also help to build social capital through developing personal skills and enlarging individuals' social networks. Involvement in sport can help to develop other personal attributes such as increased confidence⁵³ which can be used beneficially in other areas.

2.67 The issues that communities face can be multi-dimensional and complex. Addressing these issues requires a holistic approach which entails working across traditional departmental and organisational boundaries.

2.68 Sport may be able to play an important part in this 'multi-agency' approach to the community, particularly in local authority projects (see Figure 2.12). Typically such projects focus on deprived or marginalised groups.

2.69 However, it is clear that some competitive sports which have strong identities can lead to social divisions, through religious, geographic or other social rivalries. An example of this is violence arising from inter-club rivalry between certain football club fan groups (see below).

⁴⁹ Utting D *Reducing Criminality among people: a sample of relevant programmes in the United Kingdom* (1996).

⁵⁰ Nichols GS and Booth P *Programmes to reduce crime and which are supported by local authority leisure departments* (1999).

⁵¹ For example, Sport England (1999, p. 17/19) states that: "It would be naïve to think, and unrealistic to claim, that sport alone can reduce the levels of youth crime in society...Research evidence to support the effectiveness of sport in reducing criminality among young people is limited by a lack of high-quality systematic evaluation... [However] there is growing experiential evidence that sport can play an influential role. Indirectly sport can have an impact by providing challenge and adventure, and by giving meaning and a sense of purpose to young people's lives where previously there was a vacuum".

⁵² Long J and Sanderson I *Social Benefits of Sport: Where's the Proof? Sport In The City: Conference Proceedings Volume 2 Sheffield 2-4 July* pp. 295-324 (1998).

⁵³ Ibid.

2.70 Overall, sport may play a part in achieving social cohesion. But, like education and crime, social cohesion benefits may be derived as much from paying increased attention to

previously marginalized groups and helping them with a range of life skills, rather than the use of sport in itself.

Figure 2.12: Using sport to help achieve social inclusion

The Aneurin Bevan Lodge Children's Home.⁵⁴ Run by Kingston-upon-Hull Social Services Department, this was established with the aim of returning to the local community children in care, who were originally from Hull but had been placed out of the area. In 1997 a pilot project was established to promote the involvement of young people in care in activities in the community, outside the environment of the children's home. A wide range of supervised sporting activities was provided, including rock climbing, ice skating, canoeing, and horse riding. In the evaluation of the project, the children's home manager concluded: "It is clear to those involved that this project has had positive outcomes in helping to develop [the young people's] confidence, awareness, self-esteem, trust...in a positive way. The recommendation from AB Lodge would be to extend the project with a long-term view to...expanding it to encompass other children's homes".

The Somerset Rural Youth project.⁵⁵ This was a partnership project involving a wide range of agencies including Somerset County Council, Somerset Youth Partnership, the Community Council for Somerset, the five district councils, the six further education colleges and the (then) Somerset Training and Education Council. The project, which was managed by a charitable limited company, aimed to reduce the deprivation experienced by young people in the Rural Development Area of Somerset. This was tackled through a wide range of initiatives, including arts and sports projects, access to training and employment opportunities, and involving young people actively in their local communities. Some successful sports projects involved:

- including young people in the planning and development of tracks for mountain biking;
- organising a 'network of contacts' for young people interested in playing football; and
- training young people to be effective volunteers in delivering children's play/sporting opportunities leading to 'Junior Sports Leaders Awards'.

The environment

2.71 Physical infrastructure is an important aspect of community regeneration.⁵⁶ Through the Lottery and other funding sources, there has been a significant investment in new sports facilities in the UK. Amenities provide the social focal points of the community, and are especially important to those with the least resources and least mobility (eg. no access to

cars) in a neighbourhood. The physical infrastructure also extends to safe access to walking and cycling routes, which offer recreational opportunities and link communities with shops, workplaces and services.

2.72 In a MORI poll commissioned by the Commission for Architecture and the Built Environment (CABE) in summer 2002, 81% of respondents said they were "interested in how

⁵⁴ Sport England *The Value of Sport* (1999).

⁵⁵ Ibid.

⁵⁶ Forrest R and Kearns A *Joined up places? Social cohesion and Neighbourhood* (1999).



the built environment looks and feels". 85% of respondents agreed with the statement that "better quality buildings and public spaces improve the quality of people's lives" and thought that the quality of the built and open environment made a difference to the way they feel. Clearly the design of sport and physical activity facilities and spaces are important in this context.⁵⁷

2.73 Therefore, the maintenance of otherwise under-used community facilities and wider recreation-related settings (parks, playing fields and walking/cycling routes) may have a significant role to play in the development of the quality of life in communities.

2.74 Sport England provides several examples of sports-related projects which have re-claimed derelict land and improved the physical and visual amenity of deprived areas.⁵⁸ One is the Reczones project in Bolton that is reclaiming derelict land for playgrounds and general sporting areas.

2.75 In terms of impact on the natural environment, sport is purported to have both positive influences (eg. creation of wildlife habitats on golf courses) and negative influences (eg. noise pollution) on the natural environment. However, the evidence supporting these effects is largely anecdotal and must be treated with caution. A recent research review⁵⁹ concluded that:

- research is 'incomplete' and that there is a need to extend the coverage;
- the quality of research could be improved; and
- research needs to be more accessible and relevant to recreation managers.

⁵⁷ CABE *The Value of Good Design* (2002).

⁵⁸ Sport England *Best Value Through Sport: The Value of Sport* (1999).

⁵⁹ Sidaway R *Recreation and the Natural Heritage: A Research Review* (1994).

⁶⁰ The biological explanation for the feelgood sensation is due to the release of endorphin in the brain. Endorphin has been called the 'happy hormone' and is released for different reasons, mainly physical, but also from laughter and joy, experienced by, for example, your team winning a match. Endorphin helps to reduce pain and has even been found to enhance treatment of many illnesses and diseases.

⁶¹ Feelgood factor is rarely talked about at the regional level, as within a country there is a zero sum gain from the event.

International sporting success

2.76 This section looks at the benefits of international sporting success. A number of the benefits already identified in the previous section may also be valid for competitive sport at grassroots level. However, there are specific benefits arising from national and international competition including the 'feelgood factor', a sense of national identity and pride, and the positive impact on the image of the country. In this section we also look at the possibility that international success can lead to economic benefits. Finally we consider negative impacts such as hooliganism.

The 'feelgood factor'

2.77 The 'feelgood factor'⁶⁰ is the sense of euphoria in society as a whole due to an event; this may be due to strong economic indicators (such as a buoyant stock market), a historic moment (such as the moon landing) or a national celebration such as the Golden Jubilee. A national sports team⁶¹ or teams/individuals representing a country can bring about the 'feelgood factor', generally, from a victory or a better than expected performance.

2.78 The 'feelgood factor' from sport is very difficult to measure and very little academic research has been undertaken in this area. Newspapers use measures like the extra expenditure on alcohol and food before and during important football matches, and reporting on how happy people feel directly after the event, indicated by the 'honking of horns' and 'dancing in the fountains'.

2.79 But there is also a possible 'feelbad' factor following a poor performance. This tends to be created by failure to meet expectations, which are often largely generated by the media.

2.80 The media also helps to determine what sports or competitions generate feelgood by the level of coverage offered. For example, the British men's team won the European Cup in athletics in June 2002, a significant achievement for the sport, yet the media coverage was limited. As a result, this success created very little feelgood amongst the public in general. Events that attract a lot of attention at the Olympics, such as rowing, receive little coverage at other times.

2.81 The wider impact of 'feelgood factor' on society can be linked to the notion of 'social capital', which is the "relationships and norms that shape the quality and quantity of a society's social interactions".⁶² It is suggested that social capital increases with the 'feelgood factor', crime is lower, there is increased bonding between sections of society and possibly an increase in GDP. This indicates that the 'feelgood factor' may have a more profound impact beyond short-term happiness. However, precise quantification of such an effect is complex.

2.82 National pride is related to feelgood. If a national team performs well, the 'feelgood factor' is likely to include feelings of pride in the nation. This may impact on national identity, which may help to enhance social inclusion and unite the country,⁶³ although it can also promote nationalism, jingoism and violent conflict, particularly if performances are poor. This would seem to indicate that using general 'feelgood factor' to build national identity may be risky as it can lead to negative consequences.

The image of the UK abroad

2.83 Sport can also be used to create a positive image of the UK abroad. Research carried out by the British Council for the FCO⁶⁴ asked people aged 25-34 in a variety of countries what image best summed up each of the home countries. In two cases sports featured, with 6% associating rugby with Wales and 11% associating football with England (a particularly strong association in the Far East). The same group were provided with a list of names of famous Britons and asked which they recognised. Positive answers included Linford Christie (33%) and Tim Henman (13%). Recognition of sports 'stars' was quite low compared to recognition of musicians/models/actors.

2.84 However certain sporting 'brands' have a very high recognition value, eg. many Premier League football clubs. Sports such as golf and Formula One also have a strong association with the UK, although it is not clear that the value of these brands is maximised both in the UK and abroad.

2.85 The UK may also suffer from a relatively un-coordinated approach between the FCO, the British Council, DCMS and UK Sport to using sport as a mechanism for enhancing image abroad through involvement with grassroots and high performance sport. Such image enhancement could also assist in improving our standing with international sporting bodies.

⁶² SU discussion paper *Social Capital* (2002).

⁶³ See Bairner A *Sportive Nationalism and Nationalist Politics: A Comparative Analysis of Scotland, The Republic of Ireland, and Sweden* *Journal of Sport and Social Issues* 23 pp. 314-334 (1996).

⁶⁴ The British Council *Through others' eyes: How the world sees the United Kingdom* (October 2000).

International success and economic performance

2.86 A review of the impact of international successes and failures on consumer confidence and productivity was undertaken by London Economics on behalf of the SU. The results of this review are shown in Figure 2.13 and Figure 2.14.

2.87 In these figures, 'S' stands for success and 'F' for failure in a variety of competitions such as the Olympics, Ryder cup and various European Championships held over a period of time. Levels of consumer confidence⁶⁵ and productivity⁶⁶ are mapped over the same period to identify if success or failure have an impact.

Figure 2.13: Consumer confidence and High Performance Sporting Results

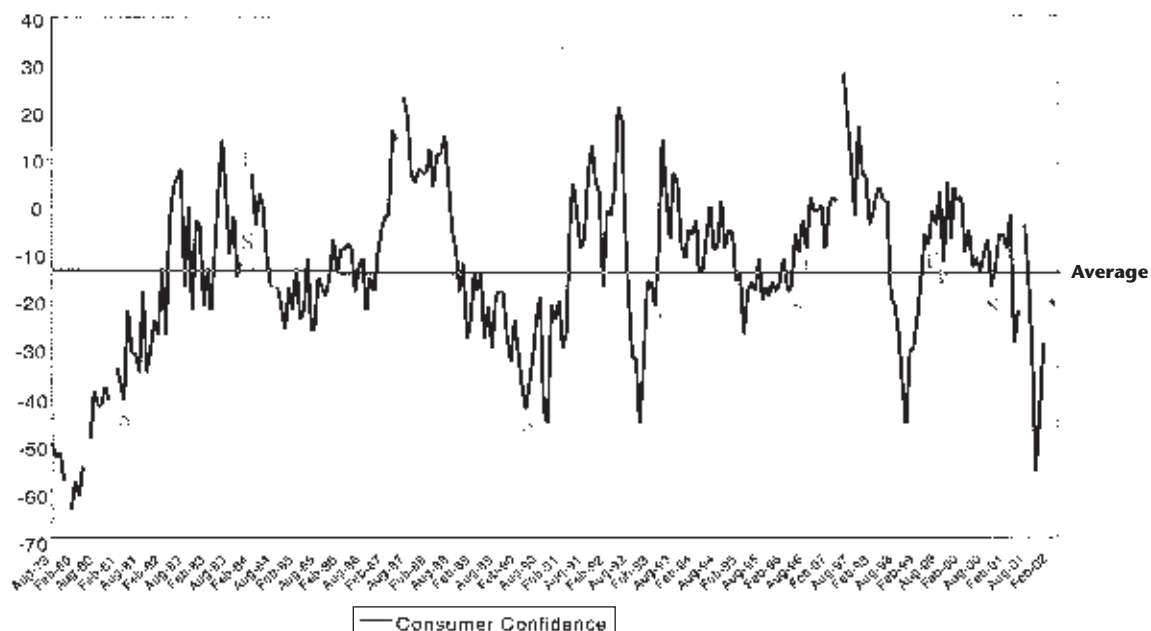
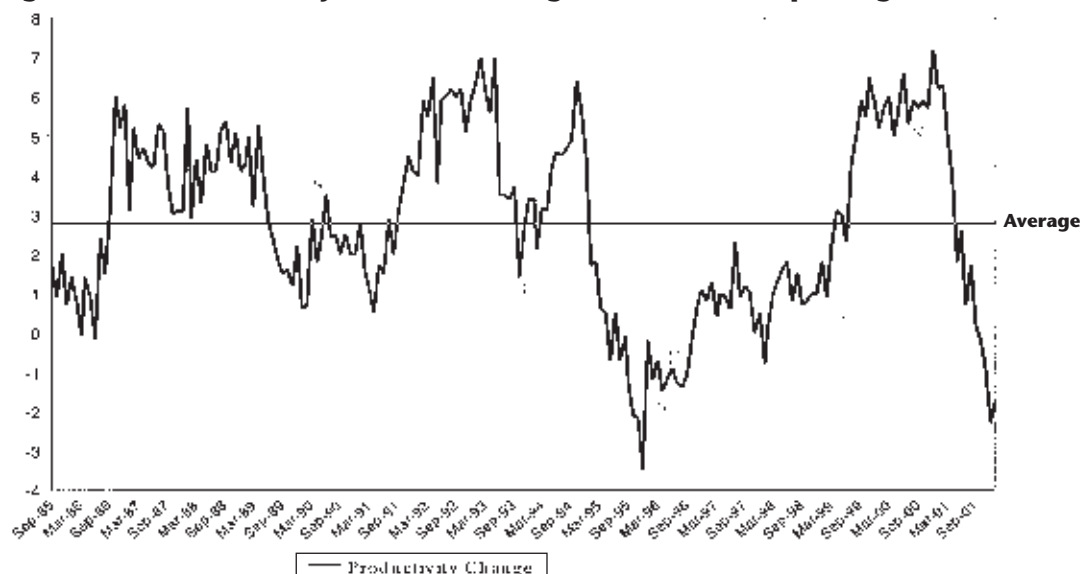


Figure 2.14: Productivity Growth and High Performance Sporting Results



⁶⁵ Taken from the MORI Economic Optimism Index (EOI) (2002). The EOI measures the net balance to the following question that survey respondents are asked: 'Do you think that the general economic condition of the country will improve, stay the same or get worse over the next 12 months?' [The net balance = % who answered 'improve' - % who answered 'get worse']. The net balance is frequently negative. Here we use the net balance of the EOI as our measure of UK consumer confidence.

⁶⁶ Monthly UK labour productivity data measured as manufacturing output per job (data from the ONS).



2.88 These graphs show that there is no significant link between sporting success or failure and economic performance. These findings are supported by recent events such as the Football World Cup where an adverse impact on the economy was experienced during the time of the competition.

2.89 The Centre for Economics and Business Research, a London-based think-tank, calculated that the World Cup and two extra public holidays in June could cut the UK's economic output by £3bn in the second quarter.⁶⁷ However, it is worth noting that any impacts on productivity are likely to be temporary and may reverse quickly.

Hooliganism

2.90 Hooliganism is an important issue and one which the Government has addressed in a number of ways (see Figure 2.15).

Unfortunately, there does not appear to be even partial evidence on the monetary cost of hooliganism, which makes it difficult to quantify the impact of this "cost" to society.

2.91 In the wake of the problems at Euro 2000, a working group on Football Disorder was set up by the Home Office. It was asked to: "examine the dynamics of football disorder; identify the measures necessary at all levels of the game to improve the image of English football; and to help exploit the potential of football as a vehicle for promoting social inclusion".

2.92 In sum, the principle benefit of international success lies in the creation of the 'feelgood factor', which should have a wider positive impact on society. Therefore, there may be a role for government to try to ensure that adequate provision is made for developing excellence in those sports that generate this 'feelgood factor'.

Figure 2.15: Hooliganism in Football

Hooliganism in the UK can be broken down into that which occurs domestically and that which occurs internationally (either through following club sides or the national football team abroad).

Domestic football clubs. Huge progress has been made domestically in recent years, with a relative transformation of the climate in and around top club grounds. Now hooliganism, when it occurs domestically, tends to be significant only within smaller football clubs. In the 1999/2000 season there were 3,137 arrests domestically, down from 3,341 in 1998/99. This figure represents approximately 0.01% of the total annual football attendance figure of around 25 million.⁶⁸

Football club sides overseas. Since Euro 2000 the record of English club supporters overseas has been generally very good. In the 2000/01 season to March 2001, 27 matches were played overseas, with only 34 arrests and 70 preventative detentions made amongst an estimated 42,500 travelling fans.

England internationals overseas. These currently pose the greatest threat of hooliganism problems. It is a sad fact that virtually all incidents of hooliganism at international football tournaments either involve, or are inspired by, the presence or the actions of the English. The most recent example of this is the appalling behaviour of some England fans in Brussels and Charleroi during Euro 2000. However, similar problems did not arise during the 2002 World Cup in Japan and South Korea, arguably because hooligans were 'priced out' of attending.

⁶⁷ Centre for Economics and Business Research *Forecasting Eye* 24th May 2002.

⁶⁸ Source: Home Office *Working Group on Football Disorder, Report and Recommendations* (2001).



Hosting mega sporting events

2.93 There are several categories of benefit attributed to mega events⁶⁹ by their promoters. In the following sections we examine international attitudes towards mega events and the evidence for benefits. We conclude that the quantifiable evidence to support each of the perceived benefits for mega events is weak. The explicit costs of hosting a mega event should be weighed very carefully against the perceived benefits when a bid is being considered, especially given the high risks attached. The message is not: 'don't invest in mega events'; it is rather: 'be clear that they appear to be more about celebration than economic returns'.

International attitudes are positive

2.94 Numerous governments around the world specify the hosting of major sporting events as one of the goals of national sports policy. A number of different reasons have been expressed by national governments to justify such policies (see Figure 2.16).

2.95 The biggest of the mega events are the Olympic Games (summer and winter) and the Football World Cup. The Olympics generally require the most significant infrastructure investment and involve high levels of government investment.⁷⁰ Each of the recent summer Olympics had a different character depending on the financial arrangements and the prevailing context as shown in Figure 2.17.

Figure 2.16: International attitudes to mega/major events

Australia

The Australian Sports Commission in their review "Beyond 2000" stated that one of their objectives should be to "assist in securing further international sporting events". As part of the Commission's international focus this would help to "generate benefits for Australian sports and Australian athletes, provide commercial returns for the Commission and meet government policy and foreign relations imperatives".

Canada

Sport Canada identifies a wide range of benefits they perceive from sporting events. These include benefits for the athletes, coaches, officials and volunteers involved, benefits for sporting federations (exposure, experience and influence), and benefits through increased sports participation. Other perceived benefits include the economic (job creation, regional development, tourism, exports, infrastructure and tax revenue), social (including youth training and participation) and cultural (the expression of Canadian identity).

France

The Ministry of Youth and Sports policy towards attracting major events is justified on foreign policy grounds, ensuring the recognition of France internationally, and also developing sport in France, especially in terms of benefiting the national federations.

Source: SU analysis.

⁶⁹ As defined in Chapter 6 the focus is on those handful of global events that require major new infrastructure.

⁷⁰ Arguably in the UK much infrastructure already exists for hosting football.



Figure 2.17: Commentary on recent summer Olympics

Year	Location	Finance US\$bn (1995)	% Public	Comments
1984	Los Angeles	<0.5	0%	<ul style="list-style-type: none"> ● LA sole bidder – low cost Games ● Mainly modernisation of existing facilities rather than new build ● Financial surplus used to fund youth sports
1988	Seoul	Approx. 2.5	46%	<ul style="list-style-type: none"> ● Large investment in facilities ● New urban development undertaken
1992	Barcelona	Approx. 11	38%	<ul style="list-style-type: none"> ● Most expensive games ever ● Major new urban infrastructure development ● Increased city tourism and recognition ● Historically under-utilised stadia
1996	Atlanta	Approx. 2	15%	<ul style="list-style-type: none"> ● Some urban redevelopment ● Some new sports facilities, but mainly existing ● Mainly modernisation of existing facilities rather than new build
2000	Sydney	Approx. 2.5	Approx. 30%	<ul style="list-style-type: none"> ● Games deemed “a success”. ● Tourism down ● NSW significant debt overhang ● Currently under-utilised stadia

Source: Preuss (2000), SU

2.96 This highlights the varying outcomes arising from hosting the Olympic Games, both positive and negative. This raises a number of questions regarding the longer-term impact of such events, for example:

- Do investments in infrastructure generate ongoing benefits for local people and local industry?

- Do such investments attract new visitors and/or new industry?
- Do the competencies created through the preparation for and staging of the event give the event location an ongoing competitive advantage?

In the following section we discuss the evidence relating to these questions.



Evidence on the impacts of mega events

2.97 This section examines five types of benefits that are widely used to make the case for investing in mega-events. These are:

- Urban regeneration legacy benefits;
- Sporting legacy benefits;
- Tourism and image benefits;
- Celebration, social and cultural benefits; and
- Wider economic benefits

Urban regeneration legacy benefits

2.98 Hosting mega events is often claimed to have a significant impact on urban regeneration. Many economists are sceptical of the regeneration claims made for mega-events:

"Despite the public claims by local boosters, hosting an Olympic mega-event did not lead to urban regeneration or revitalisation [in Los Angeles, Atlanta and Salt Lake City]".⁷¹

"In the absence of careful and controlled planning, cities that succeed in hosting the Olympics may well only find fool's gold for their efforts."⁷²

2.99 There is no doubt that some regeneration takes place. However, there is little statistical or economic evidence to suggest that such regeneration impacts are significant in practice. Few studies have sought to assess impacts or returns to public investment over the medium and long term following an event. The studies that have been undertaken typically take place shortly after the conclusion of the event, and tend to focus on the achievement of the predicted private returns and/or short-term

public benefits (such as immediate or short term job creation).

2.100 Barcelona is often cited as an example of an event used to regenerate a city. Downtown Barcelona has undoubtedly been regenerated, but could these regeneration benefits have been secured at a cost less than the estimated \$12bn cost of hosting the Olympics? In this context, it has been argued that events act as a catalyst for leveraging regeneration funding.⁷³ Certainly, a major event should be part of a long-term strategy for a city (and not just an add on). But if regeneration is needed, it should be worth doing irrespective of any investment in major sporting events and facilities. The relevant analysis should compare the costs and benefits of achieving regeneration through a mega sporting event with the costs and benefits of achieving regeneration in other ways, to establish which is likely to be the more cost-effective.

2.101 Our conclusion is that the economic justifications for any future bids for mega events must be rigorously assessed. If regeneration is intended as an explicit pay-off from hosting a mega event, then it must underpin the whole planing process to ensure that maximum benefit is achieved for the investment.

2.102 Promisingly, Manchester City Council is assessing the immediate impact of the 2002 Commonwealth Games, and is also planning to define and develop a framework for the longer term evaluation of games benefits. In the case of Manchester, the Games were seen as part of a wider vision for regeneration, with sustainable after-use of venues being seen as a priority.

⁷¹ Andranovich et al Olympic Cities: Lessons learned from Mega-Event Politics *Journal of Urban Affairs* 23-2 (2001).

⁷² Baade R and Matheson V *Bidding for the Olympics: Fool's Gold* (2002).

⁷³ See for example, the (then) National Heritage Committee which stated in 1995 that "bids to host major sporting events ... can operate as a catalyst to stimulate economic regeneration even if they do not prove ultimately successful" (quoted in UK Sport (2000)).



Sporting legacy benefits

2.103 A key problem for many recent mega-events has been a legacy of under-utilised facilities and stadia. This has been the case with the Sydney and Barcelona Olympics. Design for long term sporting use is therefore critical: “You don’t build a bridge for two weeks”.⁷⁴ Swimming facilities at the Manchester Commonwealth Games were heavily criticised at the time for inadequate seating. However, Manchester sensibly decided that the seating capacity to meet swimming demand for the Commonwealth Games would not be repeated and they therefore built with a view to the longer term viability of the facility.

2.104 There are, of course, other potential sporting effects of hosting mega events related to their effect on mass participation and international success. We address these considerations later in this chapter.

Tourism and image benefits

2.105 Mega-events are intended to attract tourist revenues and more important, national and international media recognition for the host city. The latter was certainly the case for the Manchester Commonwealth Games.

2.106 Clearly this effect is greatest for less well known, in global terms, host cities. For example, the Devolved Administrations may well pursue events policies distinct from the UK or England. Scotland and Ireland had hoped to raise the profile of both countries through increased visitor numbers and a vast television audience through their joint bid for Euro 2008:

“It’s difficult to over-estimate the importance of the Euro 2008 event. Apart from actual match attendances in the region of 1.7 million, the games will have a television audience in the region of seven billion people spread over 200 countries. The final will be watched by around five hundred million people. This is the third biggest sporting event in the world, In addition to the 400,000 overseas visitors, it will attract 3000 representatives of the world’s media and give the host nations a global platform.”⁷⁵

2.107 On the other hand, there are potential downsides to an increased public profile. For example, the host city will be under extreme pressure to deliver a successful event, increasing the chances of significant overspending to ensure being seen as “the best ever”. Equally, image may be negatively affected if all does not go well either for security reasons (eg. the Munich terrorist incident or the Atlanta bomb) or other unforeseen problems.

2.108 An enhanced international image may well impact on tourism. In the short term, however, there are possible displacement effects. In the 1984 Olympics, Disneyland, Universal Studios and ‘Six Flags’ Magic Mountain (the region’s big tourist attractions) reported lower attendance and fewer non-local visitors than usual.⁷⁶ Likewise in Australia:

“Overall, with the exception of Sydney and Adelaide, all hotel markets in Australia experienced a decline in occupancy in September 2000 relative to September 1999 despite the Olympic Games.... [Australian holiday destination] hoteliers indicate that...domestic leisure travel traditionally taking place during the September school holiday period was displaced to Sydney for the Olympics.”⁷⁷

⁷⁴ Strategy Unit interviewee.

⁷⁵ Euro 2008 bid website. UEFA announced on 12 December 2002 that the joint Austria and Switzerland bid had been successful.

⁷⁶ Economic Research Associates *Community economic impact of the 1984 Olympic Games in Los Angeles and Southern California* (1984).

⁷⁷ Arthur Andersen *The Sydney Olympic Performance Survey: The Sydney Olympic Games on the Australian Hotel Industry* (Nov 2000).

More generally, tourist visitors to Sydney have dropped since 2000, although other factors, such as 9/11, are clearly relevant.

2.109 On balance, tourism and image may well be enhanced by a successful mega event, but careful *independent* analysis is needed.

Wider economic benefits

2.110 Investment in mega-events is often proposed on the basis of the economic stimulus generated, causing a chain of increased spending and economic benefits (see Figure 2.18).

2.111 However, these wider benefits need to be carefully assessed before and after the event so that only additional effects are included. Impact studies can be problematic:

“Not only are the results of many economic impact studies misinterpreted ... in order to

support ... policy beliefs, but the results themselves are often miscalculated by economists, sometimes deliberately to please the sponsors of the research project, sometimes unintentionally, the number of pitfalls in estimating the net benefits of a public investment being numerous.”⁷⁸

2.112 Particular care is needed in terms of how the “multiplier” is calculated, how the relevant geographical area is determined and how inflation is treated:

- **Estimating the multiplier.** The multiplier is a number which measures the extent to which the initial investment associated with a major event stimulates further additional income and expenditure in the area.⁷⁹ The size of the multiplier is correlated with the size of the area studied. The larger the area, the smaller the multiplier, as more activity, unrelated to the event, will be displaced or crowded out.

Figure 2.18: Pre-event assessment of wider economic benefits of mega events

Event Date	Event	Pre-event assessment	Source
1994	World Cup (US)	\$4bn net benefit	Multiple
1996	Olympics, Atlanta	\$5bn to Atlanta region	University of Alabama
2000	Olympics, Sydney	A\$6.5bn net benefit, 90,000 jobs	Arthur Andersen
2002	Winter Olympics, Salt Lake City	\$4.5bn	Utah Governor’s Office of Planning and Budget
2002	World Cup (Japan + South Korea)	\$25bn net benefit for Japan, \$9bn for S Korea	Dentsu Institute for Human Studies
2006	World Cup (South Africa bid)	\$6bn net benefit, 129,000 new jobs	South Africa FA
2012	Olympics, Dallas bid	\$4bn net benefit	Dallas 2012 bid committee

⁷⁸ Jeanrenaud C (ed.) *The Economic Impact of Sports Events* (2000).

⁷⁹ In general the sports multiplier should be calculated $1/[1 - MPC(1-MPI)(1-t)]$ where MPC is the marginal propensity to consume, MPI marginal propensity to import goods from outside the region and t is the marginal tax rate (Siegfried and Zimbalist (2000)). For a nation one might assume an MPI of 25%, whereas for a city it would be more likely to be between 0.5 and 0.75. Thus, assuming an MPC of 2/3 and a marginal tax rate of 40% the multiplier could range from 1.43 at the national level to 1.11 at the regional level.



- **Defining the relevant geographical area/population.** Major event cost benefit studies are usually conducted at the city, regional or national level. At national level – the level at which central government investment is assessed – only expenditure from foreign visitors can be counted as additional (unless they would have come to the country anyway). At regional or local area level, positive benefits in terms of increased expenditure will include all those who have travelled from other regions/localities. However, at this level, there is likely to be greater leakage of benefits through profits being transferred out of the area. It is also likely that much spending by local inhabitants would simply substitute for alternative spending. Likewise, spending by visitors who would have come as tourists anyway, or who only attend the event as part of a holiday, cannot be counted as deriving from the event.
- **Inflation.** The ability to supply the demand for additional goods and services at an event depends on capacity. If capacity exists or will be created then the stimulus will result in increased economic output. However, if supply is limited, suppliers may respond simply by raising prices. This is often the case, for example, with the supply of hotel accommodation. Inflation can be a significant problem for consumption expenditures at mega events since they are typically concentrated in a very short space of time and stretch capacity to its limit. The additional demand may lead to increased short-term profits for operators, but no long term benefit for the area involved.

Social, cultural and celebration benefits

2.113 Hosting a mega event may well create a national sense of ‘feelgood’. This was arguably the case in several recent events: the 2002 Commonwealth Games, the World Cup in Japan and South Korea and the Sydney Olympic Games in Australia. Such psychological benefits are hard to measure, but cannot be ignored:

“If the main argument for hosting a mega-event like the Winter Olympics is the long-term economic impacts it will generate, the conclusions from the Lillehammer experience quite clearly points to the conclusion that it is a waste of money. However, this does not mean that there are no other arguments for hosting a mega-event. The Lillehammer Olympics was a great experience, albeit not in economic terms.”⁸⁰

“Rather than thinking of an event as an investment in generating an economic return, it should be considered a form of public consumption – a reward for past efforts.”⁸¹


2.114 Hosting mega events can also create another form of local “cultural capital” through the recruitment and training of significant numbers of volunteers.⁸² This can offer individuals the opportunity to become involved in an exciting sporting event, which may act as a starting point for ongoing community involvement. This may in turn have economic and social benefits. Again, the value of this benefit is hard to estimate and the subsequent activities of volunteers have not been tracked.

2.115 Perhaps one of the clearest arguments for hosting a mega-event is that expressed above by Stef Szymanski: celebration. The Sydney Olympics was certainly a celebration of Australia’s sporting prowess.

⁸⁰ Jeanrenaud C (ed.) *The Economic Impact of Sports Events* (2000).

⁸¹ Szymanski S *The Economic Impact of the World Cup* *World Economics* 3-1 (Jan 2002).

⁸² As shown by the recent experience in Manchester for the Commonwealth Games where 20,000 volunteers applied for 10,000 positions.



Interaction between participating, competing and hosting

2.116 We have examined participating, competing and hosting separately. However, there are undoubtedly relationships between each of these factors. In the following section we try to determine how they affect each other. Like so many other areas of our analysis, paucity of data prevents us reaching robust and compelling conclusions. However, we can say that:

- International success does not, on its own, lead to increased mass participation or vice versa.
- Hosting events does not necessarily lead to sustained levels of international success.
- Hosting events does not necessarily lead to increases in mass participation.

International success and mass participation

2.117 Many sports report an upsurge in interest following international success, particularly when televised. Intuitively this makes sense and major sporting figures are often regarded as role models to inspire young people:

*"We estimate that there has been a significant increase in people taking introductory courses due to the success of Ellen [MacArthur] and the achievements of our Olympic Sailors in Sydney. A figure in the region of 25% increase in the basic starter courses."*⁸³

2.118 However, statistics show little evidence that international success has a long-term impact on levels of participation. One, or a combination of several reasons, might explain this:

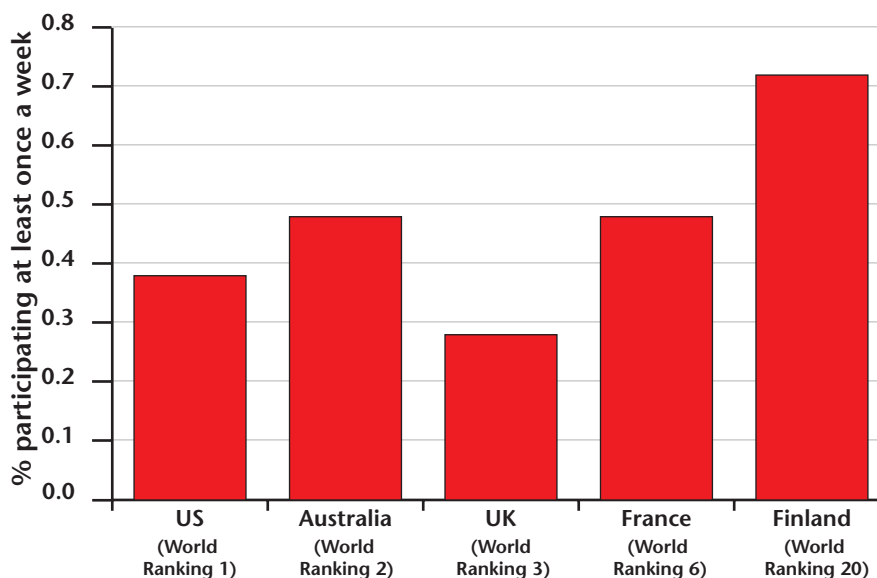
- The data on participation is not sufficiently robust. The General Household Survey has weaknesses, and the availability of data on active membership in individual sports is not great. In particular, there are few examples of longitudinal studies that track participation rates over time. It could be that effects are simply not being recorded.
- Various barriers prevent take up following the initial surge of interest eg. inadequate information on how to pursue interest, or inadequate capacity to handle extra demand.
- Capacity exists, but people's interest is not sustained.

2.119 The available evidence also suggests that there is no automatic link between high levels of participation and international success. Figure 2.19 shows that the UK has a low level of participation but a high international ranking (using UK Sport's sporting index). Compare this to Finland, where there is a very high level of mass participation, but relatively low international ranking. The USA has a high international ranking, but relatively low participation rates.

⁸³ Source: Royal Yachting Association interviewee.



Figure 2.19 Comparing levels of mass participation and elite success



Source: UK Sport, Compass report 1999 and SU commissioned work

2.120 Clearly, we cannot rely on international success alone to build participation. Equally, higher levels of participation will not automatically lead to greater international success. Targeted policies are needed to promote both these important goals. And we need a system of talent identification and development to form a bridge between increased mass participation and success in international competition.

Hosting events and international success

2.121 It is generally believed that by staging sporting events host countries will experience improved team and individual athlete performance through home advantage. It is also argued that this can build a sustainable increase in international performance.

2.122 Individual athletes differ on the effect of home advantage. Some argue that performing at home can bring a greater expectation of victory and therefore increases stress which

reduces performance; while others are motivated by home crowds to perform to their best ability.⁸⁴

2.123 There are some undisputed advantages to hosting events. In the Olympics, hosting gives automatic qualification to all team events. Likewise, qualification is also assured for Football World Cup hosts.

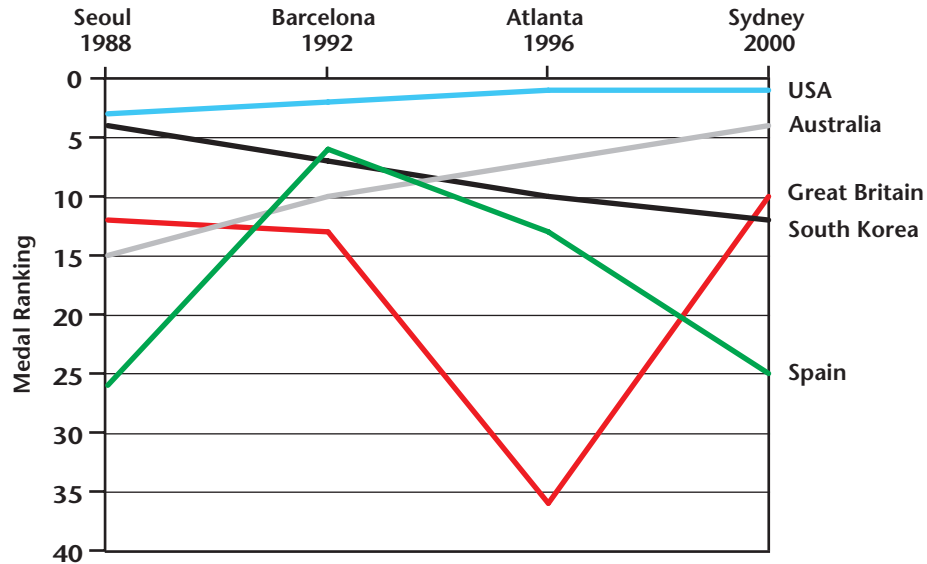
2.124 But how does hosting affect performance? Figure 2.20 shows the performance of recent Olympic hosts.

2.125 In all cases the countries involved performed better when hosting. However:

- Spain's overall ranking has since slipped back to pre-Olympic hosting levels.
- South Korea's overall ranking has slipped downwards since Seoul 1988.
- Australia was on an upward trend anyway in the run up to Sydney 2000.
- USA has been at or near the top of the table for many years.

⁸⁴ SU interviews.

Figure 2.20 Olympic Games medal rankings of UK and host countries



Source: International Olympic Committee

2.126 It is difficult to disentangle home advantage from other factors. For example, improved performance may be caused by host nations' significant additional investment in their athletes, prior to staging the Games. The Australian Federal Government established additional financial support programs to improve home medal prospects for the 2000 Sydney Olympic Games.⁸⁵ In a similar vein, the significant improvement in the UK's performance between Atlanta and Sydney has been attributed to extra resources invested through the Lottery.

2.127 In football, hosting the World Cup has also been associated with success as shown in

Figure 2.21. Six out of the 17 World Cups have been won by the hosting nation. However, perhaps most notable is the dominance of a number of a few key nations, especially Brazil and Germany. These countries have won the World Cup on several occasions, regardless of host location.

2.128 For a cash constrained investor, a key question arises: is it better to invest in methods to improve the chances of winning wherever in the world, or is it better to invest in hosting in the hope of winning at home? Needless to say, this choice is also affected by beliefs on how hosting might affect mass participation.

⁸⁵ CMS Select Committee *Staging International Sporting Events* (1999).



Figure 2.21 World Cup winners and hosts

Year	Winners	Host country
1938	Uruguay	Uruguay
1934	Italy	Italy
1938	Italy	France
1950	Uruguay	Brazil
1954	W Germany	Switzerland
1958	Brazil	Sweden
1962	Brazil	Chile
1966	England	England
1970	Brazil	Mexico
1974	W Germany	W Germany
1978	Argentina	Argentina
1982	W Germany	Spain
1986	Argentina	Mexico
1990	Germany	Italy
1994	Brazil	USA
1998	France	France
2002	Brazil	Japan/Korea

Hosting events and mass participation

2.129 There is little evidence that hosting events has a significant influence on participation. As the majority of people experience hosted events via TV, it is difficult to separate the impact of winning international competitions from that of hosting. As we have already discussed, international success does not appear to have a lasting effect on participation.

2.130 Many individual athletes and teams enjoy the opportunity to perform in front of home supporters and for those supporters in attendance, the event will generate particular feelings of pride and may encourage greater participation.

2.131 More importantly, if increased participation is generated, it may be as much a consequence of the public profile of the sport via news and advertising.

2.132 It could be argued that media coverage may be greater if an event is hosted in the UK. However, media coverage often tends to be dictated by the popularity of the sport in question regardless of location and the success of UK competitors.

2.133 Therefore it is difficult to prove that actually hosting an event affects mass participation aside from the success of UK athletes and the level of media coverage.

2.134 Depending on the scale of the subsidy, it would seem that hosting events is not an effective, value for money method of achieving either a sustained increase in mass participation or sustainable international success.

Watching and participation

2.135 The relationship between watching sports and participation has not been well researched. Many people who watch sport never participate, others start watching once they have started participating and a number of spectators probably are encouraged to have a go themselves. We have found little information on these relationships, although we note that the growth in spectators in recent years has not resulted in significantly increased participation.

2.136 In addition, the activity of watching a sport and playing a sport are so different that we cannot presume that any individual would necessarily be interested in both.



When government should intervene

2.137 The existence of positive benefits does not in itself make a case for government intervention. The final section of this chapter considers the market failures that would make it appropriate for government to intervene.

2.138 There are benefits from sport which accrue to individuals, communities and the nation as a whole. However, this is not a sufficient argument for government intervention in the market for sport:

“The benefits sport brings to individuals and communities may be obvious to many. In the competition for scarce resources, however, sport must face up to the challenge of justifying, in more tangible ways, why public money should be invested in it.”⁸⁶

2.139 Government does not run sport – and nor should it. Government intervention, however, is legitimate where it remedies a ‘gap’ in voluntary or private provision and the benefits of intervention outweigh the costs. There are two broad reasons why there might be a gap in private or voluntary provision:

- **Inefficiency.** Private and voluntary provision may be inadequate in some way. This under-supply results in reductions in social welfare that might be avoided by government intervention.
- **Inequity.** The government may wish to intervene to promote fairer access to all than would be otherwise achieved.

2.140 In the next section we shall show that there are several instances of inefficiencies and inequities which provide a rationale for government intervention in sport.

Private and voluntary sectors may under-provide

2.141 The key circumstances which lead to inefficiencies in private and voluntary provision are the existence of public benefits, informational failures or competition failures in sports markets. We have already identified the two main areas of public benefit in sport and physical activity above, the wider benefits to the economy from improving health and the possibility that international success can generate a ‘feelgood factor’. Therefore we concentrate here on identifying the informational problems and competition failures that can affect participants or suppliers.

Information problems affect both customers and suppliers

2.142 Information problems arise when individuals who wish to participate, or suppliers offering the programmes, coaching or facilities necessary for participation, do not have access to the same, full set of information. Decisions based on a lack of good information can result in less favourable outcomes.

2.143 The main problem arises for individuals who may lack information in a number of areas:

- *Insufficient knowledge of the benefits of sport.* In a narrow sense, if people are uncertain of the level of physical activity that is needed to deliver improved health outcomes, they will underestimate the extent to which they ‘need’ physical activity or sport to help deliver their personal health goals.⁸⁷ Whereas in a broader sense, individuals may simply lack knowledge of, and familiarity with, sporting activities which they might enjoy.⁸⁸

⁸⁶ Sport England *The value of sport* (1999)

⁸⁷ The Allied Dunbar National Fitness Survey (1992) revealed just such a misperception by both men and women of all ages: although 80% correctly believed that regular exercise is important for health, the majority incorrectly believed that they did enough exercise to keep fit.

⁸⁸ Adopting Scitovsky's approach and applying it to the demand for sport, stimulation-seeking becomes the main motivation for participation in sport and, presumably, sport requires a high level of ‘consumption skill’. Hence in order to be better prepared to enjoy sport (or other leisure-time activities driven by stimulation-seeking) one must develop this consumption skill through learning.



- *Insufficient knowledge of quality.* An example of this is coaching standards. Coaching is especially important in developing sporting technique in young people, but the individuals being coached are not necessarily able to distinguish good from bad coaches, without an easily recognised system of qualifications.
 - *Insufficient knowledge of costs.* Individuals may not be aware of the actual costs of participating in a sport compared to other leisure activities. Research amongst users and non-users of sports facilities has shown a high degree of ignorance of the actual costs of use,⁸⁹ with many users actually over-estimating the costs of using facilities.
 - *Insufficient knowledge of sporting opportunities.* Despite a desire to take part, there may simply be a lack of knowledge of how to get involved in sports at a local level. For example, a young person may be keen to participate in basketball, having seen matches on television. But if it is not provided as a sport at school, and the individual has no link to local clubs, this may lead to a failed opportunity to increase participation.
- 2.144 In addition to these information problems for sports buyers, there can also be information issues for suppliers. There are several potential co-ordination failures in sport, as shown in Figure 2.22.

Figure 2.22: Information failures affecting suppliers

- **Complexity of overall delivery.** Sport is funded and delivered through a complex web of organisations in the public, private and voluntary sectors. In the private and voluntary sectors the financial incentives to co-ordinate may be absent. Government may, therefore, be best placed to ensure that the different sectors best co-ordinate their efforts to maximise the outputs for sport overall.
- **Inadequate school-sports club links.** This is particularly important for the problem of post-school drop-out from sports participation. There are difficulties here on both the school and club sides: schools deliver the PE curriculum, operate after-school sport programmes and organise intra- and inter-school sport competitions. Local sports clubs are often:
 - run by volunteers (who are difficult to contact during school hours); many are unwilling to accept juniors (without which a link to school children will be impossible); and
 - have few or no personnel trained specifically to deal with school-aged members. (Note that school-club links are now explicitly a focus of the DfES/DCMS delivery contract with the Prime Minister's Delivery Unit.)

⁸⁹ Coalter F Sports Participation: Price or priorities? *Leisure Studies* 12 pp.171-182 (1993).

Imperfect competition can also cause difficulties

2.145 Another example of market failure is imperfect competition. Sport may be under-provided if a supplier has a high degree of market power. The provider may abuse this market power to the detriment of consumers in terms of price and product 'quality'. There have been several recent competition cases in sport, including those related to potential monopoly in the UK sport's broadcasting market, and the Bosman ruling in 1996.⁹⁰ In these circumstances competition authorities need to step in to remedy the situation.

Government interventions on equity grounds

2.146 Government might also wish to intervene on the grounds of equity:

"Fairness for all is at the heart of the Government plan. Sport should continue to remove barriers and maximise opportunity, to recognise and challenge inequality and to create an environment in which everyone who wishes to participate in sport can do so without disadvantage and discrimination".⁹¹

2.147 There are differences in sports participation between socio-demographic groups, as chapter 1 shows. We do not suggest that equality of outcomes should be a goal, because people have different tastes, but we do argue that equality of opportunity should be a goal.

2.148 While the government cannot, and should not, compel people to participate in sporting activities, it might wish to intervene to help remove the barriers that lead to inequality of opportunity. In particular, there may be a role for intervention to bring about a positive 'cultural' change. An example of this is the Australian Government's strategy *Backing*

Australia's Sporting Ability – A More Active Australia, which was aimed at building the sporting culture within Australia.

2.149 Chapter 4 explores further the role of government intervention to remove the barriers that lead to inequality of opportunity.

2.150 Overall we conclude that there is a role for government to overcome market failures and barriers to access for certain groups that need help.

Minimise intervention costs

2.151 Having shown that there is a case for government intervention where there are public benefits and informational failures exist, there is also a need to consider the possible risks and costs associated with remedies that government may put in place. Such risks are varied, as shown in Figure 2.23. It is difficult to quantify the impact of such risks, although subsequent chapters in this report suggest that inefficient delivery is a key problem in parts of the current system.

2.152 Many of these pitfalls can be overcome by careful targeting of interventions to ensure that they are directed to those groups who will most benefit. This leads to the development of initiatives that target specific groups of individuals rather than subsidising facilities or general programmes.

⁹⁰ EU case which concluded that UEFA/FIFA rules preventing freedom of movement when football players were out of contract contravened Treaty of Rome rules on competition and the free movement of workers.

⁹¹ DCMS *The Government's Plan for Sport* (2001).

Figure 2.23: Pitfalls of government interventions

- **Inefficient delivery** – publicly-funded sport is open to the criticism that – in the absence of competitive pressures – it distorts incentives, causes inefficiencies, and benefits the institutions receiving the support at the expense of the general public. The case is difficult to argue in absolute terms, because of the difficulty in measuring outcomes and attributing outcomes to identifiable inputs.
- **Crowding out the private sector** – public money may simply substitute or “crowd out” private money. For example public-sector money going into “professional” sports, usually those with a consistently high media profile, may simply increase the salaries of highly-paid players rather than increase the amount available at the grassroots level. Alternatively public-sector support of facilities (eg., health and fitness centres) may substitute for private-sector money and distort patterns of private sector investment. Likewise, advertising by the public sector can crowd out the private sector.
- **Perverse outcomes** – public funding of sport may be attacked for leading to the redistribution of income from poorer to richer segments of society. This is because participants in sport and physical activity tend to be drawn disproportionately from higher-income groups.

Conclusion

2.153 We have examined the various benefits attributed to sport and physical activity. Our conclusion is that much depends on how sporting activities are used and what additional factors are in place. For example, sport can be used as a tool in crime reduction, but expertise in working with “at risk” youth is the key factor in ensuring the desired outcome.

2.154 However, the outstanding message is that the benefits of physical activity on health are clear, well evidenced and widely accepted. Physical activity itself produces these health benefits without additional inputs, whereas for other areas such as education and crime reduction, sport can best be used as part of a package of measures to achieve success.

2.155 Therefore, government would most benefit from focusing on increasing levels of physical activity across the population to improve health. In addition, sport and physical activity in schools should remain a priority to improve health and physical literacy and engender lifelong participation.

2.156 There is a pressing need to improve our understanding of the links between sport and physical activity, and other policy goals such as crime reduction and combating social exclusion. The evidence base needs to be strengthened to enable policy makers to construct and target effective interventions.

2.157 Creating a ‘feelgood factor’ from success is the other area where, despite the difficulty in quantifying the impact, there appears to be a positive impact for the nation as a whole.

2.158 The different elements of sport, recreation, competing and hosting do affect each other, but the relationships are not clear. Therefore separate actions are probably needed to address each element.

2.159 Having shown that there are benefits to be achieved from sport, most importantly for health, and a role for government, the next question is to establish what that role should be. The next chapter describes the government’s vision for sport, as a starting point for developing specific interventions to address existing problems.

3. WHERE DO WE WANT TO BE: A VISION FOR SPORT AND PHYSICAL ACTIVITY IN 2020

Summary

Our long term vision for sport and physical activity by 2020 is: *“to increase significantly levels of sport and physical activity, particularly among disadvantaged groups; and to achieve sustained levels of success in international competition”*. The message is simple: get more people doing more sport and increase our success rate in top level competition. We recommend that the priorities should be:

- To encourage a mass participation culture (with as much emphasis on physical activity as competitive sport). A benchmark for this could be Finland, which has very high quality and quantity of participation, particularly among older people. Our target is for 70% (currently ~30%) of the population to be reasonably active (for example 30 minutes of moderate exercise five times a week) by 2020.
- To enhance international success. A benchmark for this could be Australia, which has achieved disproportionate levels of international success. Our target is for British and English teams and individuals to sustain rankings within the top 5 countries, particularly in more popular sports.
- To adopt a different approach to hosting mega sporting events. They should be seen as an occasional celebration of success rather than as a means to achieving other government objectives.

These aims for government are long term. They also need to be put in the context of government as a partner of the voluntary and private sectors.

Possible futures for sport and physical activity

3.1 What might happen in the future? Any government interventions in sport and physical activity are most likely to achieve success in the medium to long term. Therefore we need to

look ahead and picture how the future might develop if we are successful in achieving our goals, if we continue with the current approach and if we choose to downplay the importance of sport and physical activity.



Scandinavian participation, Australian success

Today was not any normal rainy Saturday; today was the Football World Cup final. Joe bounded down the stairs as today was also a big game for his basketball team. He had to wait for his mum, Sally, to get ready, and then took his Gran's arm and helped her into the local sport's club shuttle service bus while he followed on his bike along the new cycle path.

As soon as they arrived at the club, Joe was off to basketball. He knew his way around because the club had been built onto his school, but as it was now out of school hours he shared with the rest of the community. He liked most sports, but after trying a good few had decided basketball was his favourite. Sally made sure Eve met her friends to go to the pool, before heading off to Yoga and afterwards for a good natter with her best friend on the comfortable sofas where she could also see Joe's game. Before she started Yoga, stress was a big problem in Sally's life, but she now felt she could really control it. It went well with the tennis she played and her weekly step classes. The monthly club pass also meant that the more she used the club, the cheaper it was.

Sally could also really notice the improvement in Eve's walking since she had taken up the doctor's advice of Aquarobics. The good value offered by her senior's pass meant her meagre funds did not stand in the way of her exercising, and the social element meant she really looked forward to her session on Saturday.

When they all met up again for lunch, at the café overlooking the pool, Joe was full of talk about how he had scored the winning basket in their game. He was so excited he had forgotten England were in the World Cup Final this afternoon, hoping to add to the European Championships title they had claimed 2 years earlier.

Stumble through – business as usual

Today was not any normal rainy Saturday; today was the Football World Cup final. Joe felt like emulating his heroes and gave a few friends a ring. He managed to get 4 people together and they wandered down to the park, chucked their jumpers down for goal-posts, and started trying to recreate the mighty Brazil team's heroic exploits that had got them to the final with South Korea. After a while, however, the weather got the better of them, and they went home to watch the game.

Sally was up early to help Eve to get dressed. She didn't want to miss her Yoga class again this week, and had to leave plenty of time for the long bus-ride to the Church hall. She really felt Yoga made a difference when she got there, but the hassle of the journey seemed to add to her stress levels. She also felt guilty about leaving Eve alone at home on Saturday morning, but expecting her to sit around the draughty Church hall was not fair. She wished she could do more exercise at other times, but Saturday Yoga was the only activity available locally.

Eve was still making a real effort to walk to the shops, but it was getting harder everyday, and she was worried about falling in the wet. She wished she had the energy she used to have when she was young, but her body just seemed to be seizing up these days.

Record couch potato deaths

Today was not any normal rainy Saturday; today was the Football World Cup final. Joe sat in his room that morning emulating the mighty Brazil team on his new football computer game. Since England had again not qualified for the tournament he had found it hard to get interested in these finals, but he still liked football. He wished he could play at school, but now it had been dropped from the curriculum in favour of more business studies, break-time was the only chance he got to play, and a tennis ball in a car park didn't make for a very good game.

Sally could not relax. She had had a very hard week at work and now she was going to have to dress Eve, make her breakfast and try and get Joe out of his room. She knew he was now severely overweight, but was doing nothing to help himself by not moving around. He said that he didn't want to go out and get wet, but this made her even more angry. She just wished that she didn't have to do everything for both of them. She felt bad that she was angry at her mother for being unable to help herself, although she knew she was in a lot of pain. That afternoon was yet another Doctor's appointment for Eve, although the drugs handed out never really seemed to help her.

3.2 The remainder of this chapter examines:

- developing a vision for sport and physical activity;
- how this vision can be translated into quantifiable objectives;
- the principles to be adopted to underpin achievement of the vision; and
- the levers available to government to drive achievement.

Vision for sport and physical activity

3.3 Having looked at what the future might hold, we need to develop our vision of the future. Visions are useful. Organisations and governments need a clear direction to focus activity and measure progress. Sport is no different. Current sports strategies¹ outline a wide range of issues and how these should be addressed. We need to build on these to develop a clear picture of the future and the ultimate aims of government in terms of prioritised, measurable outcomes. Without a clear picture of the ultimate aim, it is difficult to

ensure that the right action is being taken to achieve the right outcomes. Without prioritisation, it is difficult to make decisions regarding the allocation of funds.

3.4 A vision for the future needs to be flexible. The goals may change and the actions required will probably change, however a vision provides direction and focus that helps to inform change.

3.5 Our vision is:

To increase significantly levels of sport and physical activity, particularly among disadvantaged groups; and to achieve sustained levels of success in international competition.

3.6 We have chosen this vision as, in earlier chapters, we established that:

- the UK has a mixed record in terms of participation, international success and hosting major events; and
- Government has an interest in sport and physical activity not least because of the health benefits that accrue from mass participation and the "feelgood factor" of international success.

¹ DCMS *A Sporting Future for All* (2000) and *The Government's Plan for Sport* (2001).



3.7 Within this overall vision, the long-term goals of creating a sport and physical activity culture, and winning on the international stage, should be the main priorities.

3.8 As outlined in chapter 2, there is a strong evidence base setting out the health benefits of participation in physical activity. Apart from the personal benefits of improved health, a healthier population would result in reduced NHS costs, reduced absenteeism and possible increases in productivity. Therefore, in cost/benefit terms, encouraging greater physical activity is the most effective area for government investment.

3.9 Participation in sport may have a role to play in helping to deliver a wider range of benefits for communities and the nation as a whole (i.e crime reduction, social cohesion and education). However, participation is a necessary, but certainly not a sufficient, condition for these wider benefits to result. Many of these benefits will only be generated through multi-strand programmes which use sport as a 'hook' to attract participants, or as an activity to promote other qualities, such as teamwork or leadership. As we have mentioned above, the evidence in these areas is not strong. We need to understand the linkages in order to be able to devise effective policy interventions.

3.10 Success in the international sporting arena produces benefits for the country as a whole through enhanced national prestige and pride (although such benefits are very difficult to measure). International success needs to be built on a strong system of talent identification and development. We consider that government has a role to play in facilitating the development of such systems, given the degree of co-ordination activity required, and the longer timescale that must be considered.

3.11 Therefore, from the perspective of government investment, it makes sense to invest in creating a mass participation culture which will enable us to generate health benefits, while also looking at ways in which we can achieve greater international success.

Twin track approach to a healthier, more successful nation

3.12 As demonstrated in chapter 2, it is not possible to say that increasing mass participation will automatically improve international success, or that international success will necessarily drive mass participation. Both issues must be tackled separately, leading to a twin track approach as shown in Figure 3.1.

Figure 3.1: Developing the twin track approach

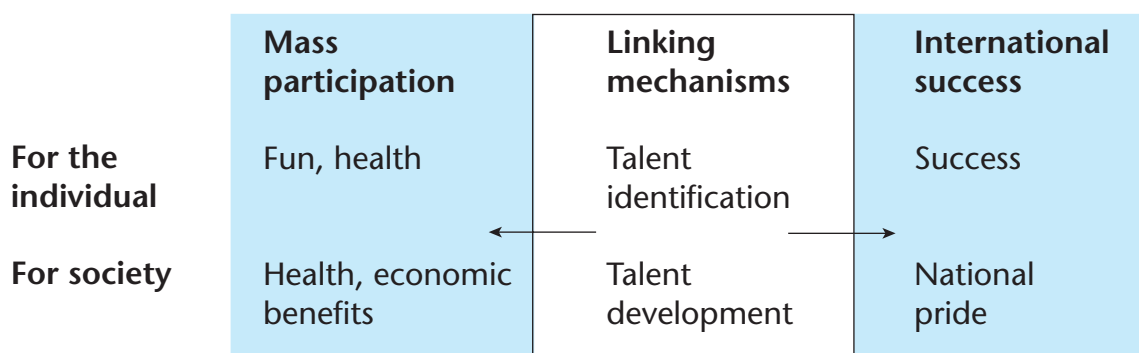
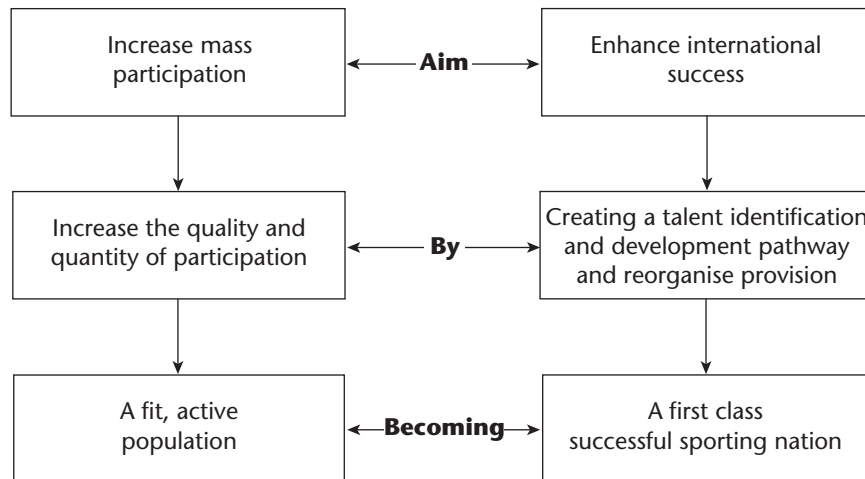


Figure 3.2: Overall aims and objectives of the twin track approach



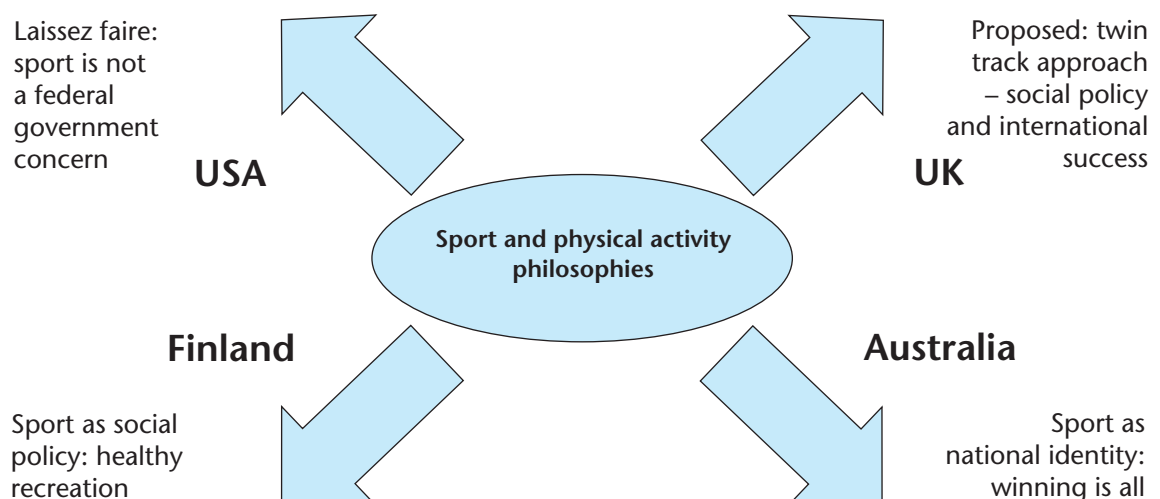
3.13 The overall aims and objectives of the twin track approach are outlined in Figure 3.2.

However, government should still prioritise its goals as described above.

3.14 The use of this twin track approach should not distract from the need to develop an overall strategy for the future of sport and physical activity which encompasses both objectives, outlines responsibilities and sets the structure and systems necessary for achievement.

3.15 This approach places the UK between the extremes of Finnish mass participation as social policy, and Australian success as national identity, see Figure 3.3.

Figure 3.3: International sport and physical activity philosophies



Targets to realise the vision

3.16 Targets need to be set for each of these goals to drive activity. To set appropriate targets, we have looked at the achievements of other countries and used these as benchmarks.

Increase quality and quantity of participation for all

3.17 The key benchmark here is Scandinavia in general, and Finland in particular. Figure 3.4 discusses the key elements of the Finnish approach.

Figure 3.4: What can the UK learn from Finland? ²

Finland has very high levels of sport and physical activity participation:

- 49% exercise at least 4 hours a week;
- 17% exercise at least 3 hours a week;
- 4% train for sports competition.

Key elements of the Finnish approach appear to be:

- *A rigorous and systematic approach:*
 - Target groups – recent focus on the elderly. Sophisticated assessment of key behavioural drivers for each target group.
 - Annual national physical activity survey to inform strategy and evaluate policy.
 - Long term research and analysis of physical and social sports science.
 - Best use of natural assets, for example floodlit ski and walking paths.
- *Health as a priority:* sport and physical activity are seen as a major input into health policy. Focus is on having fun to encourage participation, rather than a competitive culture.
- *High level of funding:* public and private sectors invest highly in sport and physical activity. Inter-country comparisons are notoriously difficult given the dispersed nature of sports and physical activity funding. However, it appears to be ~4% of public expenditure in Finland.
- *Targeted high performance:* Finland has a natural advantage in winter sports and targets these activities in high performance sport.

The organisation of sport and physical activity is devolved to the lowest level (local councils and clubs), with investment in coaches and informal teachers at that level. Apart from differences in climate, geography and land availability, there are deeper cultural differences that mean that copying Finland might be difficult for the UK. For example:

- *Social variance:* in terms of income distribution and female participation in physical activity, Finland, arguably, has a less varied society than the UK.

² For more information, see:

<http://virtual.finland.fi/finfo/english/sport.html>
<http://www.minedu.fi/minedu/sports/index.html>
<http://www.stm.fi/english/tao/publicat/pub1702/julkaisu0217.pdf>
http://www.stm.fi/english/publicat/publications_fset.htm

- *Corporate social responsibility:* as with other Scandinavian countries, many corporations invest heavily in employee welfare. This includes opportunities for sport and physical activity, which are viewed as directly contributing to productivity.
- *Community:* one in five Finns is a member of one or more of the 7,000 sports clubs in Finland. Many of these are multi-sport. 10% of all Finns take part in organised competitive sport. These are significantly higher than the comparable UK numbers (see chapter 1).

3.18 Figure 3.4 indicates that up to 70% of Finns are reaching the required target of 30 minutes of moderate activity for 5 days each week, compared to the current English rate of 32%. This is without considering the additional activity provided by manual labour, daily travel (walking or cycling) or household chores.³

3.19 At the same time, as shown in chapter 1, Scandinavian success in encouraging older people to participate in sporting activity is particularly impressive.

3.20 We believe that the government should ultimately aim to emulate the Finns, although this is a very long-term undertaking. Therefore we have set two targets:

- An interim target of 50% participation by 2011.

- By 2020, 70% of individuals to be undertaking 30 minutes of physical activity 5 days a week.

Enhance our international success

3.21 Australia has a worldwide reputation for sporting success (see Figure 3.5), which we would like to emulate.

3.22 One of the reasons for the reputation built by the Australians is that they have chosen to focus on achieving success in a smaller number of popular sports. As we have already shown in chapter 1, the UK performs quite well internationally, but does not achieve the highest level of success in the sports that are of most interest to the majority of the population.

Figure 3.5: What can the UK learn from Australia?⁴

Australia is a world leader in a range of sports (currently 2nd in the UK Sport world rankings, with the highest Olympic medal rate per capita). Key elements of the Australian approach appear to be:

- *A clear priority for high-performance sport:* 77% of Australian Sports Commission funding is devoted to elite success, with 23% for improved participation. Sport is strongly associated with national identity.
- *A targeted approach:* funding has been targeted at key sports.
- *A long-term approach:* traditionally Australia had limited government intervention in sport. But, following their poor performance at the 1976 Montreal Olympics, the government developed a very effective long-term national sports strategy.

³ Due to a lack of comprehensive data in England, international comparisons of overall physical activity are not possible.

⁴ For further information, see
<http://www.ausport.gov.au/>
http://www.dcit.gov.au/Article/0,,0_1-2_14-3_490-4_105331,00.html
<http://vic.gov.au/nphp/sigpah/gaa/>

- *Clear strategy and structures:*
- the national government has responsibility for the overall framework of sports policy. At this level, the Australian Sports Commission has responsibility for high performance sport (the Australian Institute of Sport, founded in 1981) and grassroots sport ("Active Australia").
- the state governments are primarily involved with the award of grants to sporting organisations, providing leadership for state and interstate competitive structures and the management of the elite sporting programmes through academies and institutes. States have autonomy over levels of sport in education, although the quantity of PE in schools is high.
- Local government deals with mass participation and the development of talent.

However, Australia's strong record of elite success in the sports they target is not reflected in higher rates of mass participation. Given the advantage of climate, their culture emphasises an outdoor and active lifestyle, but according to a 1998 survey, 52% of the population do not participate in sport and recreation at all. These figures are comparable to France, and just below Sweden. It would appear that Australia has managed to target elite success very effectively, but has similar participation levels to many countries. The government has recognised this, and the related health implications, and as a result launched strategies for "Getting Australia Active" in 2001 and 2002.

3.23 Therefore, we need to focus our attention and finances on those sports which offer the best return for investment in terms of feelgood or national pride. Many of these sports do not (and should not) receive government funding for their high-performance programmes. However, as chapter 5 sets out, a better framework can be put in place to enable success at the international level.

3.24 By 2020, we would like to see British and English teams and individuals to sustain places in the top 5 rankings, particularly in more popular sports.


The role of sporting events

3.25 Sporting events in themselves do not form one of our top priorities. There is no evidence to indicate that the hosting of events does have a significant long-term impact on either mass participation or international success.

Evidence indicates that hosting events are not a guaranteed method of achieving economic benefits (see chapter 2). However, sporting events can create national pride and unity and provide a cause for celebration.

3.26 National pride and unity can also be created by international success, regardless of where they are held, therefore before we consider hosting events we should consider the following:

- when we host sporting events, we want to perform well. Successful events are dependent on having world class participants.
- There is little point in investing in infrastructure for major sporting events if we do not have the champions to win. We will only produce these champions if we have systems in place to identify and develop the stars of the future.



3.27 The hosting of events should therefore be seen as an occasional celebration of success rather than as a means to achieving other government objectives.

How government can achieve its aims

3.28 There are a variety of policy instruments available to government to achieve its objectives:

- **providing relevant and timely information** – ensuring that all customers and suppliers have sufficient information to make informed choices;
- **offering financial incentives** – government funding is a powerful lever to drive change. Maximum use should be made of funding agreements with delivery partners, to ensure that required outcomes and expected financial, operational and quality standards are met. Good performance should be rewarded but poor performance should result in sanctions;
- **using statutory approaches and incentives** – statutory approaches should be used with care to guard against creating unintended consequences and restricting local flexibility and freedoms;
- **promoting best practice** – standard setting, quality control and disseminating best practice are all roles that government can undertake; and
- **using status incentives** – government uses this method of public recognition already (beacon councils, clubmark) but it may still have further potential.

3.29 The nature of the government's vision for sport is such that a number of policy instruments will be required to cover different aims, target groups and stakeholders.

3.30 The next four chapters of this report looks at what approaches and incentives can be used by government to:

- achieve the objectives of the twin track approach;
- adopt a strategic approach to sporting events; and
- ensure that the structures in place for the planning, funding and delivery of sport and physical activity are fit for purpose.

4. DEVELOPING OUR SPORTS AND PHYSICAL ACTIVITY CULTURE

Summary

To develop our sport and physical activity culture will require significant behavioural change, probably only achievable over a 20 year period.

Participation levels need to be raised for the whole population; but interventions should focus on the most economically disadvantaged groups, and within those especially on young people, women and older people. There is much work currently ongoing in the area of school sports, but greater attention needs to be paid to promoting sustained adult participation. The most sedentary groups will gain the most from a small rise in activity.


A range of actions are needed to achieve change. Targeting only one area (eg. facilities) will not be enough. A holistic approach should address:

- the barriers which prevent people from participating (problems of time, cost or lack of information or motivation); as well as
- failures in provision (poor supply of sporting opportunities, facilities or coaching staff).

Different policies are needed for different target groups. For young people the aim should be to develop “sports literacy” (this is an ability across a range of skills, with an emphasis on quality and choice), building on current government work in schools. But work with young people in schools will not, in itself, be enough. Adults should also be targeted, with the aim of enabling as many people as possible to become lifelong regular participants.

Examples of interventions that might be considered are: better use of existing facilities (building on current efforts to open up school facilities out of hours); initiatives to encourage employees to take part in physical activity through the workplace; direct subsidy for targeted individuals; or greater opportunities for healthy travel such as walking and cycling.

To develop mass participation policies and determine what works, we recommend:

- 
- establishing a cross departmental Sport and Physical Activity Board (SPAB) working with a wide range of partners, particularly in the health sector in order to develop proposals for the 2004 Spending Review;
 - implementing a package of initiatives aimed at adults, including extending availability of school facilities, subsidising individuals and providing consistent information;
 - commissioning a series of robustly evaluated pilot programmes to build an evidence-base with pilots being directly commissioned and an innovation fund being established to support local ideas; and
 - collecting robust information to enable monitoring and evaluation. This should include a national facilities database; and an annual national survey of participation and fitness. It should be supported by nationally commissioned long-term research, to consider further issues such as the relationship between sport and physical activity and crime reduction.

Increase mass participation to deliver health benefits

4.1 As outlined in the vision chapter, our primary aim is to develop a sport and physical activity culture to produce a fitter, more active population and realise the significant health benefits and savings available, and the potential wider social benefits. Such an aim requires long term cultural change.

4.2 However, to maximise the benefits to the public good, we need to ensure that initiatives and interventions are focused on those groups who will most benefit, or who most need assistance to participate. There is no single magic bullet for increasing participation. Tailored packages of interventions will be needed for each group.

4.3 Therefore this chapter commences with a description of the most appropriate target groups. It goes on to describe how changes could be delivered and explores some specific

interventions that could be adopted, concluding with a summary of the main areas for intervention.

4.4 We then explore the most appropriate mechanisms for taking forward government work in this area through cross-departmental working and appropriate research and evaluation.

Priority target groups

4.5 The Government's overall objective is to increase the participation levels of *all* people, to ensure that society generally achieves the minimum levels of physical activity necessary for maintaining health. This applies both to young people and to adults in the community.

4.6 With this backdrop in mind, however, we believe that there should be a particular focus on developing participation amongst the most economically disadvantaged groups in society. Figure 4.1 illustrates that those from lower

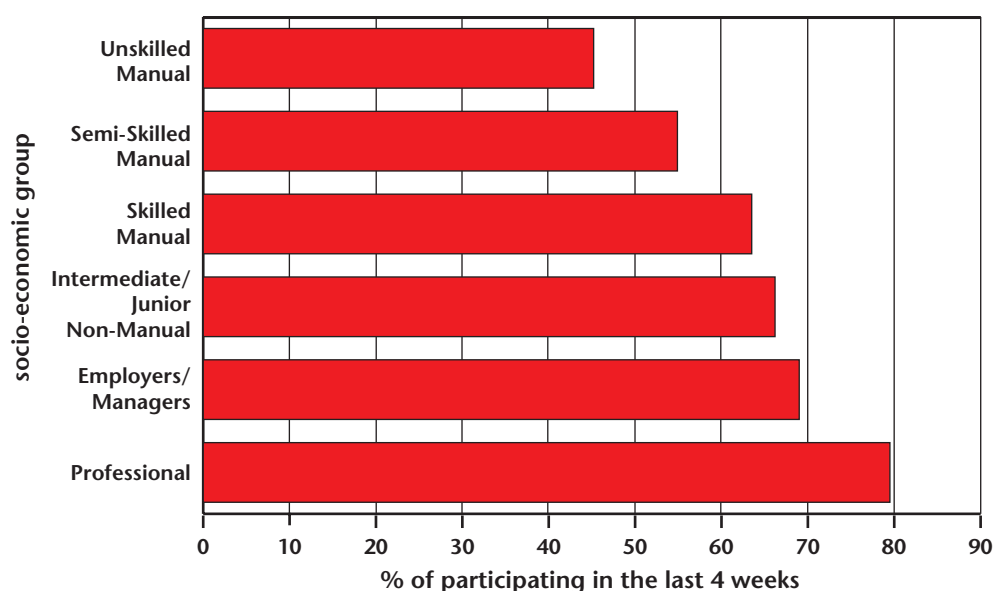


socio-economic groups are far less likely to participate in sport than those from higher socio-economic groups. They are also the groups which are most likely to suffer from poor health and those which have lower life expectancy. Differences in overall physical activity levels between socio-economic groups

are less striking, because of the greater contribution of occupational activity among manual classes.

4.7 Targeting these people, therefore, is important in trying to maximise the benefits to the most disadvantaged.

Figure 4.1: Lower socio-economic groups participate less in sport



Source: GHS 1996

4.8 While increasing participation across the more economically disadvantaged groups generally is our aim, we have identified specific groups that need additional assistance, namely:

Young people

- **Young people up to age 11:** Giving young people a solid, enjoyable start to sport and physical activity is the best way to develop “sports literacy” and engender lifelong participation. The Long Term Athlete Development model discussed in chapter 5 teaches young people a generic set of basic sports skills. This model is increasingly being used by a wide range of sporting bodies to build initial skills and offer young people

choice and enjoyment rather than a focus on individual sports and competition at an earlier stage. There is some support for the hypothesis that those who are active in this way in sport and physical activity from a young age are more likely to continue to participate throughout their lives.¹

- **Young people aged 11-16:** For this group it is key to ensure that participation continues to be a part of daily life, so that young people continue to be active beyond the statutory school-leaving age. Much of the ongoing work to develop Specialist Sports Colleges and School Sport Co-ordinators is aimed at improving the participation of this group.

¹ See Rogers B *Rationalising Sports Policies; Sport in its social context: International comparisons* (1977) and *Compass Sports Participation in Europe* (1999).

However, increasing participation amongst young people during their school days by itself, is not enough.

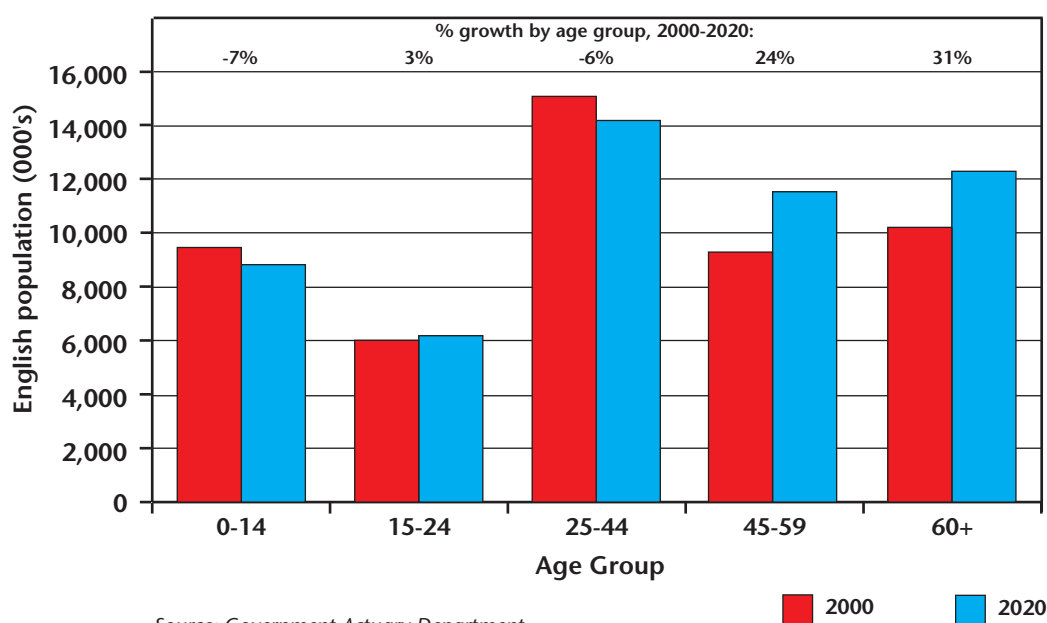
Adults

- **Young people (aged 16-24):** chapter 1 showed how participation rates fall dramatically for both men and women after the age of 16. If lifelong participation is to be maintained, it is vital that this group does not drop out.
- **Women:** women are a highly under-represented group in terms of participation. Only 58% of adult (aged 16+) women participate regularly² in sport (compared to 71% of adult men); and only 10% are members of a club for the purpose of doing sport/physical activity (compared to 22% of men). Some current policies are attempting to address this.³ Women from lower socio-

economic groups are also the most likely to be obese.

- **Older people:** Only 32% of men and 21% of women aged 55-64 do the recommended 30 minutes of exercise on most days of the week. However, fall off in participation amongst older people is not inevitable, as shown by the Finnish experience outlined in chapter 1. There are potentially large health benefits to be had for this age group, particularly by helping to prevent or delay the effects of ageing (through, eg., strengthening muscles, joints and bones, and helping with mobility and balance). From government's perspective, it will be particularly important to focus on this group, given the forecast demographic shift towards an older population over the next 20 years (see Figure 4.2).

Figure 4.2: The English population is forecast to age significantly over the next 20 years



² Using GHS 1996 definition: at least once in the 4 weeks before interview.

³ For example, the NIKE girls in sport programme aims to engage 11-14 year olds in sport in over 1100 schools; and a new phase of the DCMS-DfES school sport work is targeting 14-19 year old women.



4.9 In terms of the returns government can gain from focusing on these groups, there are particular benefits to concentrating on young people and young adults to build lifetime habits of participation and establish initial good health status. Women, who tend to be more obese, will also benefit, while older people have been shown to achieve the most benefit in terms of health, while suffering the least problems from injuries or other negative outcomes.

4.10 In addition, it is important that those population groups most at risk of sedentary behaviour are targeted, as discussed in chapter 2. Sedentary people are at a particular health risk, and have the most to gain from relatively small increases in activity.

4.11 By concentrating interventions on the barriers faced by sedentary groups in general (particularly cost, access and information problems), it should be possible also to tackle the sporting marginalisation of other key groups. These include ethnic minority populations (whose participation is on average 6% lower than the national average) and disabled groups (who have high participation rates only in certain sports). In particular, improvements in access to facilities and equipment for disabled people is an issue that needs addressing further.

Holistic approach

4.12 Developing a wider sport and physical activity culture requires a range of interventions designed to overcome barriers to participation. Individuals can be discouraged from participation by problems with the supply of sporting opportunities, facilities or coaches. Alternatively, individuals may be constrained by their own circumstances and face problems of time or cost, or a lack of information leading to a lack of motivation to participate. Such constraints reduce the demand for sport and ultimately serve to reduce the supply, creating a vicious circle.

4.13 Figure 4.3 highlights the overall objective, the challenges faced and the potential policy levers on the supply and demand side. A holistic approach is required to increase mass participation which recognises the importance not only of providing appropriate physical facilities, but also the need to train and support sports delivery workers and, importantly, the need to stimulate the *demand* for sport and physical activity.

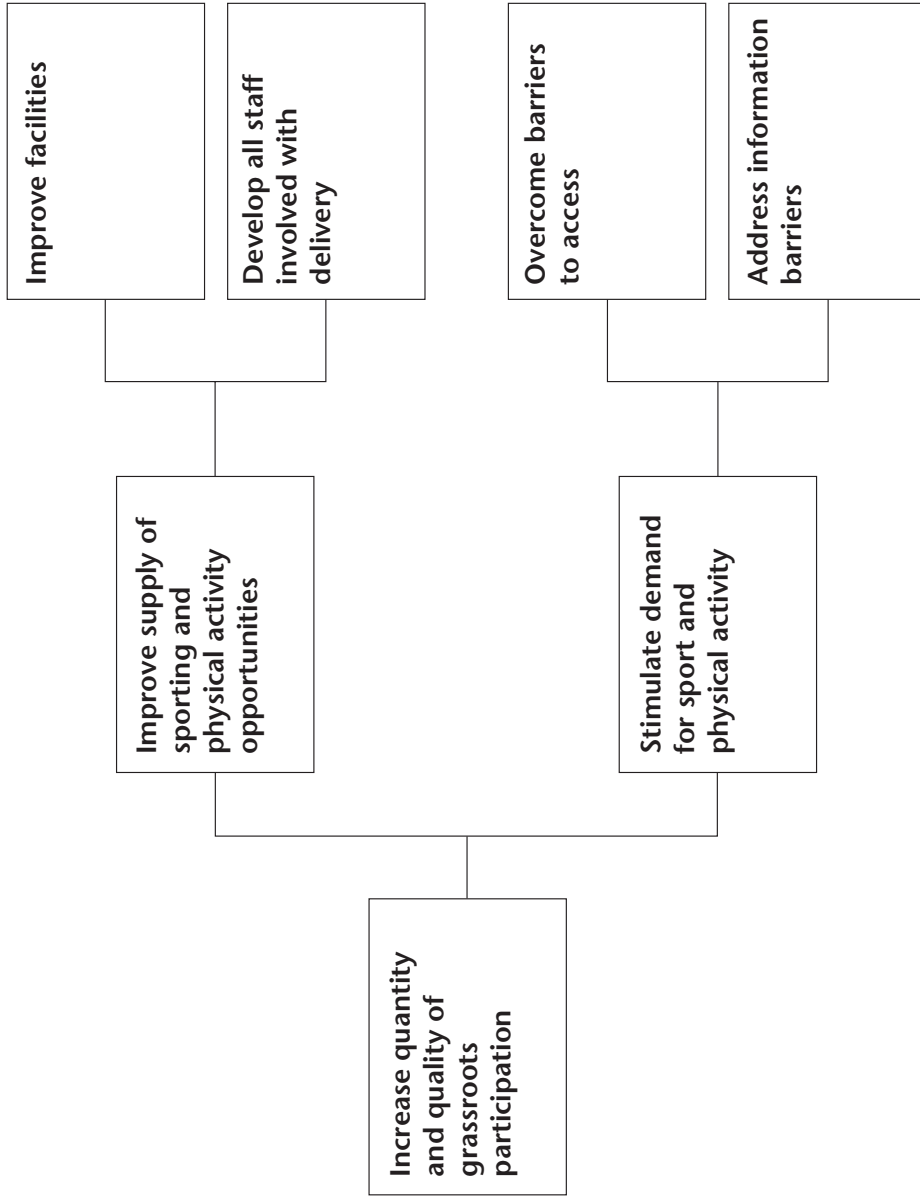
4.14 Given our target groups, this supply and demand framework must be applied in two contexts:

- **Sport for young people.** Providing the best possible introduction to sport is key to developing “sports literacy” in individuals.
- **Sport for adults in the community.** Providing structured opportunities for participants to continue their involvement in sport is key to enabling as many people as possible to remain lifelong regular participants.

4.15 For each target group different policy levers will be appropriate to achieve improvements in participation. The success or failure of potential interventions should be evaluated against an agreed set of criteria. These criteria should be:

- **Impact of policy on participation outcomes** – does the intervention result in a measurable increase in participation over an acceptable timeframe?
- **Cost-benefit** – does the benefit achieved from the intervention outweigh the cost, and has the intervention been carried out cost-effectively?
- **Time to implement (and risk in doing so)** – how long will it take to get the project up and running and before results can be seen. And what is the risk that the intervention will fail?

Figure 4.3: Framework for analysis of policy options to increase participation



Policy development themes

- Collect better data on facilities
- Make better use of existing facilities
- Attracting private finance to fund facilities
- Coaching
- Teachers
- Managers and administrators
- Health professionals
- Community leaders and peer groups
- Explore subsidies to help those on low incomes
- Look at work-life balance issues
- Find ways of motivating people to participate
- Provide health information
- Provide information on participation opportunities

- **Fit with other overarching objectives (crime reduction, education, social cohesion, etc.)** – does the intervention complement other actions or objectives?

4.16 However, due to a lack of systematic data collection or monitoring in the past, we currently lack the data to adopt a sophisticated evaluation model for choosing policy interventions. Notwithstanding these difficulties, we can attempt to highlight the key priorities for policies to increase participation in the medium-to-long term.

- **Sport and physical activity for young people.** Given the relatively high level of participation amongst young people, the emphasis at this young age should be on developing *choice and quality* through improving the supply-side co-ordination of delivery (emphasising the frequency of participation, access to quality coaching, club membership, etc.). Critically, improving quality is about establishing fundamental skills that are appropriate for a variety of activities; it is *not* about over-competing or over-specialising at an early age.⁴

- **Sport and physical activity for adults in the community.** Whilst it is important to develop facilities to ensure that suitable opportunities exist for participants, there is a need for a more balanced approach which recognises the importance of developing human capital (training and developing volunteers and others to deliver sport) and, crucially, the importance of removing barriers to participation.

4.17 In sections 6.4 and 6.5 we consider in more detail the priorities for each of these groups (young people and adults in the community).

Sport and physical activity for young people

4.18 Engendering a positive attitude towards sport and physical activity, and instilling good habits in young people, is probably the best way to increase overall participation in the long term. Broadly, young people ‘want’ to do sport: 93% of primary school-aged young people enjoy PE and games lessons in school, and 92% enjoy sport and physical activity participation in their leisure time.⁵ Sports literacy is most easily developed at a young age, when individuals can be exposed to a variety of activities in a fun environment. Ideally such literacy needs to be developed by the age of 10 or 11.

Why young people discontinue in sports and exercise

4.19 Whilst current levels of sporting participation by school-aged young people are improving, there is a large drop off in participation post school-age. There is evidence that a later exit from participation is directly related to the number of activities entered into whilst young.⁶

4.20 An in-depth US study of 10-18 year olds who stopped swimming showed, not surprisingly, that “*other things to do*” and “*a change in interest*” were the major reason the vast majority of young people gave for discontinued involvement.⁷ However, 28% of the swimmers cited factors such as “*not as good as I wanted to be*”, “*not enough fun*” “*didn’t like the pressure*”, and “*boredom*”. This, and other research⁸ into why young people participate or withdraw from sports and exercise, leads to a number of general conclusions:

⁴ See, once again, the LTAD framework outlined in chapter seven.

⁵ Sport England *Young people and sport in England 1999: A survey of young people and PE teachers* (2001).

⁶ Roberts K and Brodie DA *Inner-City Sport: Who Plays, and What are the Benefits?* (1992).

⁷ Gould D, Feltz D, Horn T and Weiss M Reasons for attrition in competitive youth swimming *Journal of sport behaviour* 5 pp. 155-165 (1982).

⁸ Weinberg R and Gould D *Foundations of Sports and Exercise Psychology*, (1999).

- Winning is neither the only nor the most common reason for participation. Having fun, learning new skills, doing something one is good at, making friends, and fitness are all factors alongside experiencing success.
- A significant minority stop participating for negative reasons such as lack of fun, too much pressure or disliking the coach. Most young people stop because of interest in other activities.
- Beneath the explicit reasons for stopping is the young person's need to feel worthy and competent. When young athletes feel worthy and competent about the activity, they tend to participate. When they don't feel confident about performing the skills, they tend to withdraw.

4.21 Analysis of participation data⁹ shows that regular participation in certain activities is more likely to be maintained after leaving school. The

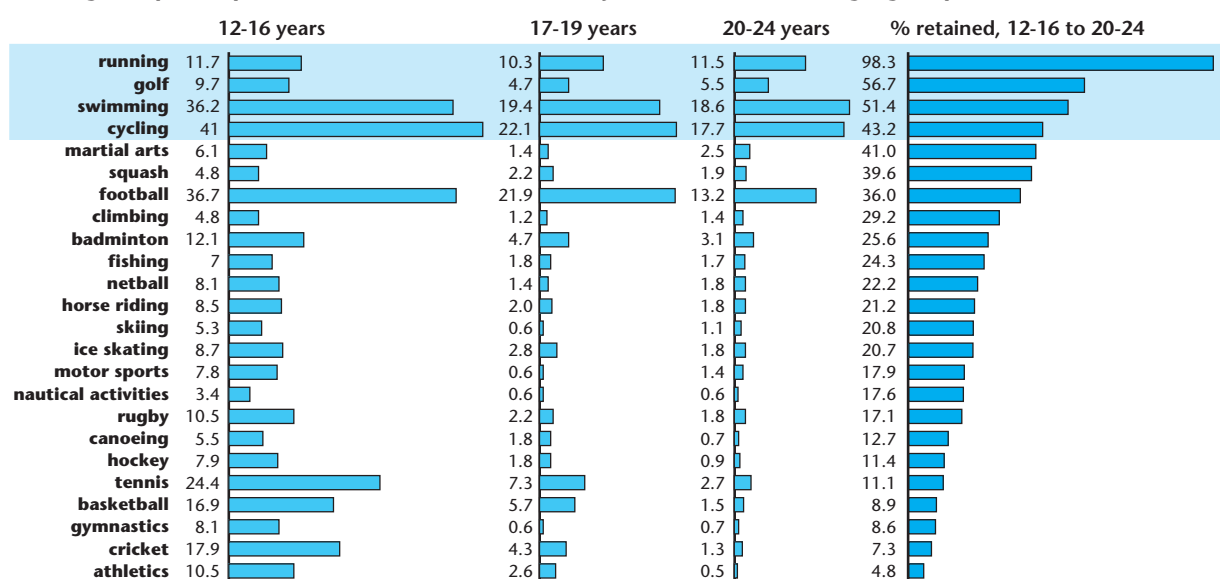
top four activities which tend to be maintained are shown in Figure 4.4.

4.22 Running, golf, swimming and cycling appear to have the highest retention rates in terms of post-teenage activity.¹⁰ Football, although maintaining high levels of activity, has a steep drop off after school. The activities that people keep doing appear to be more individualistic.

4.23 Walking, whether recreational such as hiking or for travel purposes, remains an important source of physical activity for both young people and adults. Of sports participated in by young people at least once out-of lessons over a period of 12 months, walking (over 60 minutes) and hiking ranked fourth in a national survey conducted in 1999. Between the ages of 16 and 24, 53% of males and 35% of females reported walking at a 'fairly brisk' or 'fast' pace during the previous four weeks.¹¹

Figure 4.4 Maintaining participation varies by activity

Regular participation (last 4 weeks, seasonally controlled) % of age group



Source: UK Sport 1999; General Household Survey, 1996; McKinsey analysis

⁹ UK Sport *Participation in Sport in Great Britain (1999)*; ONS *General Household Survey (1996)*; McKinsey analysis.

¹⁰ Data is based on cross sectional analysis rather than time series. It does not track individuals' behaviour, rather levels of activity at a given time. In other words, without further research, it is reasonable to hypothesise, but difficult to prove that people doing an activity sport in later years also did it in their youth.

¹¹ Health and Safety Executive (1988).



4.24 Dance, aerobics and fitness training also provide important recreational activity for young people, especially girls. Of the top six sports club activities for girls, dance ranks second with 7% of girls from Years 2-11 participating as members of dance clubs.¹² Whilst dance would appear to offer a range of benefits, including cardiovascular, flexibility and strength, there has been very little research to quantify them.

4.25 These findings have clear implications for the design of programmes and teaching of sport and physical activity in schools and elsewhere. Where they are not already, environments need to be structured to encourage skill development, fun, affiliation, excitement, success and fitness if long-term participation is to be achieved. There also needs to be a range of activities on offer including individual pursuits alongside more traditional team games.

4.26 Given this, the emphasis at the school stage should be on developing the *quality* of the participation experience through improving the coaching, supervision and facilities on offer, along with careful design of the programmes or curriculum. Of particular relevance is the “whole school” approach to the promotion of physical activity, advocated within the National Healthy School Standard.

4.27 There may also be barriers on the demand side concerning the motivation of young people to do sport and physical activity. Given that the current HEA recommendation for young people is to accrue one hour per day of moderate intensity physical activity,¹³ there may be a need to enhance the desire amongst young people for non-compulsory sport and physical activity. In particular, there may be a need to overcome early negative experiences, which are shown by

research to have a significant effect on levels of later participation.

4.28 Sport and physical activity for young people is not simply the domain of schools. Clearly clubs, governing bodies and local authorities, as well as peers, parents and health professionals play a critical role in reaching into educational establishments to encourage and offer the structures for continued participation.

Developing high quality opportunities is crucial in ensuring that young people get off to the best possible start

4.29 There must be a clear framework for:

- creating locally-available, high quality and fun sporting opportunities for young people; and
- ensuring that those who work with young people are suitably equipped to do so.

4.30 This is likely to be based around school provision, building on the Government’s current work on school sport co-ordinators and specialist sports colleges (see chapter 2). £110m has been invested in piloting this work since 2000, with a further £459m being invested over the next three years.¹⁴ Building school-club links to encourage extra-educational activity is an important part of this work. There is also a need to devise ways of engaging those young people for whom school provision may not be attractive.

4.31 Key components for the provision of suitable opportunities for young people are:

- suitable facilities;
- trained staff; and
- well structured programmes.

¹² Sport England *Young People and Sport in England National Survey* (1999).

¹³ Health Education Authority *Young People and Physical Activity: A guide to resources* (1999).

¹⁴ <http://www.culture.gov.uk/lottery/search.asp?Name=/pressreleases/sport/2002/dcms181>



The provision of facilities

4.32 As outlined in chapter 2, specific Government initiatives have already been put in place for the provision of facilities, including £750m from NOF and £130m from Spaces for Sport and the Arts. £60m over three years from 2003/04 has also been allocated from the Capital Modernisation Fund to DCMS for a Community Clubs Development Fund. The funding will be used to enhance community sports club facilities across the country – targeted particularly at clubs in areas of need that are prioritising junior provision.

4.33 Notwithstanding this significant investment, there are other possibilities for increasing or enhancing the provision of facilities for young people, some of which are already being implemented in selected parts of the country through the existing school sports programme:

- encourage all schools to extend the opening hours of existing school facilities beyond the school day (following on from the powers granted to school governing bodies to provide community services granted in the Education Act 2002);
- encourage clubs to make facilities more widely available to young people, building on the existing club links project;
- contract with private health clubs to make their facilities available at specified times; and
- encourage larger employers to provide family-friendly facilities for their employees and their families.

4.34 However, for additional facilities to act as a stimulus for increased participation amongst young people, they must be:

- appropriate to the needs of the key user groups – with design, fixtures etc. aimed at young people;
- readily accessible – preferably accessible on foot or via public transport from main

population centres and not isolated out of town or surrounded by main roads;

- in line with the interests of young people – for example, teenage girls may prefer pursuits such as aerobics or dance; and
- affordable for the user – prices must be set at levels considered affordable locally or more disadvantaged young people must be subsidised.

4.35 Therefore, it is important that local authorities and local education authorities clearly define what they require in terms of the demographics, geography and interests of their local population, and what they currently have available, before embarking on facility development. NOF planning should take this into account.

4.36 In addition, local authorities should be encouraged to maximise the utilisation of existing assets before undertaking new builds. The NOF programme is beginning to address this issue.

Trained staff

4.37 There needs to be a clear framework for ensuring that those who work with young people are suitably equipped to do so. There are a number of ways of achieving this aim:

- Improve the quality of initial teacher training (ITT) to enable primary school teachers better to deliver and manage sport in schools. New standards in teaching training for PE came into effect in September 2002.
- Develop (both sports-specific and general) coaching qualifications targeting those coaches working specifically with young people (club coaches, community and youth workers). This will form part of the programme of work arising from the Coaching Task Force Report.
- Ensure that parents are provided with information materials to help their young people be active (eg. send resource pack to



all parents outlining core physical activities to undertake with young people).

4.38 The first two of these are already being investigated and taken forward through the work of the Coaching Task Force and DfES work on teacher training.

4.39 However, there are a number of questions to be further explored in this area:

- Should responsibility for teaching sport and physical education lie primarily with teachers or should non-teaching but exercise/sport professionals take on this responsibility either within schools or within clubs?
- To what extent should parents be part of early education in sport and physical activity?

Well structured programmes

4.40 As the school sports partnerships have recognised, finding methods of presenting sport and physical activity to young people as an integral part of their daily routine and as a fun activity is key to building a participation habit.

4.41 This requires programmes that are well organised and tailored to the needs of specific groups. However, most importantly it requires low level constant reinforcement of the need for physical activity.

4.42 At primary school level in particular, regular short bursts of activity should be undertaken throughout the day to build young people's fitness and stamina and establish the importance of physical activity as an integral part of a regular routine.

Increasing motivation on the demand side also has a role

4.43 The majority of young people (92% of 7-11 year-olds) agree that it is important to keep fit, and the majority (84%) also agree that they feel fit and healthy when they do sport

and exercise.¹⁵ Given that only 55% of boys and 39% of girls achieve the HEA recommended level of physical activity,¹⁶ there may be a need to explore ways to overcome motivational barriers to sport and physical activity.


4.44 Key to overcoming these motivational barriers is to embed sport in the mind of young people. One mechanism to engender a positive attitude – particularly amongst girls, who participate far less than boys – is by a targeted publicity campaign which presents physical activities (both team-based and individual) as enjoyable and fun, and hence something that young people 'want' to do, rather than feeling that it is something they 'should' do. The rise in popularity among young people in 'adventure-based' sports is an area that could be explored as a way of increasing participation. In addition, awareness of non-team sports could be raised and, for the target group of girls in particular, indoor and less overtly physical sports, such as dance and aerobics, could be promoted.

4.45 Status awards such as achievement certificates and school championships may also be motivational. However care would need to be taken to ensure that all young people achieved some benefit rather than it being focused only on the more able young people.

4.46 Other issues act as barriers preventing young people participating in sport and physical activity. The busy school curriculum and the pressure of preparing for exams and tests may also lead to PE and sport being ranked as a low priority, or may actually reduce the time available for physical activity. Current National Curriculum requirements specify that young people's achievements in PE are monitored and assessed. However, it might be beneficial, both in terms of providing information for future planning and in raising the status of sport and PE, if local (school and LEA) monitoring and assessment of PE were

¹⁵ Sport England *Young people and sport in England: A survey of young people and PE teachers* (1999).

¹⁶ Department of Health *Health survey for England* (1998).



more consistent and given greater prominence nationally. Consideration could be given to including this type of information within value added performance tables.

4.47 In addition, poor physical environment and security issues may restrict the capacity of young people to exercise outdoors out of school hours. It is beyond the remit of this report to address such issues but we suggest that a more concentrated effort to get young people to walk or cycle to school could have a significant impact on physical activity levels, fitness and stamina.

Adults in the community

4.48 The current focus on school sports and PE should create a generation of young people who want to continue an active lifestyle once they leave school. However, if there are limited opportunities for continued participation in the community, all the effort focused on schools will have been wasted.

4.49 In addition, there is currently a sizeable majority of adults within the community who are not active participants and whose needs will not be addressed by school programmes.

4.50 Increasing participation amongst adult members of the community involves ensuring that individuals have a range of accessible and appropriate opportunities to develop (if they have not already done so), and maintain, an interest in sport and physical activity.

4.51 As outlined above, a holistic approach to interventions is required which recognises the importance not only of physical facilities, but also of developing appropriately skilled human resources (coaches and administrators), and overcoming the demand-side barriers of cost, motivation and time.

4.52 This section considers the improvements that must be made to stimulate the supply side (physical infrastructure and human capital improvements), and to overcome demand-side barriers.

There must be an improvement on the supply side

4.55 A key part of the development of a sport and physical activity culture is the existence of suitable physical facilities and appropriately trained workers (coaches and administrators) to deliver programmes. Hence there are two key aims on the supply side:

- **Physical capital.** To provide a range of sustainable and (locally) accessible opportunities for all those interested in sport and physical activity, which reflects the varying social and economic circumstances of different communities.
- **Human capital.** To train, develop and support key workers in sport so that as many people as possible are encouraged to sustain their interest. Crucially, to ensure sustainability of outcomes there is a need to examine the balance between training and developing permanent staff and project-based staff working in sport.

Provision of facilities

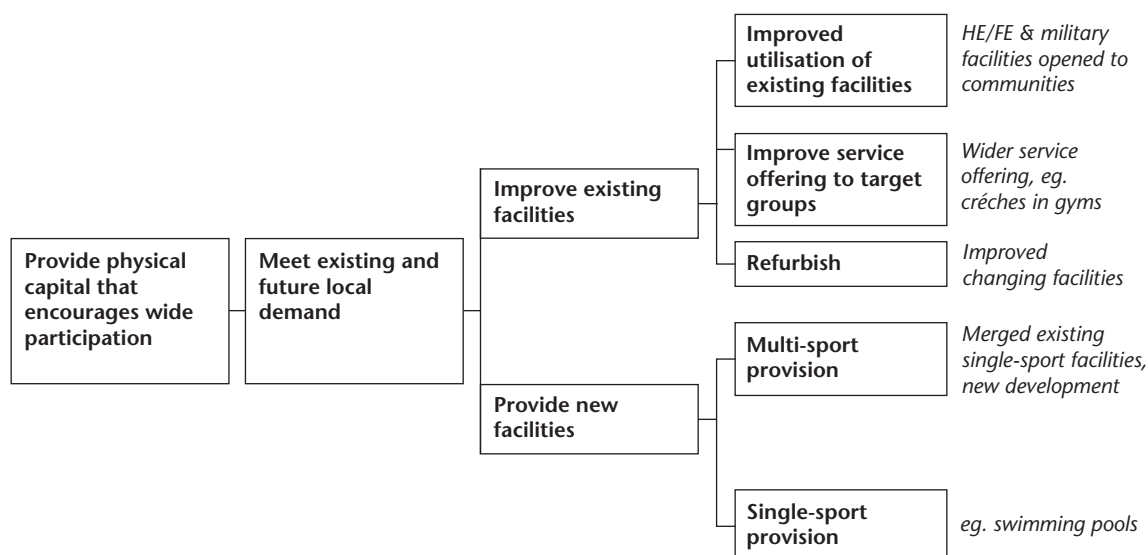
4.56 As with young people, there is a need to ensure that adults have access to suitable, affordable facilities. Figure 4.5 outlines policy options for the provision of facilities in the community.

4.57 Current facility provision is heavily dependent on lottery funding. However, there may be other options that have not been fully explored as shown by figure 4.5.

4.58 Given the lack of baseline data on sports facilities and playing fields it is difficult to identify the most appropriate levers to deliver improved physical facilities. However, it is probable that existing physical facilities could be better utilised for community provision. The existing asset base of sports facilities in schools, private clubs, workplaces, FE/HE institutions, Independent Schools and military bases could be made more accessible to local communities.



Figure 4.5: Policy options to develop facilities provision



A recent Government report noted, for example, that many FE institutions do not make leisure facilities available to the community.¹⁷

4.59 Regarding school facilities in particular, a difficulty with providing increased out-of-school hours community access is the overlap and confused lines of responsibility between LEAs and LAs. Private sports clubs, FE/HE centres, Independent Schools and military bases are all likely to need strong incentives to provide community access to their facilities.

4.60 Where new facilities are required, reliance on Lottery funding should not be the automatic response. Greater efforts to lever funding from the private or voluntary sectors should be considered. Given the significant growth of the private health club market in recent years, as set out in chapter 1, it is possible that greater partnership working with this sector could help to unlock capital and expertise.

4.61 In addition, local authorities should consider whether they are best placed to be direct providers of facilities given the increase in voluntary and private sector involvement in this


area, for example through the increasing use of the charitable trust model. It is possible that local authority effort would be better focused on developing a strategic approach to sport and physical activity using others to undertake direct delivery. In this context it is notable that, given the range of activities which form physical activity (as discussed in chapter 2), local authorities may place too much emphasis on traditional indoor leisure facilities.

Building human capital

4.62 The provision of facilities by themselves is not sufficient to attract inactive adults from lower socio-economic groups to active recreation. Creating a sport and physical activity culture amongst this group is dependent on skilled interventions from a range of appropriately trained staff. These include physiotherapists, coaches and officials (see Figure 4.7 for a discussion of referral schemes).

4.63 This has been recognised and will be partially addressed through the report of the Coaching Task Force which will enhance the supply of local coaches. However, for those

¹⁷ DCMS *A Sporting Future for All: The role of further and higher education in delivering the Government's plan for sport* (2002).



individuals who are most reluctant to participate, the presence of coaches may not be a sufficient stimulus.

4.64 There is also a role for community and voluntary workers who are drawn from the community they serve. They can gain the confidence of local people and act as peer group mentors and champions encouraging and advising adults on how to participate in physical activity. The recruitment and training of such mentors could form a part of local health or sport strategies. Joint appointments with local Primary Care Trusts may be one way forward.

4.65 To recruit and retain the right sort of people to act as community sports mentors it is important that career paths are established and the jobs on offer are perceived to have some degree of permanency rather than being linked to short term initiative funding.

4.66 In addition better use could be made of existing professionals such as GPs, practice nurses and health visitors as a source of advice and information, although research has shown that such workers are often unsure of how to approach the subject of physical activity. Department of Health priorities for the NHS for 2003-2006 include a target for primary care that patients with CHD or diabetes and those at risk of CHD receive appropriate advice on physical activity.¹⁸ Training of health workers at local level, maybe on a practice by practice basis, could also form part of a local health improvement strategy.

Overcoming demand-side barriers is also crucial

4.67 Developing the supply side through improving facilities and human capital is

undoubtedly important in trying to effect a sport and exercise culture. However, the provision of appropriate facilities and coaches by itself may not be enough to overcome the reluctance of certain target groups to participate. Equally as important, therefore, is the need to overcome demand-side barriers.

4.68 Research from the UK,¹⁹ Canada²⁰ and the USA²¹ consistently shows that the main reasons given by individuals for non-participation in physical activity are lack of time and lack of motivation, reasons which are under individual control. In contrast, environmental barriers (such as cost or location) while important, are ranked less highly by most individuals.

4.69 In this section we consider the main demand-side barriers shown in Figure 4.3 (motivation/information, cost and time), and potential policy recommendations to overcome them.

Motivation

4.70 Lack of motivation is perhaps the key barrier to participation amongst certain groups. Overcoming this requires behavioural change which is one of the most difficult areas for government to tackle. Evidence shows that motivation is greatly assisted where individuals are supported by friends, or partners. This should be kept in mind when developing any interventions in this area.

4.71 Individual motivation is complex. People are motivated by situations and personal traits and both need to be addressed for lasting success. Individuals also have multiple motives for becoming and continuing to stay physically active. For example, an individual may be motivated to become physically active through health reasons but motivation to continue may change to be based on social reasons (new

¹⁸ Department of Health *Improvement, Expansion and Reform: The Next 3 Years Priorities and Planning Framework (2001)*.

¹⁹ MORI *Poll for Boots and Granada (2001)*.

²⁰ Canadian Fitness and Lifestyle Research Institute *National Workplace Survey (1992)*.

²¹ Department of Health and Human Services *Physical Activity and Health: A report of the Surgeon Centers for Disease Control and Prevention (1996)*.



friends, social environment). Therefore, the health message may lose its potency and the nature of the intervention will need to change to recognise this.

4.72 With non-participants (who may be unfit and lack skill), an environment of encouragement which challenges participants to improve on their own performance and gradually build up to healthy levels of participation may be more likely to achieve success than one based on external outcomes, such as comparison to others or 'winning'. Individuals with low skills and no history of participating in physical activity or sport are

more likely to have low self esteem, therefore focusing on external goals may encourage a climate where lack of success is attributed to low ability and a general belief that they can never improve. Starting with relatively easy adjustments to daily life would be the best approach.

4.73 In other areas behaviour change has been brought about through a combination of advertising and legislation (eg. drink driving). However, encouraging participation in physical activity is likely to require ongoing low level prompting and reminding. A useful framework in this regard may be the 'social marketing'

Figure 4.6: Social marketing in the context of sport

Social marketing (see, eg., Andreasen, 1995²²) takes the principles of commercial marketing and applies them to social situations to bring about changes in behaviour. The key premise is that change comes about in stages, i.e., individuals do not simply switch instantaneously from one behaviour (being non-participants) to another (participants). There are five stages in the process, moving from complete indifference to (in this case) sport and physical activity, through to the realisation of, and commitment to, participation. Below we describe briefly each stage and the marketing task involved.

- **Stage 1: precontemplation (not thinking about physical activity):** lack of awareness of others participating in sport, or of the facilities available, can prevent people from even thinking about physical activity. *Marketing task: create awareness, change values.*
- **Stage 2: contemplation (thinking about undertaking physical activity):** low confidence in ability, lack of awareness of appropriate sporting environments, and uncertainty about views of others. This might be typical for teenagers and those taking up physical activity in later life. *Marketing task: persuade, motivate.*
- **Stage 3: preparation (have decided to try physical activity):** problems in accessing information, lack of appropriate facilities or activities, and the cost of the chosen activity. *Marketing task: create action.*
- **Stage 4: action (trying physical activity for the first time):** the attitude of others and communication of fellow participants affects whether the participant feels comfortable undertaking physical activity. Inappropriate facilities also pose problems. Many people participate but few do so on a regular basis. *Marketing task: create action.*
- **Stage 5: confirmation (committed to physical activity):** The attitude of others, cost of more advanced forms of activity and the lack of infrastructure to support the participants' development are barriers. This applies to all participants but especially young talent. *Marketing task: maintain change.*

²² Andreasen A *Marketing Social Change* (1995).

approach (see Figure 4.6). Awareness of this approach may help local partnerships (especially those working in primary care) more accurately to plan initiatives designed to increase the motivation of the specified target groups.

4.74 Achieving behaviour change can best be achieved through individualised marketing and personal contact. The social marketing approach allows for interventions to be designed for each stage which can then be matched to individual need.

4.75 A possible marketing approach would be to run a national campaign with a very simple message accompanied by widespread re-inforcing local activities that are pre-planned to reflect the ideas included in the national campaign and that run for a significant time to act as constant reminders.

4.76 In developing a promotional campaign for sport in the UK different messages may be needed for each distinct target group, potentially using different forms of media. With this in mind, each campaign should highlight the:

- **rationale for advocating a sporting lifestyle.** Primarily because it is fun (but there are also health benefits to be had);
- **input required to achieve benefits.** The input required to achieve the health benefits can be articulated quite simply with the “5x30mins” message. Moreover it should be made clear that this 30 minutes can be split over the course of the day; and
- **variety of activities which can deliver the benefits.** The health benefits can be achieved in a variety of activities: competitive/non-competitive, team/individual, indoors/outdoors. Different activities will appeal to different target groups, and this needs to be reflected in the campaign.

4.77 Evidence of the effectiveness of such campaigns is mixed. Attempts to modify behaviour through mass media campaigns may be more successful with higher socio-economic groups than others. Evidence from the USA suggests that community based campaigns are more effective than national campaigns.²³ It seems unlikely that advertising campaigns based on the health benefits of sport or physical activity will on their own be successful, particularly with regard to more economically disadvantaged groups. Evidence from other countries, particularly Australia,²⁴ shows that mass marketing campaigns by themselves have a limited impact on behaviour even where there is widespread recognition of a campaign slogan or jingle.

4.78 It is important that these campaigns stress the notion that sport can be ‘fun’, and emphasise a wide range of physical activities. An example of such a campaign in this country is the Health Development Agency’s *Active for Life* programme.²⁵

Information

4.79 A further barrier to participation on the demand side may simply be a lack of knowledge of how to get involved in local sporting opportunities. This may be a particular problem for economically disadvantaged target groups, who potentially have less regular access to web-based information, etc.

4.80 Sport England have begun to address these issues through its information service, website, and Sports Gateway information portal, alongside products and initiatives developed for specific markets such as **sportsearch** and **Sporting Champions**. However other methods of providing information, such as via leaflets or posters displayed in a wide range of settings, should still be considered.

²³ http://www.thecommunityguide.org/physical_f1.html and <http://www.cdc.gov/nccdphp/sgr/pdf/chap6.pdf>

²⁴ Bauman A, Bellew B, Vita P, Brown W, Owen N *Getting Australia Active: towards a better practice for the promotion of physical* (2002).

²⁵ See <http://www.active.org.uk/>

Cost

4.81 Chapter 2 showed that the price of entering public sports facilities has increased over time, which may act as a barrier to participation for our economically disadvantaged target groups. Consideration of cost as a constraint should ideally take into account both the fixed and the variable costs of participation:

- **Fixed costs:** most sports require the use (typically the purchase) of sports clothing/footwear; many others require purchasing or hiring equipment (rackets, clubs, etc.).
- **Variable costs:** these include entrance charges to facilities, transport costs, food and drink, and (potentially) childcare costs.

4.82 Reviews of cost tend to focus on entrance charges however, and there is an absence of evidence concerning the extent to which entrance charges alone act as a constraint to participation in sport and physical activity.²⁶ What evidence there is suggests that entrance charges are only one component affecting the decision to participate (and are probably less important than time or 'interest in sport' as constraints, even for low-income groups).

4.83 Notwithstanding the fact that entrance charges typically comprise only a portion of the total costs of participation, there are two broad options we might consider to mitigate this barrier:

- **Approach 1:** blanket subsidy of facilities.
- **Approach 2:** direct subsidy of individuals.

4.84 A difficulty with approach 1 is that it may not benefit the particular target groups with which we are concerned. Research evidence suggests that a policy of blanket subsidy can in some cases disproportionately benefit middle- and high-income customers, who together

comprise the largest component of existing users.

4.85 In addition the principle of subsidising sports facilities may lead to a less cost-effective operation of the facility as the calculation of the subsidy may build in an element of inefficiency over time.

4.86 Approach 2 has the advantage of targeting subsidy to those who most need it, avoiding 'dead-weight'. It may also encourage more efficient operation of the facility as there is no automatic subsidy. In addition, if tackled in the right way, subsidising individuals may have a motivational benefit.

4.87 Figure 4.7 sets out a number of options for individual subsidy.

4.88 The clear message from a recent survey of evidence is that, even when price is a constraint, reducing entrance charges alone is not enough.²⁷ Sensitive pricing needs to be part of a package of measures – including, for example, promotion of physical activity by health workers, or one-on-one guidance on 'getting started' by staff from similar backgrounds to the target group – to encourage participation amongst low income groups.

4.89 Other costs, such as childcare or transport can also have an impact on the decision to participate. Such costs can only be mitigated by ensuring that facilities with childcare available are located close to large centres of population and are readily accessible via cheap transport. However such blanket coverage is likely to be difficult to achieve in the short to medium term. Therefore alternatives may be needed. One such alternative is outlined in Figure 4.8.

Time

4.90 Chapter 1 indicated that the amount of leisure time in the UK is decreasing overall, and that sport is competing with an increasing array

²⁶ Coalter F *Entrance Charges and Sports Participation: A review of evidence* (2002).

²⁷ Ibid.



Figure 4.7: Subsidising individuals – the options

- **Price discrimination at facilities.** Differential charging for different customer types, eg. a local authority sports/gym facility charging a reduced rate for OAPs, for the unemployed, or between certain hours of the day. For facilities to remain (financially) sustainable, however, this means that non-concessionary pricing must be at an appropriately (high) level – this is what distinguishes this option from a blanket subsidy of a facility.
- **Direct subsidy of targeted individuals.** Options include means-tested ‘gym vouchers’/leisure cards issued directly to lower-income households. These could provide free/subsidised entry to local facilities for a certain number of sessions per month.
- **GP referral schemes.** NHS doctors to prescribe ‘exercise vouchers’, as addressed within the DoH National Quality Assurance Framework document for exercise referral. Such a voucher scheme on its own is liable to fail if it does not provide support to ensure that individuals actually commit to completing their prescribed exercise. This support may take the form of LA health workers taking participants to gyms and working alongside them in the initial stages to develop specific fitness programmes. Importantly, specialist training for exercise specialists is important to the success of schemes. The typical sports science qualification does not offer enough vocational experience or a recognised level of training for this to occur.

of leisure activities. This is a particular problem for those in professional and managerial occupations who tend to work long hours. Policy options to address this might be workplace incentives and an extension to the work-life balance campaign.

4.91 Some large companies already provide workplace incentives such as gym facilities. There may be scope for government to apply tax incentives for a wider range of large employers to do so. However, arguably more needs to be done to extend and promote the benefits of a physically active workforce to small and medium-sized businesses who are unlikely to be able to offer on-site facilities.

4.92 Policies that might be explored for this group include:

- tax free payment of gym subscriptions for employees;
- tax reliefs for installing equipment and facilities (eg., showers, bicycle storage, etc.); and
- organising workplace active ‘buddy’ systems (in which peer group advocates support and encourage others to take part).

4.93 The Government launched a work-life balance campaign in Spring 2000 with the aim of raising employers’ awareness of the business benefits of introducing policies and practices

Figure 4.8: Bringing facilities to people – Mobile gyms

It may be possible to mitigate the costs of entrance by bringing facilities to participants through the use of mobile gyms. Such gyms could consist of buses carrying a small range of equipment and information staffed by individuals specially trained to work with community groups who do not have a history of participation. The buses would travel around housing estates or rural locations with a preset timetable. Charges for use would be small and based on income.



which help employees obtain a better balance between work and the rest of their lives. The focus to date seems to have been on balance between work and family commitments; but perhaps there are ways in which flexible working time arrangements could be promoted in the context of increased opportunities for physical activity for employees.

Increasing mass participation in physical activity and sport requires packages of interventions aimed at specific groups

4.94 Our overall message is that increasing participation is a long-term process requiring holistic approaches involving both suppliers and customers. To deliver such an approach, packages need to be developed that address the particular problems of each target group (young people, women, older people, people from lower socio-economic groups) within their particular settings, ie school, community or workplace. The detailed development of such packages is outside the scope of this report. Figure 4.9 outlines measures that could be further developed.

Delivering increased participation: establishing what works

4.95 The delivery of increased participation is dependent upon finding the right framework and delivery mechanisms. There is a lack of data, and poor monitoring and evaluation. We need to establish what works. This presents a number of problems.

4.96 There is currently a lack of shared goals across the relevant government departments relating to the use of sport and physical activity and the importance of improving the general health and fitness of the population.

4.97 We have identified a number of interesting local initiatives in this area. However, in general, the use by central government of centrally directed prescriptive programmes discourages innovation and risk-taking without which it is difficult to develop new approaches.

4.98 Key information on participation levels, local population fitness and facilities is lacking, making it difficult at local or national level to establish baseline measures and monitor the success of interventions. This reduces the quality of evaluation that can be undertaken and hinders the learning process.

4.99 This section of the chapter considers how the above problems can be overcome.

Joint action is crucial for successful delivery

4.100 Successful delivery of mass participation starts with the need for a number of government departments to come together with a clear set of objectives and targets and defined accountability for delivery. The key departments are:

- **DCMS** – as the department in charge of sport;
- **DoH** – given the key health benefits to be gained through physical activity in the context of SR 2002 cross cutting review on health inequalities;
- **DfES** – due to their involvement in school sport and PE, as well as lifelong learning;
- **ODPM** – as the department in charge of local government funding and performance;
- **DfT** – given the importance of walking and cycling as physical activities;
- **HO** – for their use of sport in crime prevention;
- **SE** – as the agency responsible for grassroots participation; and



Figure 4.9: Options for further development

School

- Require all schools to open their facilities outside of school hours for use by the wider community as a genuine community facility.
- Improve the quality of physical activity training through Continual Personal Development (CPD) and/or using specialist coaches/teachers to work with young people of all ages.
- Enhance the status of physical activity by taking frequent physical activity breaks throughout the day.
- Introduce status incentives through rewards, certificates and competitions focused around participation, co-operation and personal improvement to encourage participation.

Workplace

- Providing tax incentives for environmental interventions around the workplace such as the provision of workplace gym facilities, running/walking routes, aerobic spaces, showers and storage for cycles/clothes and equipment.
- Part funding employees to participate at external health clubs, and encouraging regular participation by linking the percentage of funding to regularity of use.
- Use of work-life balance initiatives to encourage employees to take time out to participate in sporting and other active social events organised through the workplace.

Community

- Require all local authorities to provide the information required to enable a complete register of sports and physical activity facilities to be collated and kept up to date by the holder of the database.
- Ensure that all local public facilities are open to the public by working with organisations such as higher and further education colleges to maximise the use of these assets.
- Require local authorities to explore public/private partnership arrangements for the provision of new facilities before applying for lottery or other grant funding.
- Train a network of information providers throughout the local community using healthcare professionals, sport facility staff, local community leaders and local authority sports staff to provide simple, consistent advice to individuals on the merits of physical activity and the opportunities available locally.
- Subsidise target individuals directly, rather than funding facilities, through the use of GP referrals, swipe cards and vouchers.
- Include specialist physical activity advice as part of the expansion of community based outpatient activities (eg. through primary care one stop centres).
- Require local authorities to set targets for the development of cycle paths, improved street lighting and walkways to provide opportunities for routine physical activity.

Other

- Put in place a national campaign backed up by local action and information to promote physical activity, accepting that such campaigns need constant reinforcement and take time to make a difference.
- Increase the advice on physical activity available through NHS Direct.



- **NOF** – as the lottery distributor responsible for the bulk of facilities development in schools.

4.101 It will be important for these departments to work in partnership with other bodies at national, regional and local level. These are discussed in more detail in chapter 7, and include the devolved administrations, who may have parallel policies; the sports councils, local authorities, Primary Care Trusts, the education sector, clubs and national governing bodies. One-stop plans for governing bodies (discussed in chapter 5) will include measures to increase grassroots participation in specific sports, and where appropriate should be funded at a national level.

4.102 The work of existing groups which bring together the views of key stakeholders should also be taken into account, notably of the National Alliance for Physical Activity.²⁸ Other agencies are engaged in promoting activity opportunities (such as the Countryside Agency which runs the Walking for Health initiative with the British Heart Foundation).²⁹

4.103 Developing shared objectives and acting co-operatively to achieve these objectives involves close team working which needs to take place within a framework to ensure that:

- government policy regarding sport and physical activity is firmly established and understood;
- all departments remain focused on their shared objectives; and
- the actions that each department would undertake to achieve these objectives are fully specified and undertaken according to timetable.

4.104 There are a number of mechanisms that could be adopted to achieve these aims. We consider that the best way forward is the establishment of a new cross-departmental team covering all aspects of mass participation in sport and physical activity for both young people and adults reporting to a cabinet committee (see chapter 7). This should work closely with the DfES/DCMS PE, School Sport and Club Links Delivery Board.

Recommendation 4.1 (a)

To begin raising mass participation for young people and adults, particularly women and the elderly, a cross departmental sport and physical activity board (SPAB) should be created.

Lead	Partner	Report to	By
DCMS / DoH	DfES, ODPM, HO, DfT, DWP Sport England and NOF	Cabinet Committee	April 2003

Developing a package for disadvantaged adults is our priority

4.105 As we discuss above, those from the lower socio-economic groups are far less likely to participate than those who are better off. Therefore, our priority for immediate action is economically disadvantaged adults in the

community. To begin to address this issue we wish to proceed with a range of measures which will address the supply of facilities, whilst also raising demand through addressing key barriers of cost and motivation. The measures we wish to see taken forward are:

- opening school facilities to community use to improve asset utilisation;

²⁸ Chaired by DoH, this group brings together a range of stakeholders, including government departments, Sport England, British Heart Foundation, National Heart Forum, academics, PCTs, QCA, CCPR.

²⁹ Other examples include the work of Groundwork and the British Trust Conservation Volunteers.

- providing subsidies to economically disadvantaged adults to help them overcome cost barriers;
- training a network of information providers including healthcare professionals, sport facility staff, local community leaders and local authority sports staff to provide simple, consistent advice to individuals on the merits of physical activity and the opportunities available locally.

4.106 All three of these measures should be adopted simultaneously through a number (approximately ten) of pilot projects throughout the country.

Opening school facilities

4.107 In many areas, sport and leisure facilities are based within school premises. Extending the opening of school buildings for use by the wider community would make better use of such assets. The Education Act 2002 will help this, as it gives school governors powers to provide community services. Issues such as who owns the school assets (the local authority or a charitable fund for example) and who is responsible for their upkeep would need to be considered.

4.108 Local authorities in the pilot areas could produce proposals for opening their schools. Out of school hours, responsibility for the schools could be transferred to the local authority recreation and leisure department. Charges to the public for the use of the school facility could be used firstly to cover the leisure and recreation department costs. This should build on the evidence of current measures in the NOF PE and Sport programme.

Providing subsidies to economically disadvantaged adults to help overcome cost barriers

4.109 Subsidising facilities can lead to subsidies being misdirected (as already discussed). We propose that methods of providing subsidies

directly to disadvantaged adults be piloted. Such methods could include:

- providing vouchers redeemable at local facilities;
- operating a swipe card system which could be charged with different levels of value for different individuals; or
- extending GP prescribing schemes.

4.110 A mix of different approaches should be tested.

Training a network of information providers

4.111 In order to improve individual motivation, we want to ensure that simple consistent information is readily available and constantly reinforced. This could best be achieved by developing a simple training programme for delivery at local level highlighting the benefits of sport and physical activity and gives tips and advice on how to be more active and how to access local facilities.

4.112 This should be used to train local health professionals, local authority development workers and facility managers, transport managers, community workers and local community leaders, preferably at multi-disciplinary sessions. This would raise the profile of physical activity and ensure that a consistent message, was conveyed to the local public. For example, with significant amounts of new healthcare professionals due to be in place by 2008, there is an opportunity to adopt an evidence-based approach to using sport and physical activity to influence health.

4.113 If this were accompanied by local campaigns to initially raise the profile of sport and physical activity, it could greatly help to build motivation.

4.114 The most important factor about these three initiatives is that they should be considered as a package so that they reinforce each other and are sufficiently high profile to generate public interest.



Recommendation 4.1 (b)

SPAB will produce an implementation plan for priority pilots which will improve:

- asset utilisation by having many more school (including those from the independent sector), FE and HE facilities available for community use;
- priority group targeting through voucher and other direct funding schemes; and
- information dissemination through a co-ordinated training programme for health, education and local government.

Lead	Partner	Report to	By
SPAB	DCMS, DoH, DfES, ODPM, DWP HO, DfT, Sport England, NOF, LGA	Cabinet Committee	April 2003

A wider range of new ideas should be piloted and fully evaluated to establish 'what works'

4.115 There has been a wide range of initiatives implemented in recent years to establish what works to increase participation. However, in many cases, the outcomes of such initiatives have not been properly evaluated or built upon to establish evidence-based policy.

4.116 A more co-ordinated approach needs to be adopted to better enable pilots to properly inform policy. We recommend that a systematic approach to further piloting needs to be developed consisting of:

- identification and mapping of existing sport and physical activity pilots³⁰ aimed at increasing participation;
- identification of 'gaps' in ongoing pilot work, ie groups not being catered for or settings not being explored, eg. the workplace; and
- commissioning specific pilots should help to fill such gaps with central government providing funding but local deliverers undertaking the pilots.

4.117 However, there are also many good ideas that arise at local level. To enable a number of such ideas to be taken forward an innovation fund should be established which local deliverers could apply to for funding. This should only fund a limited number of reasonably large pilots.

4.118 The level of the fund is dependent on the range of initiatives Government wishes to support and the timescale for results. If a cross-departmental approach is adopted, each department should contribute. We estimate that a minimum of £2m per annum for 5 years would be appropriate to run 10-12 medium sized projects. An early task for SPAB will be to agree sources of funding.

4.119 Crucially, in developing pilots to try to improve the quality and quantity of participation within specific target groups, a local community-based approach will need to be used. That is, interventions – whether they seek to stimulate demand or tackle a supply-side failing – must be tailored to reflect the different social and economic circumstances of different communities. This will allow communities to respond to their own strategic goals and

³⁰ For example, DoH is developing a programme of Local Exercise Action Pilots (LEAP), with Sport England and the Countryside Agency, and support from LGA, DfES, DCMS and DfT. There will be one pilot in each of the nine English regions to test different community approaches to increasing physical activity. In addition, NOF has offered to fund a 3 year pilot Regional Physical Activity Co-ordinator to join up PCTs and sport development, with an emphasis on NOF funded initiatives (such as Healthy Living Centres and the New Opportunities for PE and School Sport facilities).

community needs, as well as work towards national priorities. Pilot projects must demonstrate how interventions can strike a balance between being very specifically tailored, while also being capable of implementation on a wider scale.

4.120 Increasing physical activity by developing a sporting and physical activity culture will clearly not be achieved overnight. The piloting

approach will allow, in time, the identification of those interventions which are most effective (and those which are not), and hence which should be adopted on a large scale. This will enable evidence based and costed proposals around sport and physical activity to be produced and fed into the 2004 Spending Review.

Recommendation 4.1 (c)

SPAB will:

- identify and co-ordinate LEAP, NOF and other existing pilot projects;
- jointly plan and commission further pilots and establish an innovation fund for external proposals. Pilots might include more use of rewards and certificates for young people; voucher schemes for workplace activity; or experimenting with mobile facilities; and
- consult on, develop and publish proposals for further investment to address long-term mass participation targets for input into SR2004.

Lead	Partner	Report to	By
SPAB	DCMS, DoH, DfES, ODPM, DWP, HO, DfT, Sport England and NOF	Cabinet Committee	<ul style="list-style-type: none"> ● April 2003 ● Sept 2003 ● Feb 2004

Information is required to underpin policy decisions and delivery

4.121 Despite the wide-ranging literature available on sport and physical activity there is a lack of robust quantitative information and analysis on which to make decisions.

4.122 There is a need to start collecting such information on a routine basis to facilitate monitoring and evaluation and to build trend data to more accurately measure success and inform the future development of policy.

Facilities

4.123 Better data on national facilities must be the basis for strategic decisions regarding facilities funding and, in particular, the allocation of lottery funding to areas which demonstrate sporting need.

4.124 For public and private sport and physical exercise facilities the following kind of information would be useful:

- Description of each facility.
- Details of ownership.
- Age and condition.
- Cost, current value and replacement cost.
- Restrictions on use, replacement etc.

4.125 If this kind of information is combined with socio-demographic data it would provide a powerful tool to use for planning future facility provision at both national and local levels. It would also help to inform discussions on issues such as playing fields where reliable data on playing field location, condition and levels of use is not readily available.



4.126 SE has been working on establishing a database for a number of years. Private companies such as the Leisure Database Company and PMP Consultancy also have extensive databases, as does, for example, the Football Foundation's Register of Football Facilities. NOF is currently chairing a group to examine the issue of facilities information and establish what needs to be done. Options might range from developing a comprehensive database (a 'Domesday Book') through to

simply ensuring data is collated in a standard, up to date and accessible fashion for public and private decision makers.

4.127 Keeping databases up to date is more difficult than establishing them to begin with. Government should also establish a requirement for all providers to produce annual updates for the database using the new requirement included in PPG 17 for local authorities to audit facility provision as a starting point.

Recommendation 4.2 (a)

To ensure better evidence and data on which to base policy better information should be acquired on *facilities* by tendering for the compilation of a facilities database.

Lead	Partner	Report to	By
DCMS	DfES, ODPM, DoH, DfT, NOF, SE	DCMS Ministers	Tender, Feb 2003 Operational, Oct 2003

Participation data

4.128 The use of the General Household Survey as a source of participation data is inadequate for planning purposes. SE, many local authorities and some NGBs also collect participation data, although there is little consistency in the data collected or collation of this data to build a national picture.

4.129 There is a need to establish a system for the collection and collation of participation data on a consistent and long term basis. This requires widespread agreement on the dataset

to be collected and the definitions to be used.

4.130 In addition, participation data only tells part of the story. The annual Health Survey for England could also have a part to play in collecting data about fitness levels amongst the population to ascertain if increased participation has achieved the expected health benefits.

4.131 This is an area where government could usefully intervene to enable a national system to be established, based on local data collection, using nationally agreed protocols.

Recommendation 4.2 (b)

To ensure better evidence and data on which to base policy better information should be acquired on *participation* by:

- commissioning the development of a national methodology for collecting participation and fitness data building on the many local methods currently; and
- commencing a series of bi-annual surveys based on this approach.

Lead	Partner	Report to	By
SPAB	DfES, ODPM, NOF, SE	Cabinet Committee	Spring 2003

Research and analysis

4.132 As discussed in chapter 2, more research is needed to establish clearly the nature of the relationships between sport and physical activity and crime reduction, social inclusion, the environment, and to a lesser extent education. The relationships between international success, hosting major events and participation also need to be further considered.

4.133 There is a wide body of research available covering many aspects of participation, although there are a number of common weaknesses affecting much of this research:

- Many research projects adopt a short-term approach. Therefore they comment on the impact of interventions during and immediately after the intervention but rarely follow up the participants to establish the long-term impact.

- Establishing the causal relationships in social research of this type is very difficult and there is a danger of oversimplification.
- Measuring the cost of intervention compared to the costs saved is rarely attempted thus decreasing the chances of maximising value from the intervention.
- Datasets used are often not defined until the intervention is complete therefore evaluations are based on partial or not very accurate data.

4.134 There is a need for some nationally commissioned research that takes a longer-term viewpoint and is established using reliable baseline measures. However there is also a requirement to build in robust research methodologies and funding to all pilot projects and new initiatives from the beginning rather than retrospectively.

Recommendation 4.2 (c)

To ensure better evidence and data on which to base policy, better information should be acquired on *long term behaviour* in sport and physical activity by:

- commissioning academic research specifically to address issues requiring a longer-term approach. Research might consider the impact of success on sustained participation, or the relationship between sport and physical activity and crime reduction, social inclusion and the environment; and
- ensuring that all pilot projects and new initiatives should include from the beginning a description of the research and evaluation methodology to be used, the data required to be collected and a budget for this process as a requirement of funding.

Lead	Partner	Report to	By
SPAB	DfES, ODPM, DoH, DfT, NOF, SE	Cabinet Committee	<ul style="list-style-type: none">● April 2003● ongoing

5. ENHANCING INTERNATIONAL SUCCESS

Summary

Many factors affect the UK's international success in high-performance sport. Three changes can improve our chances:

- **A clearer prioritisation of high-performance sport funding.** The present approach to funding places emphasis on sports where lots of medals can be won, even though they may command little interest among the wider public. We recommend that a portfolio approach should be adopted, with factors such as potential and popularity having more bearing on investment strategy.
- **Talented young athletes need to be helped to reach the elite level.** We propose a more systematic approach to talent identification and development, led by governing bodies on a sport by sport basis. Where they have not already, they should adopt a single framework that avoids young people over-competing or specialising in single sports too early. There will need to be continued co-ordination, particularly between clubs and schools, to achieve this.
- **Funding and service delivery need to focus on customer needs.** Support for high performance sport is complicated by devolution. Five areas of change will build a new partnership with National Governing Bodies (NGBs), and make the current system more focused on the needs of athletes:
 - *A simplification of which sports are funded at a UK and which at a devolved level:* NGBs should decide whether, in principle, they will be funded at a UK or a devolved level. Subject to agreement by the Sports Cabinet, talent development funding for at least seven out of 23 "overlap" sports should pass to UK Sport.
 - *Implementation of a "one-stop plan" approach to NGB funding:* Those sports which compete at UK level should develop sport-specific one-stop plans, to ensure a collective approach to funding.

- **Continued *NGB modernisation* to develop more efficient and effective bodies. This may lead to a reduction in overall NGB numbers, taking account of the need for home country NGBs.**
- ***Better co-operation and co-ordination* between the Home Countries, through the sports councils and the “Sports Cabinet”; as well as with other delivery partners.**
- **As a medium term goal, the *English Institute of Sport* should, where appropriate, be funded by its customers (NGBs and athletes). The role of the UK Sports Institute central services team should be reviewed, and where possible its functions taken on by other deliverers.**

Framework for increasing international success

5.1 Chapter 1 has shown that, in terms of international success, the UK does not do badly. By varying analyses of men’s and women’s results in 60 sports the UK comes in the top 5 of over 200 countries. The injection of Lottery money, and recent changes started by *The Government’s Plan for Sport*, have contributed to the UK’s sporting success, and provided impetus and funding for this position to be maintained. But results could be better, particularly in those sports which have most public popularity.

5.2 A recent review of high performance sport (the *Cunningham Review*) concluded that “radical steps need to be taken if we are to create a world class system capable of producing consistent success in the international arena”. The review made over 40 recommendations covering world class performance plans, facilities, athlete funding, coaching development, athlete support systems, and development of the UK Sports Institute. The majority of the recommendations

were accepted at the Sports Cabinet in October 2001. DCMS has announced new funding to implement key recommendations following the 2002 Spending Review.

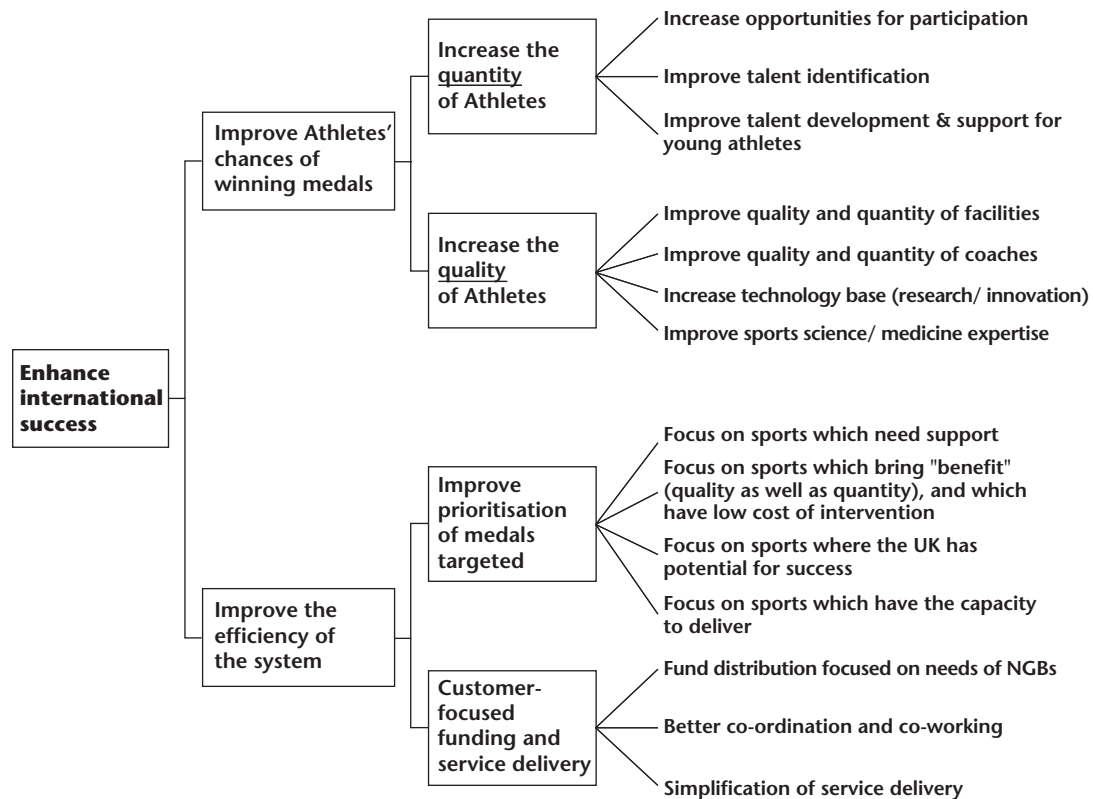
5.3 This chapter considers steps to further enhance success in high-performance sport. Figure 5.1 sets out a framework for doing this. To improve performance, both the quantity and quality of athletes needs to be improved, as well as the prioritisation of medals targeted and the efficiency of delivery systems.

5.4 Many aspects of this framework are already being addressed, particularly those on coaching. Therefore this chapter will not consider detailed measures to increase the quality of athletes, in relation to facilities (where the *Cunningham Review* recommendation for NGB-led facilities plans needs to be implemented); or technology and sports science / medicine (where the *Cunningham Review* recommendations also need to be taken forward); or coaching (addressed by the June 2002 report of the Coaching Task Force).¹

¹ The report set out proposals for a national coaching certificate; regional talent development coaching in 10 sports; a local coach employment scheme; 45 locally deployed Coaching Development Officers and a “Come into Coaching” recruitment campaign. Most of these activities are to be implemented by SE, UK Sport and SportscoachUK (which is to undertake a continuous review process to help it achieve these outcomes). See <http://www.culture.gov.uk/sport/coachingreport.htm>



Figure 5.1: Framework for enhancing international success



5.5 Instead, this chapter will focus on three particular areas which need addressing:

- more focused criteria for funding high performance sports;
- improvement of talent identification and development systems; and
- focus of fund distribution and service delivery on customer needs.

Clarifying high-performance funding

5.6 There is no mechanistic solution to winning at sport, and this uncertainty is a large part of its attraction. Funding can improve the chances of success, but other factors are also important, such as environment, and physical and mental form on the day.

5.7 Why then should government invest in high performance sport? Chapter 2 has explored three potential benefits from high-performance sport:

- as a driver of the “feelgood factor” and the image of the UK abroad;
- as a driver of economic benefits such as spending after successes, although there is little evidence of this; and
- as a driver for grassroots participation, whereby sporting heroes inspire participation. Although interest levels are raised, the evidence for sustained increases in participation is less clear, as we discussed in chapter 2.

5.8 Hence, the clearest rationale for public investment in high performance sport is as a lever for national pride and the so-called “feelgood factor”, along with raising interest levels in a sport.

5.9 In the light of this overall rationale, there needs to be better prioritisation of sports which are funded at an elite level, in order to maximise the “feelgood factor”. This section considers what decision-making processes should be applied when deciding which sports should receive more money than others.

Current funding criteria favour the quantity of medals

5.10 UK Sport and SE use varying criteria for funding high performance sport. Currently, UK Sport uses the following criteria for distributing funds from its Lottery World Class Performance Programme (WCPP):

- medal potential (which hinges on whether the performance gap to winning a medal is bridgeable);
- evidence of a performance system that should continue to produce a high number of talented athletes;
- track record; and
- whether an investment would constitute value for money.

5.11 UK Sport also assesses the number of World Class athletes in a sport, the number of medals targeted, and the significance of the sport on the world stage, although it follows no formalised process. The resulting prioritisation of Olympic sports (UK Sport’s main focus) is shown in Figure 5.2. Recent changes include the demotion of swimming following a poor performance at the Sydney Olympics.

5.12 SE also sets criteria under particular programmes. It focuses its WCPP distribution on sports which have public significance², proven success and the potential for success in world or equivalent championships.

5.13 Overall, although current prioritisation is not done badly, there are two problems with these criteria. First, success is measured by the overall quantity of medals won. No assessment is made between the “value” of medals (ie. how victory in some sports might have more value than others), or of the cost of the medal. This means that (for example) a trampolining medal is valued as highly as a sprinting medal.

Figure 5.2: Prioritisation of Olympic sports funded by UK Sport

Priority 1	Priority 2	Priority 3	Tailored support for athletes
Athletics Cycling Rowing Sailing	Badminton Canoeing Curling Equestrian Hockey Judo Shooting Swimming	Diving Women’s Artistic Gymnastics Rhythmic Gymnastics Speed Skating Trampolining Triathlon	Archery Bob skeleton Alpine Ski & Snowboarding Sailing Taekwondo

Source: UK Sport

² This is assessed by a combination of Public Attitude Surveys; participation surveys; TV coverage; spectator figures and magazine circulation.



5.14 The logical conclusion of this approach is to target sports where there are a high number of medals to be won, such as weightlifting, so ensuring a rise up the medals table. There is evidence that this specialisation is occurring in other countries: trends after the Sydney Olympics showed that the top performing Olympic countries achieved success in a small number of core sports (50% of their medals total in two to four sports).³

5.15 In addition, the extent to which UK Sport and SE explicitly take account of whether the sport needs public financing in the first place, or assess the cost of intervention in relation to the benefits, is unclear. If cost is accounted for, it is notable that some sports are more expensive to fund (such as team sports). A more rigorous set of funding criteria is therefore required.

A more transparent and systematic approach to high-performance funding

5.16 First, as athletes have called for, the criteria for funding need to be more transparent: *“The issue of athlete funding is paramount to Olympic success. The process needs to be more transparent, reflecting the current demands of a modern athlete.”*⁴

5.17 This is about more than simply publishing criteria – the basis on which (often qualitative) decisions are made need to be explained and understood.

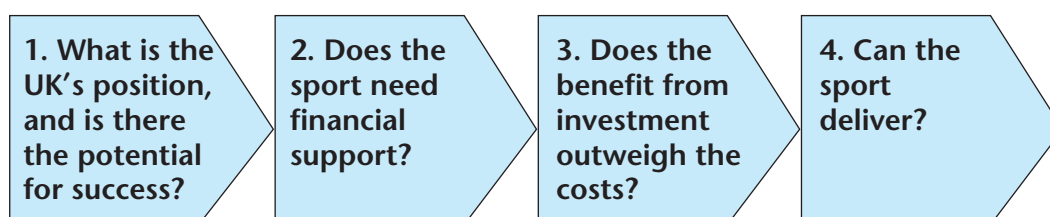
5.18 In addition to transparency, four steps might help to make the current criteria more systematic (see Figure 5.3). This approach may not lead to an immediate change in those sports which are funded. Parts of it are already being addressed. But if UK Sport and SE take this process into account, and make it more transparent, resources will be better focused on sustained success in the sports most in need of support, most likely to bring benefit, and most likely to succeed.

Performance and potential for success

5.19 The first stage of the decision-making filter is to consider whether the sport has the potential for success, in relation to international standards. This is largely the focus of current criteria. The ability of UK athletes needs to be analysed, alongside their likelihood to succeed in comparison with the strength of rivals that they are competing against.

5.20 In addition, more use could be made of financial rewards and incentive payments for athletes and coaches who reach their performance targets.

Figure 5.3: Decision-making filter to determine which sports to fund at an elite level



³ Arndt Pfuotzner et al International Development Trends on the basis of the Olympic Summer Games in Sydney *Leistungssport* 31 (2001).

⁴ BOA Athlete Commission Report (2000).

Need for public financial support

5.21 Second, there should be a clearer assessment of whether the sport should receive public funding in the first place. As chapter 1 showed, Lottery money is currently distributed to some of the richest sports. Much of this money is for grassroots initiatives, not high-performance. This should remain the case: high performance-focused public funding for these sports would only serve as a subsidy for the high wage bills of top performers. But to maintain this position, UK Sport and SE's funding criteria need to consider which sports are eligible for high performance funding in relation to their annual turnover.

Benefits must outweigh the costs of investment

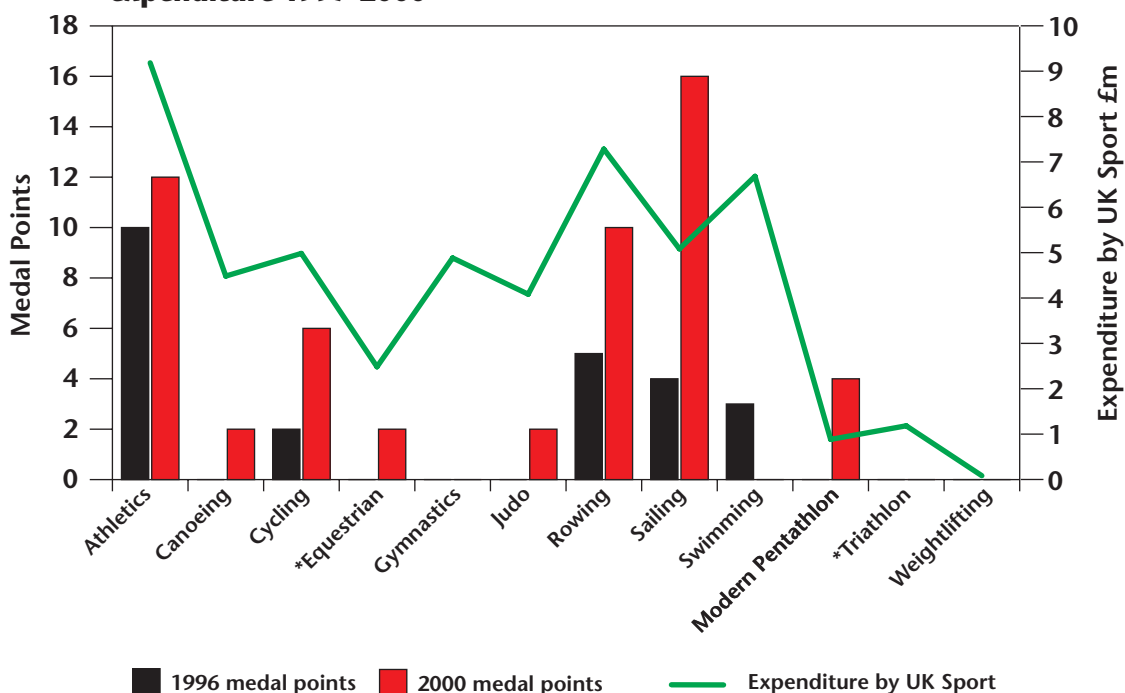
5.22 Third, there should be a clearer assessment of the cost of funding a sport, set against the benefit of that investment. There is clearly a varying cost of achieving success in differing sports (eg. cost per medal will tend to be higher for team sports, those with expensive

equipment, or those which are not suited to the UK climate). Based on results in the 1996 and 2000 Olympics, the amount spent (through UK Sport WCPPs) in a sample of sports can be compared to the medal points won (Figure 5.4) and the £ per medal point won (Figure 5.5).

5.23 These figures only represent UK Sport's funding for these sports, but they do indicate that results (in terms of medal numbers) from investment varies greatly between sports. On this basis, sports such as athletics, rowing and sailing represented "good value" in terms of low cost per medal point.

5.24 However, this analysis takes quantity of medals as its basis, and, as discussed above, makes no allowance for the value (or quality) of a victory. "Quality" can be taken to be the extent to which victory produces the feelgood factor and national pride (as these are the main public benefits of high performance sport). If it is accepted that the more popular the sport, the greater the amount of feelgood which

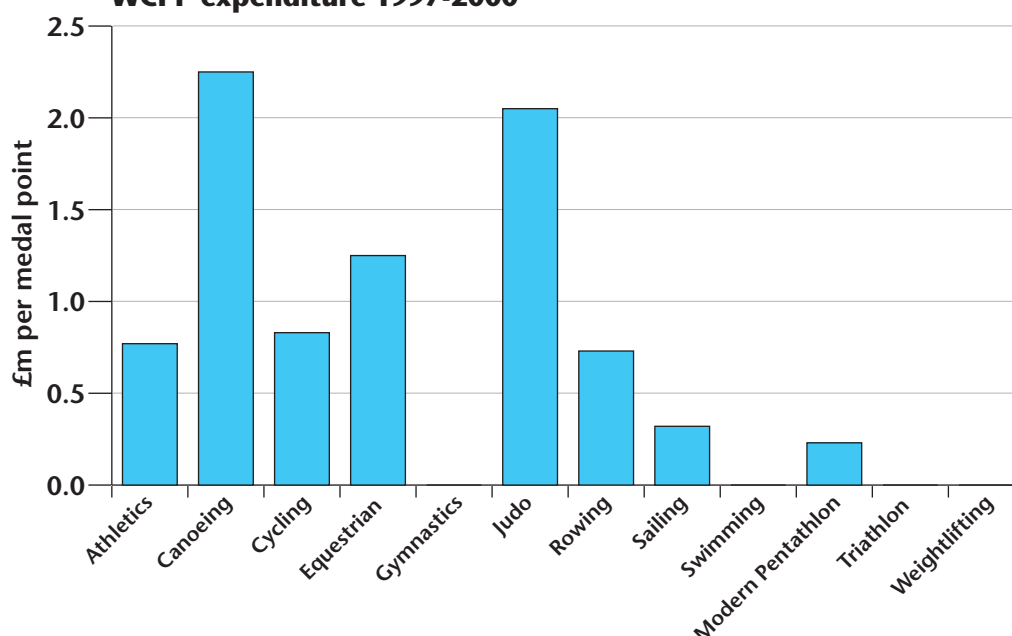
Figure 5.4: Medal points won at Sydney 2000 and UK Sport WCPP expenditure 1997-2000⁵



⁵ Source: *SU Analysis*. Medal points calculated according to UK Sport model (Gold – 4, Silver – 2, Bronze – 1). Expenditure from UK Sport WCPP only. Sports marked * only received funding for part of this period.



Figure 5.5: Cost of each Sydney 2000 medal point according to WCPP expenditure 1997-2000⁶



Source: SU analysis

follows, then “quality” medals are those obtained in the most popular sports. This kind of assessment is, needless to say, not easy.

5.25 Figure 5.6 shows two different ways of ranking sports popularity. Neither of these lists are definitive or foolproof. Popularity of sports is not stable, and public opinion can be fickle. For

example, Olympic sports are likely to rise in popularity after an Olympic Games (such as Curling after the 2002 Winter Olympics). Some sports will be far more closely linked to national pride (such as Rugby Union in Wales) than others. The difficulty is that many of these judgements about the “value” of a sport are very subjective and highly variable over time.

Figure 5.6: Possible rankings of sports by “popularity”⁷

Mintel aggregate	April 2001 sporting preferences
Football	Football
Golf	Athletics
Tennis	Cricket
Snooker	Rugby Union
Cricket	Tennis
Swimming	Swimming
Motor Racing	Rugby League
Athletics	Boxing
Cycling	Gymnastics
Rugby League	Golf

⁶ Calculated on a similar basis to Figure 5; where there are no figures this is because the sport did not win a medal.

⁷ The first list aggregates rankings from the Mintel public attitude survey, combining results for level of interest in a sport; general participation in a sport; and annual number of hours broadcast covering the sport. The second list represents the response to an April 2001 public attitudes survey of sporting preferences (sports which the UK public would most like to see supported by the National Lottery at elite level; and sports which the UK public would most like to see ‘succeed’ at the Olympics). UK Sport has undertaken two of these surveys (with a third due in October 2002), but both have been focused on attitudes in relation to the Olympics.

5.26 But investment in high performance sport needs to take into account those sports which the public consider to be important. This is not to suggest that funding should be focused solely on the most popular sports. In the first place, many of these popular sports are likely to have the least need of government funding. Secondly, to invest solely in popular sports would ignore a range of sports with high potential for success. Third, some minority sports may capture the public's imagination.

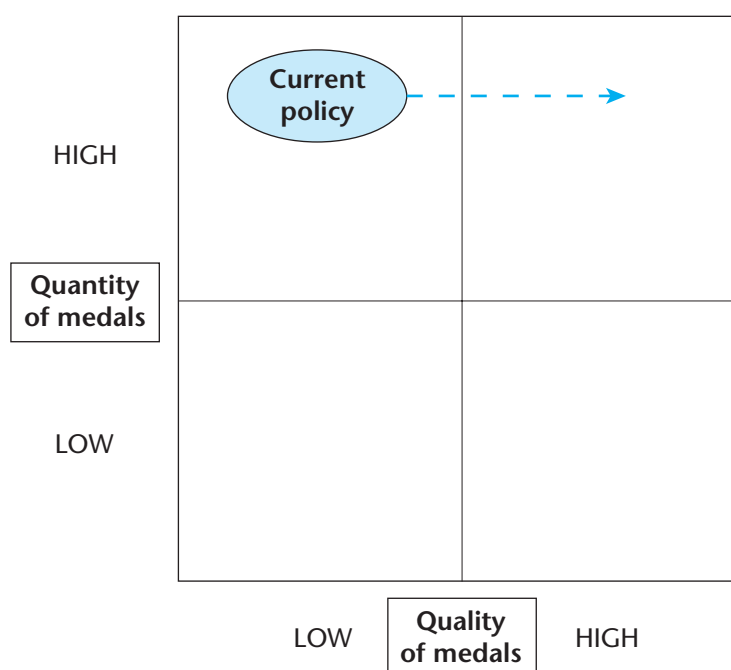
5.27 These factors all point to a "portfolio approach", whereby targeting of success should take into account *both* the quality of the success (ie. popularity of the sport) and the overall quantity of medals (see Figure 5.7). In this way

funding would be directed both at sports which would drive high levels of feelgood and national pride; as well as smaller sports which would not otherwise receive investment.

Ability to Deliver

5.28 Finally, there needs to be an assessment of whether the sport can deliver – is the governing body fit for purpose? Does it have the necessary performance, governance and management systems in place? Does it address equity issues? Does it adequately address the issue of devolved representation? What is its track record and does it monitor progress? Both UK Sport and SE currently assess these questions, and must continue to use funding agreements to drive reform in these areas, as discussed below.

Figure 5.7: A portfolio approach: UK should target high quality medals as well as high quantity of medals





Recommendation 5.1

To improve the targeting of high-performance funding more transparent criteria should be published, which:

- consider the use of financial rewards for performance;
- take into account the extent to which sports should receive public funding for high-performance sport, in relation to their income;
- adopt a portfolio approach to high-performance funding. This will involve a spread of investment that targets “high value” sports as well as the “quantity” of results; and
- take account of sustained public sporting preferences through regular surveys

Lead	Partner	Report to	By
Sport England and UK Sport		DCMS Ministers/ Sports Cabinet	April 2005

Bridging the talent identification and development gap

5.29 Having established a more focused approach to which sports are funded at the high performance level, steps need to be taken to ensure that the quantity and quality of athletes reaching that level are enhanced.

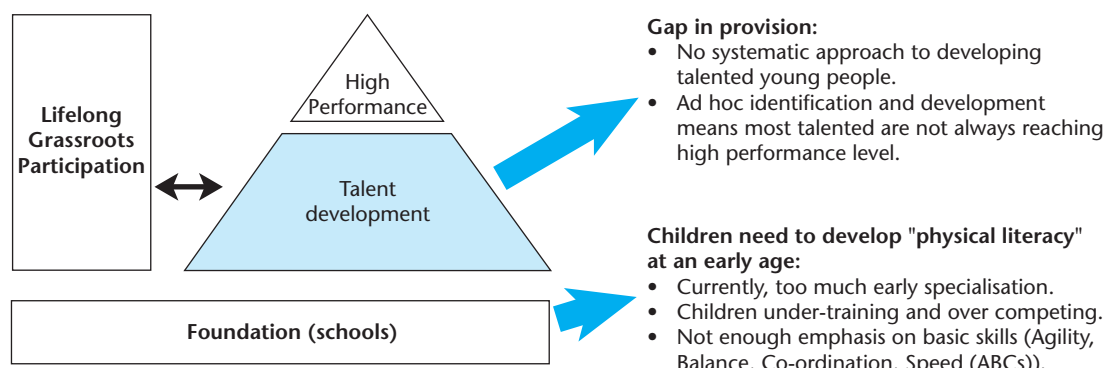
5.30 Logically, the first step to increasing the quantity of high performance athletes is to widen the base of participation. The measures proposed in chapter 4 are designed to do this. However, this pool will not feed into the high performance system if there is no talent development pathway. This section considers how to ensure that those with ability are helped to optimally develop their potential. It proposes an integrated approach with sports governing bodies leading talent development efforts, but in a much more systematic way, with greater co-ordination between clubs and schools.

The link between grassroots and high-performance sport is not well established

5.31 England currently has no recognisable system for supporting young people who aspire to sporting excellence. At the grassroots, much recent government policy has focussed on how to restore quality sporting opportunities in schools. At the high performance level, the World Class programmes fund top athletes. However, there is a gap in provision between these two areas (see Figure 5.8).

5.32 It is notable that the UK currently ranks second in the European Youth Olympics (13-18) for medals won in the years 1993-2001. This success, however, is not translating to the senior level. Currently, development tends to operate on an ad-hoc and informal basis. Practice varies between NGBs, but there is often little or no co-operation or co-ordination, at either a national or local level, and in particular between the education sector and sporting bodies.

Figure 5.8: Talent development: the link between foundation and high performance



5.33 A number of NGBs and sports council programmes are taking steps to address this,⁸ and in particular an aim of the Physical Education School Sport and Clubs link strategy is to build school-club links.

5.34 But key problems still need addressing:

- The most talented children (and, less frequently, adults) are not always being identified.
- There is little co-ordination of talent development, which falls to several organisations (primary and secondary schools, clubs, NGBs, FE/HE institutions).
- There is no shared conceptual framework for understanding the "science" of talent development, specifically:
 - young athletes are specialising in single sports at too young an age (rather than developing broad skills and "sports literacy"). Given the nature of the skills

involved, some sports do require specialisation at a young age (see Figure 5.9), but the majority benefit from late specialisation, with early training to build general, fundamental motor and technical/tactical skills.

Certain sports which identify talent at a very young age sometimes unhelpfully, through exclusivity contracts, force early (detrimental) specialisation;

- there is a tendency to under-train and over-compete, which means that athletes are not reaching their potential, or are peaking too early; and
- adult training programmes are being superimposed on children (with no differentiation of male and female needs).

Figure 5.9: Examples of early and late specialisation sports

Early Specialisation Sports	Late Specialisation Sports
Gymnastics Figure Skating Diving Table Tennis	Athletics All Team and Combative Sports Cycling Racket Sports Rowing

⁸ There are a number of current schemes which attempt to support talent development, notably SE's "Active Sports" programme, the World Class Start and Potential programmes and other initiatives such as Excellence in Cities and the TOP programmes.



5.35 These problems create a danger that talent is diluted, effort is duplicated, and that there is confusion among governing bodies. Irrespective of how good support systems are at the highest level, a long-term improvement in international performance cannot be sustained without improved talent identification and development.

From Playground to Podium: a clearly signposted pathway for Long Term Athlete Development

5.36 The Long Term Athlete Development (LTAD) model provides a conceptual framework for understanding how talent development should work across all sports (see Figure 5.10).⁹ It is widely accepted abroad and increasingly in the UK as a model for talent identification and development. Its key principles are that:

- success comes from training and performing well over the long-term, rather than winning in the short term;
- broad generic skills must be learnt before specialisation, and having an ability in many sports is better than knowing just one;
- it is important to train rather than over-compete;
- there is significant variation between sports, so any talent development model must be flexible; and
- any plan must be athlete-centred; but also involve parents, and enable better co-ordination and integration of key partners.

Figure 5.10: The LTAD Framework

	Females	Males	Activity	
Training to Win	17+	18+	<ul style="list-style-type: none"> • Integration phase. All physical, technical, tactical and mental capacities established. • 25:75 training-competition ratio 	High Performance
Training to Compete	13-17	14-18	<ul style="list-style-type: none"> • Investment phase, develop technical and tactical skills • 50:50 training-competing ratio. 	Specialisation
Training to Train	10-13	10-14	<ul style="list-style-type: none"> • Learn how to train, develop the basic skills of a specific sport. • 75:25 training-competing ratio. 	Recruitment
FUNDamentals	6-10	6-10	<ul style="list-style-type: none"> • Basic Sports Skills (physical literacy) – running, jumping, throwing • ABCs (agility, balance, co-ordination, speed). • Development of power and endurance. • Participation in variety of sports (no competition). 	Talent Identification

Source: Istvan Balyi

⁹ The LTAD model has been developed by Istvan Balyi, a sports development expert, on the basis of international research into physiology, physical development and training/competition outcomes. The approach is best summarised in a special edition of *Faster Higher Stronger*, the coaching magazine (Issue 14, January 2002). For a summary of research on which the model is based, see http://www.nctc.ul.ie/Forum/presentation_files/Istvan%20Balyi.rtf. NB that the age ranges are general guidelines, and may vary by up to four years.

5.37 The model sets out four stages in an athlete's development: "FUNdamentals", "Training to Train", "Training to Compete" and "Training to Win". Research shows that it takes eight to twelve years of training for a talented athlete to reach high performance levels.¹⁰ The LTAD model therefore argues that a specific and well-planned training, competition and recovery regime is needed to ensure optimum athlete development.

5.38 At its base, the LTAD framework requires the establishment of physical literacy, and the development of basic skills (the "ABCs" of Agility, Balance, Co-ordination and Speed). The foundation for excellence must be laid between the ages of nine and 12, when children are ready to acquire the range of skills that are the cornerstone of athletic development. This avoids early specialisation in a single sport, and tailors development to a child's growth.

5.39 Adopting the LTAD model does not mean that the current array of (ad hoc) initiatives in this area should necessarily be changed. But it does offer three essential factors:

- first, it provides a theoretical framework so that all parties can see where their work relates to the overall support given to talented young performers. It provides a common set of values and principles to enable partnership working. This has to date been lacking;
- second, it is a flexible framework, adaptable to be sport and gender specific; and

- third, and most importantly, it leads not only to better equipped and prepared high performance athletes, but also to higher levels of physical literacy across a range of sports. The FUNdamentals stage provides a robust foundation for children whether they go on to recreational participation, or to become high performance athletes. The model, if adopted, will therefore enhance the likelihood of increased lifelong participation (supporting other measures proposed in chapter 4).

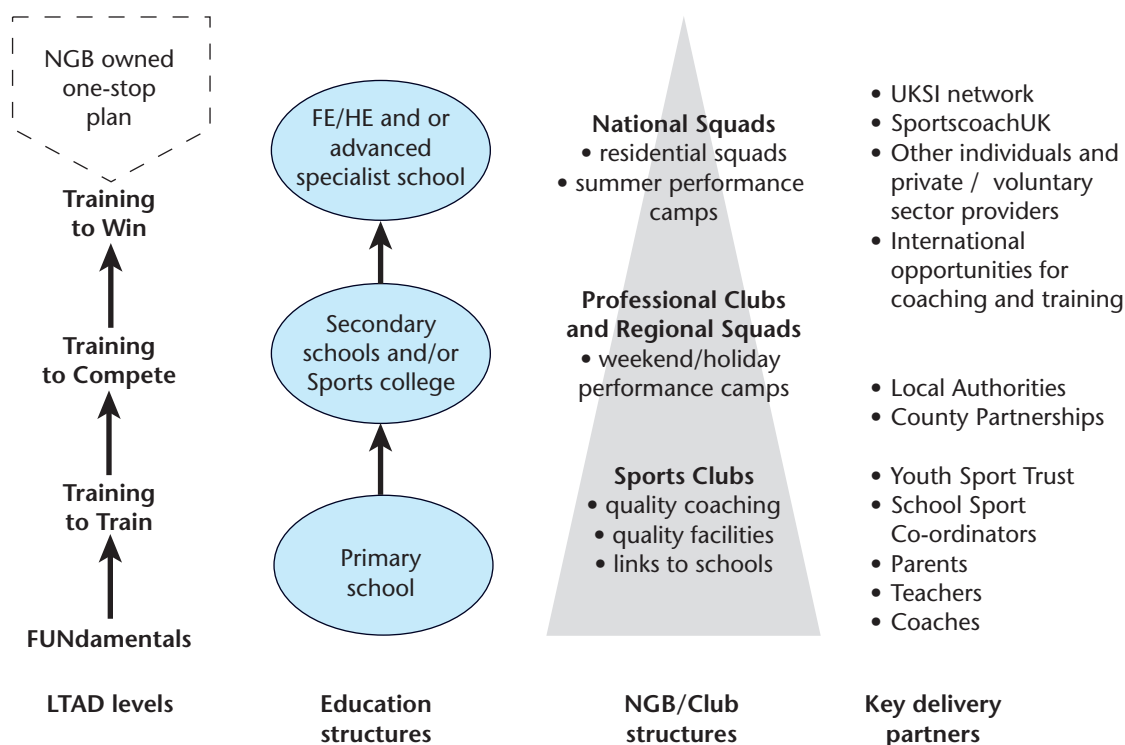
Delivering the LTAD framework: FUNdamentals and gifted and talented athletes in schools

5.40 The LTAD model is a useful conceptual framework, but how should it be delivered? There is no single agency or organisation that can deliver successful talent identification and development programmes in isolation.

5.41 Partnerships need to be created that involve schools, clubs, local authorities, further and higher education institutions, NGBs and the high performance services provided by sports councils (eg. EIS). The key agencies involved in developing, co-ordinating and delivering plans are set out at Figure 5.11. As athletes progress higher up the system, partnerships need to focus increasingly on NGBs and national agencies.

¹⁰ See Bloom *Developing Talent in Young People* (1985) Ericsson and Charness *Expert Performance: Its Structure and Acquisition* *American Psychologist* pp. 725-747 (1994) Ericsson et al *The role of deliberate practice in the acquisition of expert performance* *Psychological Review* pp. 363-406 (1993).

Figure 5.11: Key delivery partners for implementing LTAD plans



5.42 In the first place, the generic FUNDamentals stage needs to be delivered through schools, and focus on a range of sports. As chapter 4 has discussed, physical literacy must be given the right emphasis in the curriculum, particularly at primary school (in key stages one and two). In addition, teachers need the right skills (and understanding) to implement the curriculum.

5.43 Beyond the FUNDamentals stage, schools still need to form a key part in the talent identification and development framework. *The Government's Plan for Sport* committed DfES and DCMS to producing a framework for the development and support of gifted and talented sports people in schools (though notably not in further or higher education, a key part of the system).¹¹ This is now in its pilot stage, and is considering the following:

- a web-based one-stop reference point, including tracking and profiling for talented young people, information and training programmes;
- a central advice and consultancy service for NGB young athlete development;
- school junior athlete career education co-ordinators, working through the specialist sports college network;
- a national training programme for teachers, coaches and development officers to include modules on working with talented young people; and
- performance camps for gifted youngsters.

¹¹ See DCMS *Role of Further and Higher Education in Delivering the Government's Plan for Sport* (2000) which attempted to address this gap.

5.44 In addition, the Government's school sport entitlement is beginning to play a crucial role in increasing the quality of teacher training, as well as building coach and club links, in 7 major sports.¹² This should enable better talent identification, and ties in with proposals for a system of quality assured sports talent development scholarships for young people in HE and FE.

5.45 But even if there is an improvement in talent development in schools, there will still be a danger of a fragmented approach. There must be strong community links, with links between a range of providers. For this to happen, the talent development system must be athlete-centred, sport-specific and led by NGBs, in partnership with a wide range of organisations. They are the key to ensuring that the talent development system is in place, and need clear development strategies. The LTAD needs to be an integral part of sport-specific one-stop plans, discussed below.

5.46 In addition, other initiatives also need to be considered in order to maintain a talent development pathway beyond schools:

- Scholarships and other measures to support talented athletes in FE/HE (taking forward the proposals of the FE/HE review).
- Improved identification measures (eg. talent scouts, better strategic deployment of Sports Development Officers).
- More transparency through junior rankings, to enable a co-ordinated approach.
- A re-examination of the funding balance of current "development" programmes (for example SE's World Class Start and World Class Potential). In particular, it has been suggested that in some sports too much funding is concentrated on World Class Potential, and could be better focused lower down the talent development ladder as well as on a smaller number of athletes.
- Implementation of the Coaching Task Force recommendations relating to talent development.¹³
- Development of a national club strategy, being led by CCPR and SE.¹⁴ This aims to make clubs better managed, more sustainable and more accessible, for grassroots participation as well as talent development. It needs to tie into wider work on developing sport in the community (as discussed in chapter 7).

¹² Rugby union, cricket, tennis, football, swimming, athletics and gymnastics. This is a narrower focus than those sports supported by World Class programmes, although school club links in other sports (such as golf) are not discouraged. For details of the achievements of the school sport entitlement, see chapter 4.

¹³ On implementing the Task Force recommendations, and scholarships, see the announcement of 3000 new coaches and 2000 talent scholarships following the 2002 Spending Review:
<http://www.culture.gov.uk/role/search.asp?Name=/pressreleases/sport/2002/dcms153>

¹⁴ http://www.sportengland.org/press_releases/club_strat.PDF



Recommendation 5.2

To improve talent identification and development, so that young athletes are better able to maximise their potential:

- a DCMS working group should be established to build on the work of the school sports co-ordinators and create proposals for a more systematic approach to talent identification and development beyond schools;
- the DfES pilot framework for the development of young sports people should be agreed, and made available to support talent development in every LEA. It should be extended to cover FE and HE institutions.

Lead	Partner	Report to	By
<ul style="list-style-type: none">• DCMS	DfES, sports councils, NGBs, athletes, BOA	<ul style="list-style-type: none">• DCMS Ministers	<ul style="list-style-type: none">• Summer 2003
<ul style="list-style-type: none">• DfES and DCMS	CCPR, YST, QCA, Sportscoach UK, CLOA, ILAM	<ul style="list-style-type: none">• DfES/DCMS Ministers	<ul style="list-style-type: none">• Spring 2006

Dealing with devolution

5.47 Sport in the UK has a particular – and unique – sporting challenge arising from devolution. No other country competes internationally at two different levels: sometimes as UK/GB, and sometimes as the Home Countries (England, Scotland, Wales and Northern Ireland). This complex situation has led to a number of administrative challenges. Notably, it means that there are five sports councils in the UK, four of which deal with high performance sport and grassroots sport (the HCSCs), and one of which deals only with high performance sport at a UK level (UK Sport). All five of these councils both fund and provide services.

5.48 It is important to recognise that each home country sport has its own particular strengths and weaknesses and that any problems encountered in one home country may not necessarily be the same as those in another. Consequently, proposals to deal with the challenge that devolution brings need to take account of individual home country priorities, requirements and aspirations.

5.49 Most of our interviewees felt that a simplification of the funding systems should be possible – and indeed would be welcome – despite the devolved context. They were clear that the current funding structures and systems were not optimal in terms of delivering increased international success. The rest of this chapter therefore considers steps to rationalise, simplify and better co-ordinate the funding and service delivery of high performance sport.

5.50 An analysis of the extent of the overlap in these two areas is in Annex D. It is striking that, in developing this analysis, SE, UK Sport, the UK Sports Institute (UKSI) central services team, and the British Olympic Association (BOA) did not have a shared understanding of who did what, and of which organisation was in the lead. Key stakeholders, particularly NGBs, have also told us that they are confused. As long as this is the case, there is a danger that turf wars come before partnership working, and that NGBs and athletes may not receive an optimal level of support.

5.51 Any change to the way in which high-performance sport is supported must meet several key criteria. Recommendations must:

- take into account the requirements of individual home countries;
- result in an improved performance at high performance level (for both UK and HCs);
- meet the needs of athletes and NGBs (since they run sport at this level, not government); and
- represent a simplification (ie. low cost and efficient).

5.52 It may well be the case that some of these criteria are mutually exclusive. However, even if a perfect outcome is not feasible, we feel it is certainly possible to improve on the current situation.

The funding and delivery of high-performance sport is complicated by devolution

5.53 UK Sport funds high performance sports at UK level. It distributes exchequer funding (£12.6m in 2000-01) and high performance-focused Lottery programmes (£24.1m in 2000-01) to athletes and NGBs for the very highest level of their performance. As well as this funding, UK Sport is responsible for policing performance-enhancing drug abuse; for co-ordinating major events strategy (distributing the Lottery World Class Events funding); for setting policy on ethics; and for maximising international influence.

5.54 High-performance funding is also distributed by the Home Country Sports Councils (HCSCs), mainly for sports which operate at a devolved level. But the situation is complicated:

- The WCPP Lottery fund is aimed at those athletes that are in the top 20 in the world.¹⁵

It is distributed by UK Sport for UK/GB sports, and by SE for English sports. The other three HCSCs are not involved in the WCPP, but have their own performance programmes.

- Beneath WCPP level, funding for talented athletes is distributed by all four HCSCs for devolved and UK level sports.¹⁶ But each council has a different programme. SE distributes World Class Start and World Class Potential programmes for English Sports; the Welsh Sports Council has an Elite Cymru programme, and **sportscotland** and the Northern Ireland Sports Council have their own talented athlete programmes. UK Sport provides no support beneath the WCPP level.
- In Northern Ireland the situation is further complicated because some governing bodies are represented as regions of UK bodies, some as autonomous Northern Ireland governing bodies, and some as part of all-Ireland governing bodies (and so compete as Ireland on the international stage).

5.55 This means it is particularly important to ensure a smooth transition for athletes from Home Country programmes (particularly England, given that more than 80% of WCPP athletes are English) to UK WCPP programmes.

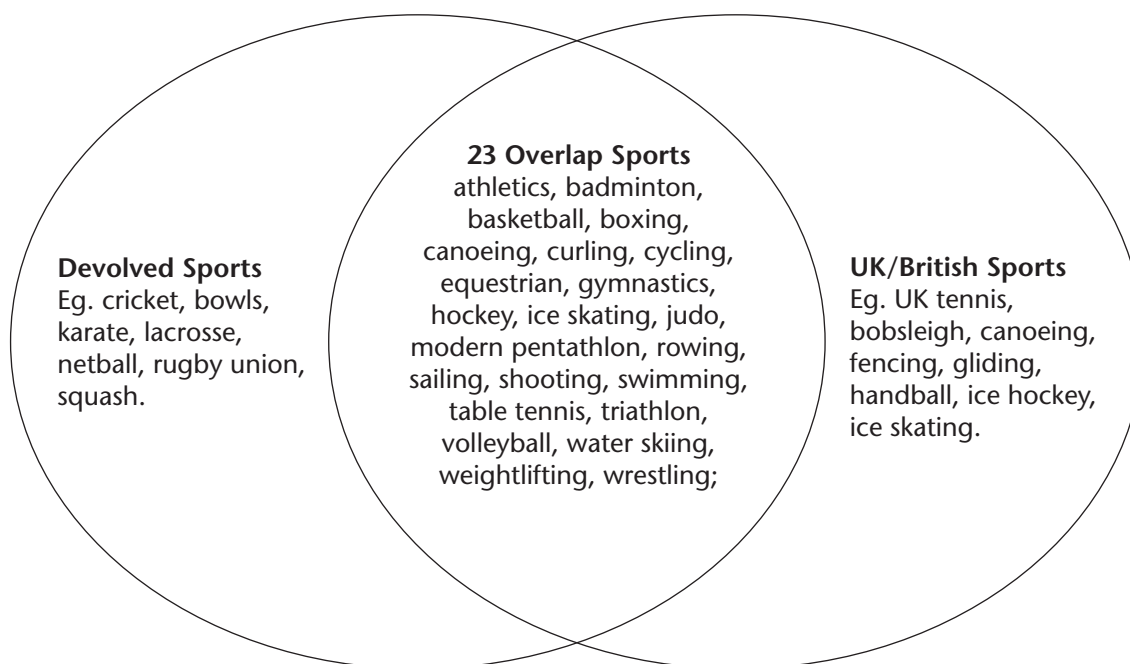
5.56 The point of devolution is that HCSCs have the right to develop their policies in a way which suits their own needs. But the consequence is that sports which compete at both UK and devolved levels have to apply to all four HCSCs for funding for all but their top athletes. Overall, there are 23 of these “overlap” sports which receive WCPP funding from UK Sport as well as funding (largely

¹⁵ UK Sport WCPP awards to January 2002 went to 684 athletes in 32 different sports. The majority of these (86%) were English, with 8% to Scots, 5% to Welsh and 1% to Northern Ireland athletes. This distribution co-incidentally corresponds closely to population. WCPP funds go largely to NGBs (to cover the costs of a performance director, world class coaches, training and competition programmes, sports-science and medicine support programmes, facility hire, kit and equipment); and also directly to athletes (to support their lifestyle and training).

¹⁶ In principle, HCSCs do not provide any funding direct to UK NGBs. They support HC NGBs and provide personal athlete awards to some athletes who may be in UK teams. However, SE currently gives talent development funds to 12 UK NGBs (where there is no separate English NGB, or where that NGB is not suitable for funding): Rowing, Sailing, Cycling, Athletics, Modern Pentathlon, Judo, Equestrian, Canoeing, Triathlon, Gymnastics, Ice Skating and Water Skiing. It has also recently been agreed that athletes from other Home Countries can access SE funded World Class Potential programmes on a “buy-in” basis.



Figure 5.12: Sports compete at both Devolved and UK level



beneath WCPP level) from the HCSCs (see Figure 5.12, and for more detail, Figure 5.15).

5.57 Funding distribution, as well as service provision, is therefore complicated, and UK NGBs are frustrated by the lack of a “one-stop-shop”, having to apply to multiple councils for funding. This leaves two key questions: who should fund which sports, and to what level?

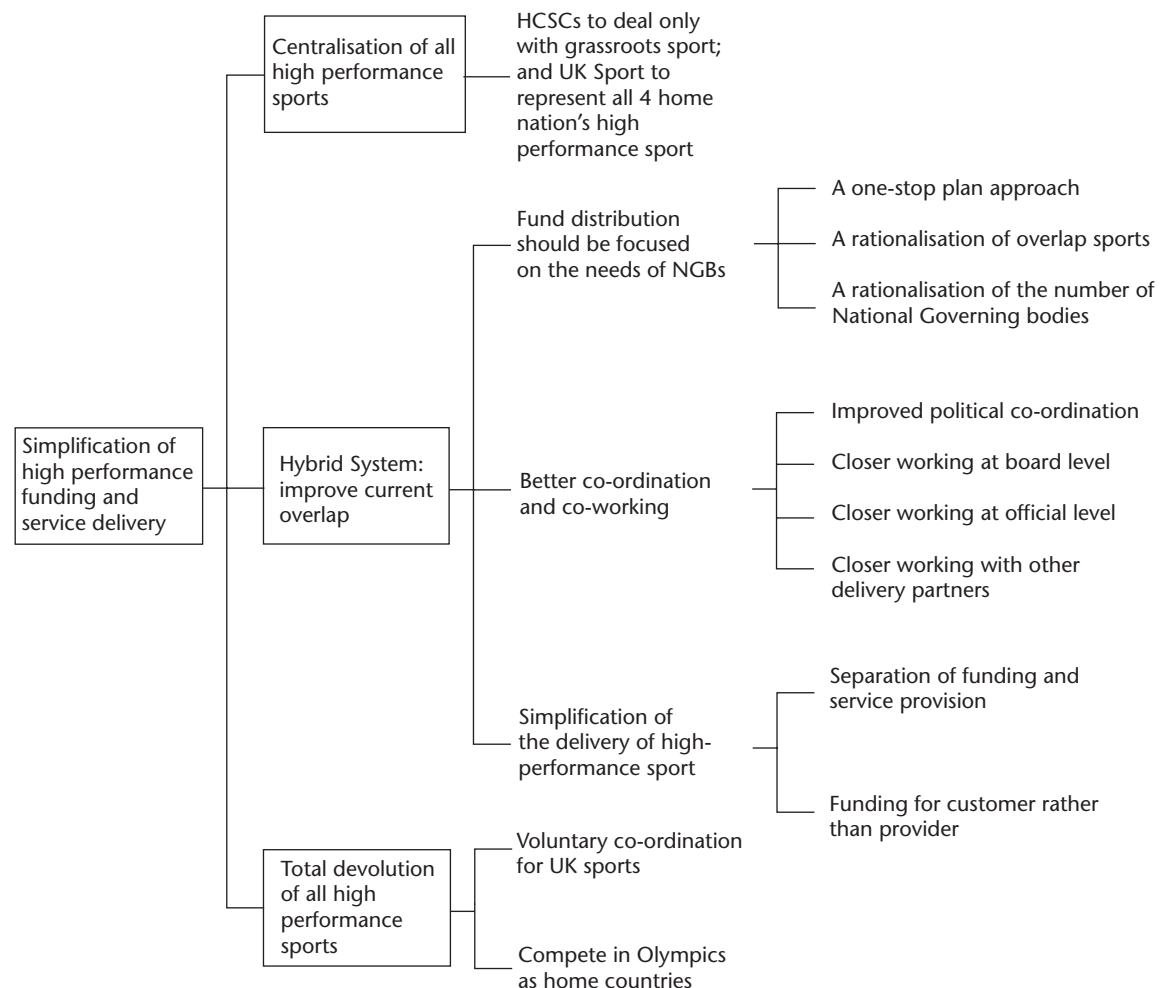
In the absence of total centralisation or total devolution, improvements must be made to the current system

5.58 Several factors need to be balanced in considering this situation. Statistically, GDP and population size are the main determinants of international success (see chapter 1). Devolved representation in international sport could therefore be seen as a trade off for Home Countries between increased cultural identity and lower probability of success on the international stage. Other factors to be considered are additional administrative costs and the minimum scale required to compete effectively.

5.59 With this in mind, there are three theoretical ways in which the current funding overlap for high-performance sport could be resolved (see Figure 5.13):

- total centralisation (ie. to bring funding of all high-performance sports back to a UK level, with the HCSCs only responsible for grassroots sport);
- improvements to the current split funding system; and
- total devolution (ie. to abolish UK Sport and place responsibility for all high-performance sport with HCSCs, putting in place joint working mechanisms for any sports which still compete at a UK level).

Figure 5.13: Options for simplification of high-performance funding and service delivery



5.60 The first option (centralisation of all high performance sport) represents a reversal of devolution. But as long as some sports operate at Home Country (devolved) level, some autonomy in home country funding will be needed, making this option infeasible.

5.61 The third option (devolution of all high performance funding) would reduce economies of scale, and could impact on the levels of success. But, on the other hand, it would massively simplify the organisation of UK level

sport, and eliminate central cost overheads. However, it would only be feasible if the home nations were allowed to compete in key events as separate countries. Specifically this would apply to the Olympics, but the IOC charter currently requires separate national passports for participating teams. For other events, sports would have to develop their own co-ordination mechanisms for UK representation (much as Rugby Union does for British Lions tours).



5.62 Accepting that neither of these options are currently achievable, there are a number of improvements to the current (split funding) system which can be put in place.

Recommendations in three areas will enable more clarity within the current framework:

- More customer focus of funding for NGBs. This will be achieved through a clarification of which sports are funded at UK and devolved levels; a one stop plan for funding for all sports which compete at UK level; and a modernisation of NGBs.
- Steps to drive closer working and more co-ordination between the sports councils where appropriate; as well as more effectiveness and efficiency.
- More customer focus in service delivery.

5.63 The rest of this chapter discusses these three areas, with the exception of recommendations about the effectiveness and efficiency of the sports councils (relating to both grassroots and elite sport), which are discussed in more detail in Chapter 7.

Customer-led funding

“Most athletes felt there is too much bureaucracy in the running of elite sport in the UK”¹⁷

5.64 Funds need to be distributed quickly and efficiently to the customers for high performance sport: NGBs and athletes. However the two groups should not be seen as the same, and there can be differences between them. Where possible, mechanisms should be put in place to resolve such conflicts, and in all consultation, funding bodies should make sure that the views of both groups are represented.¹⁸

5.65 There are three changes needed:

- there should be a sport-led process to decide whether sports are funded primarily at a UK or devolved level;
- any sport which competes at a UK level should produce a single one-stop plan for funding at devolved and UK level; and
- NGBs should continue to modernise, and as part of this there should be a rationalisation of their overall number.

A clarification for “overlap” sports funded at devolved and UK level

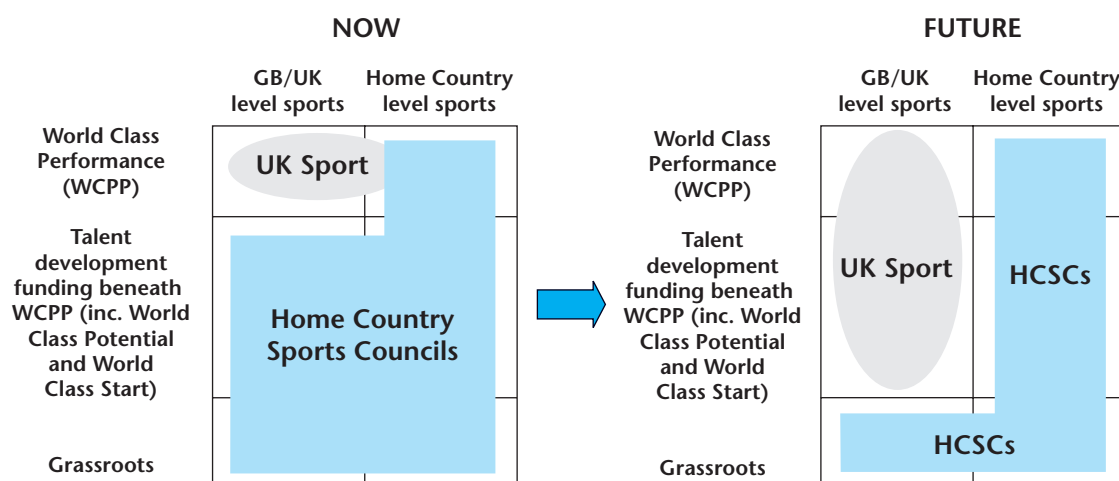
5.66 The first step to improve high-performance funding is for a simplification, where possible, of which sports are funded at UK and which at devolved levels. This must be a sport-led process, and done on a sport-by-sport basis, in consultation with athletes.

5.67 Ideally, UK Sport should take lead responsibility for the high-performance funding (including talent development funding) of all sports which compete at UK level in any competition; and HCSCs should take responsibility for devolved sports (see Figure 5.14).

¹⁷ BOA Athletes Commission Report, Salt Lake (2002).

¹⁸ A condition of UK Sport’s NGB funding is the establishment of a system of athlete consultation and representation within NGBs. UK Sport funding for an athletes umbrella group, “UK Competitors”, is on hold pending agreement on its amalgamation with the BOA Athletes’ Commission.

Figure 5.14: UK sports for UK Sport; Home Country sports for HCSCs



5.68 This would represent two significant changes:

- All UK sports would have a single strategic lead council for high performance sport.
- UK Sport would deal with talent development funding beneath WCPP level.

5.69 Where possible, this should happen. If implemented for all of the overlap sports, it would lead to significant clarification, and enable many sports to have a single funding agency (or one-stop shop) for high-performance sport. They would still need to be funded by HCSCs for the grassroots part of their operation.

5.70 A breakdown of the 23 overlap sports affected is at Figure 5.15. For some of these (particularly the category A sports) there should be little issue with UK Sport becoming a one-stop shop. These sports (canoeing, equestrian,

ice skating, modern pentathlon, rowing, sailing, water skiing) do not compete at devolved level in any significant competition, yet are funded by HCSCs for talent development. They should be funded entirely by UK Sport (including talent development), and the HCSCs should transfer relevant funds to UK Sport to enable this.¹⁹ This should have no initial impact on the levels of funding which the NGB receives – just which body they are received from.

5.71 For the sports in categories B and C it may be more of a challenge to create a one-stop shop, given the need for the Devolved Administrations to retain funding autonomy over sports which compete at a devolved level. Therefore, each of the remaining 16 overlap sports should decide for themselves the extent to which UK Sport should distribute their high-performance and talent development funding.

¹⁹ Consideration will need to be given to the funding mechanisms for certain facilities funded at devolved level (eg the National Sailing and Water Sports Centre at Plas Menai which is managed by the Sports Council for Wales).



Figure 5.15: UK vs Devolved representation: 23 sports which receive funding from UK Sport and HCSCs²⁰

A	7 UK/British Sports which do not compete in major competition at Home Country level (but receive funding beneath WCPP from HCSCs)	Canoeing Equestrian Ice Skating Modern Pentathlon Rowing ²¹ Sailing Water Skiing
B	9 UK/British Sports which occasionally compete at Home Country level (in Commonwealth Games)	Athletics Cycling Gymnastics Judo Shooting Swimming Triathlon Weightlifting (<i>not currently on WCPP</i>) Wrestling (<i>not currently on WCPP</i>)
C	7 Devolved Sports, which come together at UK/British level only for the Olympics	Badminton Basketball (<i>UK does not currently qualify for Olympics</i>) Boxing Hockey Curling (<i>not currently on WCPP</i>) Table Tennis (<i>not currently on WCPP</i>) Volleyball (<i>UK does not currently qualify for Olympics</i>)

5.72 Ideally, with agreement from the Devolved Administrations, some sports in the B and C categories will opt to receive all of these funds (above grassroots) either entirely from UK Sport, or entirely from the HCSCs (rather than a mixture of both). If the sport opts to be UK funded, the UK NGB would receive funds from UK Sport, and distribute these to the HC NGB as appropriate. For each sport, the level (down the talent development ladder) to which UK funding should reach will need to be agreed.

5.73 The likely cost implications of this process are set out at Figure 5.16. The transfer of all

talent development funding for the 7 category A sports represents £11m going from the HCSCs to UK Sport (of which £10.7m is from SE); all of the overlap sports would represent a transfer of £28m.

5.74 This will not be an easy process, although the resulting clarity will be worthwhile. It must be sport-led and sport-specific and may require lengthy negotiations. Agreement will need to be reached by the respective parties and secured through a three-stage process:

²⁰ Winter Olympic and Paralympic sports are not included. NB the IOC is currently reviewing its range of disciplines and events; and that Commonwealth Games range of events is fluid.

²¹ Rowing competes in the Commonwealth Championships, but has not competed in the Commonwealth Games since 1986. The rest of its international programme is operated through the British International Rowing office.

Figure 5.16: HCSCs' estimated annual spend on "overlap sports"²²

	Category A overlap sports	All overlap sports
Sport England	£10,762,000	£23,682,000
sportscotland	£223,000	£4,190,000
Sports Council for Wales	£67,000	£490,000
Total	£11,052,000	£28,362,000

- (i) agreement between the UK and HC NGBs on the extent to which they should be funded at UK or devolved level;
- (ii) agreement of NGB proposals by a new high-performance panel of HCSCs and BOA/BPA; and
- (iii) final ratification by the Sports Cabinet.

Recommendation 5.3(a)

To clarify high performance funding in a devolved context, and to build a new partnership with NGBs which focuses funding on the needs of athletes, there should be:

(a) Simplification of which sports are funded at a devolved and which at a UK level:

- each sport to decide the extent to which they should be funded by UK Sport for talent development and high-performance sport; and
- a panel (of HCSCs and BOA / BPA) to lead a consultation process with relevant NGBs to achieve agreement on high-performance funding arrangements for 23 overlap sports. This group should report on the preferences of these sports, and present costed proposals for fund reallocation (on 2002 basis). In particular all high performance and talent development funding for 7 "category A" sports should transfer from HCSCs to UK Sport.

Lead	Partner	Report to	By
UK Sport	UK and HC NGBs, athletes, BOA, BPA, HCSCs and the DAs	Sports Cabinet	Summer 2003

A sport-specific one-stop plan approach

5.75 Through the above process, sports will decide whether they are to operate at a UK level, on a mixed basis, or at a devolved level. This could involve change, or a continuation of the status quo.

5.76 It will then be vital that any sports which compete at a UK level (ie. UK/British and overlap sports) develop and agree a single, holistic plan (as recommended in *The Government's Plan for Sport* and the *Cunningham Review*, and as some sports have started to

²² These figures represent the sports councils' own estimate of the annual grants to these sports at World Class Performance level, and for talent development. NB sportscotland (based on 2001-02 figures) does not fund modern pentathlon; Sports Council for Wales does not fund basketball, curling, volleyball, sailing, modern pentathlon, or water skiing. SE figures based on 2001-02 distribution (not including athletics, or Exchequer funding). Figures for Northern Ireland are expected to be lower than those for Wales. However it has not been possible to include estimates, given the added complication in Northern Ireland that some sports are governed (and so receive funds) on an all-Ireland basis.



do).²³ This will reach from grassroots level to World Class Performance level, in line with the LTAD model. High performance funding should focus on the talent development and high performance end of this plan, which will start at a different point for each sport. Totally devolved sports should also be encouraged to develop one stop plans, but one will need to be developed by each HC NGB.

5.77 The plan should form the centre-piece of a cohesive planning framework with all funding bodies, and facilitate a clear relationship between NGBs and all five councils. It should enable the HCSCs to align planning and funding timetables and ensure that athletes moving from Home Country to UK level are treated equitably, seeing the move as an advancement with added value and focus.

5.78 This will require UK NGBs to work closely with HC NGBs: they will need to work together to ensure that home country operational plans fit with the aims, standards and priorities of the integrated UK plan for the sport.

5.79 Ideally, the plans should be integrated within an overall business plan for the sport, and cover the following critical areas:

- grassroots development strategy, including:
 - co-ordination of club network, with volunteer strategy; and
 - monitoring and reviewing available facilities, ensuring suitable quantity and quality at appropriate levels.
- talent identification and development strategy, including:
 - co-ordination of competition system, at international, national and regional levels;
 - identification of coaches and system of

coaching at various levels of the programme;

- identification of officials at appropriate programme levels; and
- setting of performance standards within the development programmes, and a ranking system to identify the most talented athletes who will receive support.

- high-performance plan, including:
 - athlete lifestyle management and support; and
 - sports science / medicine support systems.
- management and modernisation (inc. marketing, IT, HR, business development, research, change management, ethical policy development); and
- major events strategy (see chapter 6).

5.80 These plans should enable a multi-agency approach to talent identification and development, and should link the NGBs' strategies for developing their sport at the grassroots level to their high-performance plan. They should also encourage NGBs to work together, so that sports are not developing in isolation from one another.

5.81 The plan should form the basis on which NGBs receive high-performance funding from the sports councils, and should cover a four year period (to match the Olympic cycle, as far as possible, given government's spending cycle). It will need to be agreed with a panel representing all councils, so that all funders support a single (customer-focused) approach, rather than demanding five separate plans from the sport. It should be subject to monitoring and review, based on a transparent process.

²³ A "one-stop plan" is a single plan that might be funded by several different agencies, as opposed to a "one-stop shop" where there is only one funding body.

Recommendation 5.3 (b)

To clarify high performance funding in a devolved context, and to build a new partnership with NGBs which focuses funding on the needs of athletes, there should be:

(b) Implementation of a one-stop plan approach to NGB funding:

- those sports which compete at a UK level to produce single plans covering grassroots, talent development and performance; and
- the high performance panel of the sports councils and the BOA / BPA to scrutinise and agree these sport-specific plans, in order to ensure a collective approach to funding above the grassroots level.

Lead	Partner	Report to	By
<ul style="list-style-type: none">• NGBs• UK Sport	UK and HC NGBs, athletes, BOA, BPA, HCSCs and the DAs	Sports Cabinet	<ul style="list-style-type: none">• October 2004• April 2005

5.82 The plan should also be tied into the modernisation process, with the aim of giving NGBs greater freedom to manage performance through a flexible but accountable system; as well as driving more partnership funding with the private sector. The sports councils will be investing in the plan and the NGB management. But if the management, the plan, or subsequent performance are inadequate, then funding must be reassessed (as discussed in chapter 7).

Modernisation and rationalisation of National Governing Bodies

5.83 NGBs are the key delivery platform for high performance (and much grassroots) sport. However, NGBs vary in the level of their resources and sophistication of their governance and management practices. Funders obviously have less confidence in the ability of less sophisticated NGBs to deliver. A further complication is simply the number of NGBs. We address both these issues below.

5.84 The differing capacities of NGBs have been recognised and in 2001 UK Sport was given

responsibility for a £7m NGB modernisation programme. This programme aims to help NGBs become more efficient and effective in their operations. Part of the work is attempting to define the key components of modern NGBs (recognising that many vary in size and type), so that criteria can be set for the modernisation. This work should continue, with close involvement from the HCSCs, given their ongoing work with Home Country NGBs. It is essential not only to enhance NGB capacity, but also to mitigate the temptation for sports councils to micro-manage NGBs, which is not part of their remit.

5.85 To further promote independent, modernised NGBs, it is important that all funding agreements contain clear outcome-focused performance targets. The one-stop plans (covering grassroots to world class) should form the basis of this funding agreement. Sports councils should develop clear, published standards against which NGBs will be measured, assess the NGB as fit for purpose, and then provide sustained investment against that plan for a four year period (with annual appraisal). If criteria are not met, then



the relevant sports council should provide expertise to help it reform, funding only minimal, essential programmes on a ring-fenced basis. Likewise, those NGBs with suitable governance and performance systems should be given greater flexibility to manage and implement their plans.

5.86 In addition, funding agreements should encourage NGBs to move away from dependency on government investment. Compare the Australian Institute of Sport which requires that all investments made under its “Targeted Sports Participation Growth” programme are not only matched by corporate sponsorship, but that that corporate investment grows over the grant period. In the same way, all NGBs should be encouraged (and supported) to raise income from other sources including sponsorship.

5.87 To achieve this, NGBs and sports councils need to continue to explore what other avenues of financial support might be available to maximise current investment. Partnership working does not need to be simply about matched-funding; more use could be made of mentoring, and sharing of expertise. Work in this area was recommended by the *Cunningham*

Review, but has not yet been taken forward. It should be seen as a priority.

5.88 There are also too many NGBs: at least 302 for over 100 sports recognised by the sports councils. This is because in some cases:

- there are specialist NGBs, which are in effect “sub-sets” of the sport (eg. English Short Mat Bowling Association and the English Bowling Federation); and
- there are UK and HC NGBs for the same sport (eg. UK Athletics and the Amateur Athletics Association of England).

Potentially this leads to a duplication of effort and extra bureaucracy. Although in some cases it represents legitimate specialisation, it does mean that for every sport there can be competing and rival organisations bidding for resources (see Figure 5.17).

5.88 Therefore sports councils should aim to fund only one NGB per sport. This is current practice, but should be made explicit. It will, alongside the modernisation programme, encourage rationalisation of NGBs, leading to mergers and an increase in their size and capacity to deliver. It will be important to ensure that rationalisation does not marginalise

Figure 5.17: Examples of National Governing Bodies for Cycling, Bowls and Golf

Cycling	Bowls	Golf
<ul style="list-style-type: none"> • Bicycle Association of GB Ltd • British Cycling • British Schools Cycling Association • Cyclists Touring Club • Professional Cycling Association • Road Time Trials Council 	<ul style="list-style-type: none"> • British Crown Green Bowling Association • British Isles Bowling Council • English Bowling Association • English Bowling Federation • English Indoor Bowling Association • English Short Mat Bowling Association • English Women’s Bowling Federation • English Womens Indoor Bowling Association 	<ul style="list-style-type: none"> • English Golf Union • English Ladies Golf Association • English Schools Golf Association • The Golf Foundation • Ladies Golf Union • Professional Golfers Association

specialist or minority groups currently represented; and that, where sports operate solely at a UK level, the bodies work more closely together in a federal structure.

5.89 This will require close working between all five sports councils, and between sports at a UK and HC level. UK Sport should draw up timescales and measurable targets for achieving rationalisation, with reduced funding if these are not met.

Improving Sports Council co-ordination

5.90 The sports councils themselves need to find better ways of working together to deliver

increased international success. As discussed, the essence of devolution is that HCSCs have the right to develop their own policies.

Sometimes, HCSCs will fund NGBs to compete against each other at a devolved level, and to co-operate at a UK level. But, in the absence of full devolution, co-ordination is still needed, where appropriate, in order to:

- maintain and develop the link between grassroots participation and high performance success (the talent development pathway);
- ensure optimum outcomes in UK competitions through team and athlete selection; and
- share best practice.

Recommendation 5.3 (c)

To clarify high performance funding in a devolved context, and to build a new partnership with NGBs which focuses funding on the needs of athletes, there should be:

(c) Continuation of the NGB modernisation programme. This will include:

- funding agreements with NGBs which:
 - as far as possible cover a four year period (given the Olympic cycle and the government's spending cycle);
 - are linked to performance in terms of mass participation and international success targets;
 - include efficiency targets; and
 - are reviewed on at least an annual basis to monitor performance.
- a review into alternative sources of support for NGBs. In particular it should consider what steps could be taken to facilitate matched funding, sponsorship and other forms of partnership working;
- a rationalisation of the number of funded NGBs, with the continued aim of funding one per sport (taking account of home country representation); and
- the high performance panel of the sports councils and the BOA / BPA to scrutinise and agree these sport-specific plans, in order to ensure a collective approach to funding.

Lead	Partner	Report to	By
UK Sport	HCSCs, BOA, BPA, NGBs, CCPR, DAs Institute of Sport Sponsorship, Sportmatch	Sports Cabinet	Summer 2003



5.92 The sports councils in Scotland, Wales and Northern Ireland are the responsibility of the Devolved Administrations. But as far as possible, better co-ordination is needed between UK Sport and the Home Country Councils, particularly SE and UK Sport.

5.93 This section considers measures to increase co-ordination at four levels: at a political level; at Sports council board level; at official level; and with other key delivery partners.

5.94 In addition to enhanced co-ordination, UK Sport and SE need to improve their efficiency and effectiveness in general (in relation to grassroots sport as well as high performance sport). Chapter 7 discusses this, proposing a clearer division between fund distribution and service provision, reformed governance structures and greater customer focus.

Improved political co-ordination

5.95 At the political level, collective discussion of high-performance issues and the strategic priorities for UK Sport are currently set by collective discussion of high-performance issues at the "Sports Cabinet".²⁴

5.96 This forum could be made more effective. It needs published terms of reference, formal secretariat support, and a clearer remit to hold UK Sport to account; it could be more involved in setting UK Sport's priorities. Its role should be to co-ordinate support for high-performance sport at the UK level, resolving disputes where they arise. By common agreement, it may also wish to discuss the performance of HCSCs and strategies for improving grassroots participation. A place within the formal machinery for discussing issues of common concern between Westminster and the Devolved Administrations (the Joint Ministerial Committee) might help to put the Sports Cabinet on a more formal footing.

Closer working at Sports Council board level

5.97 There is a theoretical range of options which will encourage joint working at board level, as a means of driving a joined-up approach to UK high-performance sport. This varies from a high level of centralisation to a high level of devolution:

- (i) A single board for all five councils (ie. the GB sports council as existed before devolution).
- (ii) Integration of some of the boards (eg. a shared board for SE and UK Sport).
- (iii) Five independent boards with cross-board representation.
- (iv) Five independent boards, undertaking joint meetings on issues of shared interest.
- (v) Five independent boards with only informal co-ordination.

5.98 Currently, the third of these options operates, with cross-representation at board level (each HCSC chairman sits on the UK Sport board). This should continue. In addition, it may be desirable for the fourth option to operate, whereby a sub-set of the boards could meet on an occasional (biannual) basis to discuss issues of common interest, such as the NGB one-stop performance plans (in conjunction with the cross-council high performance panel recommended above).

5.99 In the longer term, if total devolution is not desirable, and if the measures outlined in the rest of this section do not create better co-working, then the second of the above options (integration of some of the boards) may need to be considered in more detail. One model might be for the boards governing UK Sport and SE (as distributors of the majority of high-performance funding) to be merged into a single non-executive "Commission for Sport",

²⁴ This meets two to three times a year (consisting of the four home country Sports Ministers, chaired by the Secretary of State for Culture, Media and Sport, with sports council chairs invited to attend).

with involvement from the devolved administrations and councils where appropriate. Membership would need to include the chairs of the HCSCs, allowing them to take part in UK discussions while reserving the right to control their own councils. This should be considered as part of the review of the sports councils' role to report in 2005, proposed in Chapter 7.

Closer working at official level

5.100 Ultimately, change must be driven forward at official level. The development of one-stop plans will require far closer liaison than currently occurs between all the sports councils. There will need to be far better partnership working between council officials who work with NGBs; and UK Sport will need to take a much stronger co-ordinating role (if the sport competes at UK/British level), taking the lead relationship with the UK NGB.

5.101 This work will need to come together through the high-performance panel proposed above (representing all five councils and the BOA where relevant) to agree the one-stop plans.

Closer working with other delivery partners

5.102 Finally, for high-performance sport to operate effectively, the work of other key delivery partners needs to be taken into account. In particular, the BOA has long experience in playing a key role in high performance sport. As the National Olympic Committee, it is responsible for managing Team GB at the summer and winter Olympics. It is a non-government organisation which has been delivering services to the 35 Olympic sports and their athletes since 1985. It receives no exchequer or Lottery funding.

5.103 Given BOA's role and experience, its work needs to be more closely aligned with that of UK Sport. For example, the service delivery arm of the BOA and UKSI currently deal with similar sports and serve similar customers.

5.104 The BOA and UK Sport already have some working agreements. But they could work in closer partnership, and should set out a clearer statement for customers of each organisation's remit. Given the overlap shown in Annex D, stronger partnership agreements

Recommendation 5.3 (d)

To clarify high performance funding in a devolved context, and to build a new partnership with NGBs which focuses funding on the needs of athletes, there should be:

(d) Improved co-ordination of high performance sport at UK level:

- The Sports Cabinet to publish terms of reference and have formal secretariat support. Consideration of whether it should become part of the official Joint Ministerial Committee (JMC) machinery for co-ordinating policy issues between Westminster and the Devolved Administrations.
- Publishing a clearer statement of responsibilities, expected deliverables and the relationship between BOA and UK Sport.

Lead	Partner	Report to	By
<ul style="list-style-type: none"> • DCMS 	<ul style="list-style-type: none"> • ODPM, DAs 	<ul style="list-style-type: none"> • DCMS, DA, and ODPM Ministers 	<ul style="list-style-type: none"> • Spring 2003
<ul style="list-style-type: none"> • DCMS 	<ul style="list-style-type: none"> • BOA and UK Sport 	<ul style="list-style-type: none"> • DCMS Ministers 	<ul style="list-style-type: none"> • Spring 2003

need to be put in place. It may be necessary for the BOA to be allocated funds for specific aspects of service delivery, if appropriate. If this is not done, and the two bodies continue to carry out such similar functions, the support for elite athletes will be diminished and built around conflicting organisational priorities rather than the needs of the user.

Customer-led high-performance services

5.106 Finally, government provision of high-performance services needs to focus more on customer needs. This section proposes that in principle, and over time, the English Institute of Sport (EIS) should receive its revenue funding from its customers (ie. NGBs and elite athletes). It also questions the need for a UKSI central services team in its current form.

Government provision of high-performance support services is complicated

5.107 UK Sport (and the HCSCs) are responsible not only for funding but also for supplying services for high performance sport. As well as its fund distribution role, UK Sport has responsibility for:

- supporting major events, through the World Class Events Programme;
- anti-doping;²⁵
- international relations (supporting representation on international sports bodies, and encouraging exchange visits and information sharing). This is important in bidding for major events (as discussed in chapter 6); and
- overall responsibility for the UK Sports Institute (UKSI).

5.107 The UKSI is a network of institutes which provides services to government funded NGBs

and athletes, including scientific, medical and lifestyle support, and manages some facilities. It is made up of the four Home Country Sports Institutes (each of which is at a different stage of development), along with a central services team which is part of UK Sport, and aims to establish and monitor quality standards, and co-ordinate provision. Figure 5.18 sets out UK Sport's explanation of what each part of the network does.

5.108 The funding arrangements for the Institutes are complex. The Central Services team is a department of UK Sport (with over 20 members of staff, receiving £4m p/a of UK Sport exchequer funding from April 2001). The Home Country Institutes apply to relevant HCSCs for Lottery funding to cover their operation (with the exception of UKSI Cymru which is an integral part of the Sports Council for Wales). UK NGBs or athletes on the WCPP then use key institute services (with "cross-border" reciprocal arrangements) free of charge.

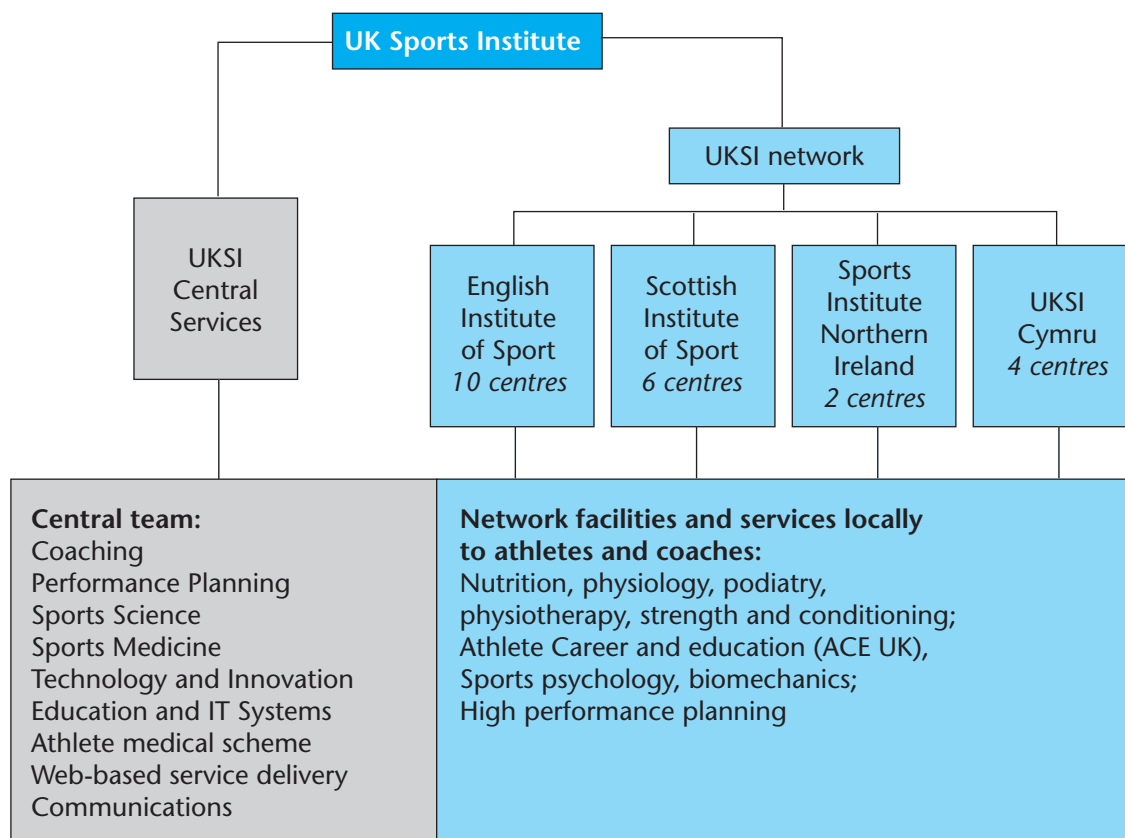
5.109 The BOA also provides some of these high performance support services for Olympic sports. It receives no government funding, and until the establishment of the UKSI it was the main provider of services to elite sport (ie. Olympic sports) in the UK.

5.110 Despite significant progress having been made over recent years, there are still several problems with this system:

- by funding the service provider (ie. the institutes) rather than the customer (ie. NGBs and athletes), there is no market pressure on UKSI to provide an optimal service (ie. be efficient, innovate or to meet customer needs);
- non governmental bodies, notably the BOA, already provide high-performance services;
- the four home country institutes are at significantly different stages of development; and
- the UKSI is, in reality, a several-headed beast,

²⁵ There have been some calls for an anti-doping agency independent of UK Sport, as is the case in other countries including Germany, Norway, Australia and USA. This would only be necessary if there was a suggestion of conflict of interest leading to abuse of the system. As there is no evidence that this is the case, we have not considered the issue of anti-doping in detail.

Figure 5.18: UK Sports Institute and Network



Source: UK Sport

rather than a unified organisation (this is inevitable given devolution, and the Home Countries could ignore UKSI policies if they so wished). The central services team has limited influence over management, employment of staff and finance of the institutes.

5.111 Most significantly of all, despite regular consultation with sports, some users of this system (NGBs, particularly at a UK level, and athletes) say that they find it confusing, that they do not have a clear understanding of how it works, and that it is not meeting their requirements.

5.112 To address these problems, the same spectrum of options are available as for funding distribution (as articulated at Figure 5.13). Under total devolution, the four home country

institutes would be able to operate independently, with no need for any centralised co-ordination for UK sports. At the other extreme, total centralisation would give UK Sport the authority to direct the Home Country Institutes how to operate. Neither of these are possible, so improvements must be made within a hybrid system.

5.113 The *Cunningham Review* made a series of recommendations, particularly to resolve the lack of clarity about support needs; and professional development for performance directors, support service deliverers and coaches. There are two further changes which are needed. These follow from two key principles:

- service provision should be separate from fund distribution. The two functions need to



inform each other, but are distinct. As chapter 7 articulates, UK Sport and SE need to focus on the core task of fund distribution; and

- services should be customer responsive. Giving funds to the customer, rather than the provider, is in principle the most effective way of ensuring that the services are efficient, innovative and meet customer needs. Government therefore needs to enable NGBs to operate independently, rather than taking over their functions.

5.114 Given devolution, the recommendations which follow relate only to the English Institute and UK Sport central services.

The English Institute of Sport should be funded by its customers

5.115 First, EIS, SE and DCMS need to work together towards the goal of:

- EIS receiving much of its revenue funding from its customers (NGBs and athletes), rather than being block funded by SE; and
- EIS becoming more independent of SE (so separating fund distribution from service delivery).

5.116 This is not to say that a centralised institute does not play an important role in enhancing international success, or that it could not receive SE funding for specific delivery projects. But once fully operational, the institute needs a market-led system to ensure that:

- it is efficient, and innovative;
- it meets customer needs; and
- that provision by private or voluntary activity is not crowded out.

5.117 The intention over the long term should be for SE to shift revenue funding away from EIS to customers (athletes and NGBs), so that running costs are met by those who acquire the service. They will then be able to choose where

and how they buy services. If the service provided is not optimal, or does not meet their needs, they will choose to purchase elsewhere.

5.118 It will not be possible for this to happen immediately. Three factors argue for it happening over a period of at least five years:


- the large scale modernisation programme of NGBs to ensure that they have sufficient capacity to manage additional funding. Smaller governing bodies in particular may not at present have the capacity to source alternative suppliers in the marketplace;
- the fact that EIS was only launched this year and needs time to establish a fully customer-responsive service; and
- the performance of the institute needs to be assessed following the Athens 2004 Olympics.

5.119 The first of these factors is the most significant. Broadly speaking there are three types of NGB:

- the largest NGBs (such as the FA, RFU, ECB and LTA) are not reliant on government funding, but are direct partners with government;
- a second group of NGBs receive significant support through the WCPP; and
- a third group of small NGBs receive only small grants from government, if at all.

5.120 SE and UK Sport need to work with these groups through the modernisation programme, so that they reach a position where they “earn autonomy”. At this point (to be measured through a series of performance indicators), the NGB will be able to receive funding for services direct from SE, rather than these being channelled through the EIS. Those in the first category of NGB should be at this stage already; those in the second should be able to reach it over time. The third group may still need centralised support (for example through

²⁶ EIS revenue grant from SE for 2002-03 was £10m.



CCPR). Year on year, SE funding for EIS would therefore be decreased, as more funds are transferred to the customer.²⁶

5.121 Once this happens SE and UK Sport will need to apply funding agreements with NGBs far more rigorously, to ensure that funds are used for the services intended. Funding agreements with the institutes also need to be more rigorous, to ensure that the organisation is responding to customer needs. A panel of performance directors should be formally involved in annual reporting on EIS's services.

5.122 The major capital and operating sums already promised to EIS will give it a significant advantage in the marketplace. SE will therefore need to maintain a seat on the EIS board to protect its investment. In due course, the EIS should become a body more independent of SE.

5.123 If this approach is followed, NGBs' one-stop plans will identify what support services are required by their world class athletes. Performance directors should clarify and prioritise requirements, and prepare the plan, agreed by the panel of all councils, for collective agreement. NGBs and athletes would then buy those services from the best providers (whether in England, Wales, Scotland and Northern Ireland; or independent). As a result there would be the following function separation:

- NGBs – lead on development of one-stop plan;
- Sports councils – fund distribution and strategic co-ordination; and
- Sports institutes – service provision.

The role of the UKSI central services team

5.124 Second, many stakeholders are not clear about the function of the UKSI Central Services Team and doubt what value it is adding. Because the EIS has taken time to become fully operational, the central services team has taken

on some service delivery functions. This should not be its purpose.

5.125 It has been argued that the central team is needed to provide advice and support for the four home country institutes, carrying out two key roles: quality assurance and co-ordination. But a central team is not needed for either of these:

- It should not attempt to become the accrediting body for sports medicine, sports science, nutrition etc. Where there is a need for quality assurance of service provision it should be carried out by the relevant professional bodies (such as BASES, NSMI or the BMA), or other partners (such as BOA).
- Co-ordination may be needed between the four HC institutes to share best practice and ensure consistency of provision for UK athletes as far as is possible, given devolution. But the current UKSI Board (the chairs of each institute) and the UKSI network planning group (comprising the directors of the four Home Country institutes with senior officers and the BOA and BPA) may be sufficient for this, in addition to the co-ordination measures proposed above. Given devolution, UK Sport cannot direct the HCSIs how to operate; but where disputes do arise, more use should be made of the Sports Cabinet as a means of resolving differences.

5.126 Therefore, now that EIS has been established, the current functions of the central team might be carried out by the four Home Country institutes or contracted out to other delivery partners. It will be necessary to review the provision of services to ensure that they are provided efficiently, eliminate duplication and meet customer needs. Some of its expertise may need to be subsumed with UK Sport's performance services team, so that they have suitable expertise to assess funding applications. If needed at all, the team should be smaller than it is at present, with much fewer staff and a fraction of its current budget.



Recommendation 5.4

To create service delivery more focused on the needs of NGBs and athletes there should be:

For EIS:

- In the short term, quality control mechanisms (such as clear performance indicators, and NGB advisory panels) for EIS to be enhanced.
- In the medium term, NGBs to be audited to see whether they have “earned autonomy” to receive funding for services direct from SE, rather than it being directed to EIS. There will need to be clear criteria for this. The modernisation programme will need to ensure that NGBs have the capacity to be funded in this way.
- Also, in the medium term, EIS should become more independent of SE, although the latter will need appropriate mechanisms to guard its capital investment.
- In the long term, the majority of NGBs should be funded directly as they meet the earned autonomy criteria.

For UKSI central services team:

- A review of UKSI central services team, to consider transferring its functions to the four HC institutes or independent delivery partners, such as the BOA. Savings from this process (of up to £4m) to go to NGBs and athletes.

Lead	Partner	Report to	By
• Sport England	• DCMS, OGC, HMT	• DCMS Ministers	• Report following Athens 2004 Olympics; implement by 2007.
• DCMS	• UK Sport, DAs BOA, HCSIs	• Sports Cabinet	• Report by summer 2003; implement by 2005.

Conclusion

5.126 The changes recommended above take steps to move the support for the UK’s top athletes further towards a unified, systematic, customer-led approach, while allowing for home country autonomy over devolved sports.

5.127 Much has been done since the injection of Lottery money to improve the situation. Given this work, and the increase which Lottery funding has brought, the system for supporting high performance athletes does not at this stage need new levels of public investment. But the current investment needs to be focused better, and utilised more efficiently. Overall,

organisations need to take steps to work much more closely together, working to a common goal – which is ultimately the enhanced success of the UK’s international athletes.

6. IMPROVING THE APPROACH TO MEGA EVENTS AND MAJOR FACILITIES

Summary

UK Sport should continue to support a wide variety of major events. But, given the size of investment required, central government should always be involved from the earliest stages if the UK bids for the biggest (mega) events.

A new approach to investment in such events is needed. This should include:

- a new mega events and projects 'Centre of Expertise', to manage central government involvement from the beginning of any proposed mega event project (ie. in preparing and agreeing bids). It will act within DCMS, reporting to Ministers there and in the Treasury. It should cover cultural, as well as sporting, events, and have the expertise to evaluate bid proposals, assess winnability of bids and oversee any investments;
- a long term forecast that sets out those mega events which the government might consider supporting over the next 20 years, and a timetable for action;
- an improved approach for all parties at each stage of the event lifecycle: bidding; delivery; and evaluation. This process should be based on agreed methods, and, from the government perspective, overseen by the mega events and projects Centre of Expertise.



6.1 As discussed in chapter 1, major events have recently been an area of concern for the Government. Problems have arisen with 'mega' events involving significant infrastructure investment. The UK has a good record for other major events.

6.2 In chapter 2 we examined the benefits usually thought to be associated with mega/major events. We concluded that the benefits of hosting mega sporting events, whether economic, social or cultural are difficult to measure and the available evidence is limited. If major new facilities are needed, the economic and regeneration benefits of hosting mega events must be carefully weighed against all costs, including opportunity costs.

6.3 Major events policy is devolved, and likely to be distinct between the Home Countries, given the differing values attached to their social and cultural effects. The Scottish Executive has, for example, set up its own Major Events Unit. At a UK level, UK Sport also plays a role as distributor of the World Class Major Events programme. As

with the rest of the report, this chapter focuses on England unless otherwise stated.

6.4 In this chapter we consider the staging of such events and associated facility and infrastructure issues. We look at:

- **Different types of major events.** The most notable feature is the difference between major events and 'mega' events. The timing of both is predictable, but the latter typically requires major infrastructure investment.
- **What has gone wrong and what has worked well in the past.** England has a good record in staging 'calendar events', like Wimbledon, but has experienced disappointment in attempts to stage 'mega events', like the Football World Cup and World Athletic Championships.
- **What needs to be done** to ensure that England adopts a strategic approach to the staging of mega events in the future.

Figure 6.1: Defining features and categories of mega and major events¹

Mega Events – these consist of the Summer Olympics, FIFA World Cup, UEFA European Championships, IAAF World Athletics championships and the Commonwealth Games. These events are awarded after competitive bidding to an International Federation. Most tend to involve significant infrastructure investment.

Major events (all others) can be split into the following three categories:

- **Calendar events** – events that are a regular part of the international calendar for that sport, eg. The Wimbledon Tennis Championships, the British Formula 1 Grand Prix, Test Series in Cricket. There is no bidding for these events – they are an established part of the circuit. They are generally considered to be commercially successful.
- **One-off events** – events that attract substantial interest in the UK and international TV rights eg. the Rugby Union and Cricket World Cups. Bidding for these events is usually competitive.
- **Showcase events** – bidding for these events can be competitive and include events that: have the potential to boost the development of sport in the UK; provide the UK with a good chance of winning medals; and can improve the image and influence of UK sport overseas and/or involve regions of the UK eg. the World Judo Championships, the World Disability Athletics Championships, and the European Show Jumping Championships.

¹ UK Sport Major Events – A UK Strategy (1999)

Mega vs major events

6.5 Any discussion of mega and major events starts with a series of definitions, as shown in Figure 6.1.

6.6 When considering the success or otherwise of events, the decisive factor is not necessarily the size of the event, or the nature of the sport, but the level of infrastructure investment required and its 'winnability', in terms of winning the bid to host.

6.7 For the remainder of this chapter we concentrate on those events which require significant public investment in infrastructure.

More success than failure

Many major events have been successful

6.8 The UK successfully plays host to a number of key events each year. These events are primarily organised and managed by the relevant sports bodies and make use of existing facilities or new facilities that can be used on an ongoing basis. They are an integral part of the business of sport.

6.9 UK Sport plays a key role in helping NGBs throughout the UK with these events, and has a small budget available to pump prime the financing of such events. It seems appropriate that this situation continues with UK Sport helping NGBs to generate funds, as far as possible from commercial sources. In addition, HCSCs also provide support for events (such as Sport England's funding for the Manchester Commonwealth Games).

6.10 A number of mega events have also been held successfully, such as the Commonwealth Games and the 1996 Football European Championships.

Issues with major investments

6.11 In England, problems have primarily occurred when major infrastructure investment has been needed, eg. Wembley and Picketts Lock. These problems have been reviewed in detail through the Carter and Select Committee reports on:

- The Lee Valley Stadium (August 2001)
- The English National Stadium (April 2001)
- Commonwealth Games Manchester 2002 (August 2001)

6.12 Some of the key problems identified in these reports² were:

- costs associated with developing infrastructure and staging are difficult to forecast, may be understated and can escalate;
 - complex projects require better project management, management structures and monitoring arrangements; and
 - credible sponsors are required.
- 6.13 Together, these reports pointed to four principal problems over mega events;
- the bidder did not bear responsibility for funding;
 - there were unclear roles and responsibilities;
 - there were poor project and programme management skills; and
 - there was ineffective influencing at the international level.

Bidder is not the funder

6.14 For a city or a region, the temptation to bid for a major or mega event is significant. Successful bids have usually led to additional monies being made available from central government (either directly or indirectly) for improvements in the environment and infrastructure at the very least. For NGBs, events are also seen as an opportunity to attract additional resources (money, facilities or people).

² Culture, Media and Sport Select Committee Report *Wembley National Stadium* (March 2000); Culture, Media and Sport Select Committee Report *Staging International Sporting Events* (March 2001); Culture, Media and Sport Select Committee Report *Unpicking the Lock: The World Athletics Championships in the UK* (Nov 2001); Culture, Media and Sport Select Committee Report *Revisiting the Manchester 2002 Commonwealth Games* (May 2002); Patrick Carter *Lee Valley Stadium Review* (Pickett's Lock) (August 2001); Patrick Carter *Interim Report English National Stadium Review* (Dec 2001).

6.15 Therefore, consciously or not, clear incentives exist for local authorities and NGBs to put forward pre-bid analysis that overstates the benefits and/or understates the costs and may overstate the probability of winning to ensure that the bid will be pursued. Local authorities and NGBs can do so in the knowledge that, due to the sensitivity of bidding for and hosting events, central government will be under great pressure to step in with additional funding if required.

6.16 Bidders also often fail to allow sufficient contingency in their budgets to account for almost inevitable changes in scope when a bid occurs well in advance of the event itself. The bid may also not have been subject to full and rigorous scrutiny.

6.17 Although often a major funder, government does not and should not control the process. However, if there is any expectation of funding or underwriting by government, it clearly needs to be involved from the outset.

6.18 Bidder and funders incentives need to be aligned if sensible bidding decisions are to be made in the future.

No clear roles and responsibilities

6.19 Hosting a successful event requires participation by a multitude of partners, including sports councils, local authorities, police authorities, transport authorities and volunteers. With so many organisations involved, it is essential that roles and responsibilities are clearly defined, and lines of accountability clearly understood. Problems arising in mega events in the past have been exacerbated by a lack of clarity regarding roles and a lack of clear lines of accountability for decision making, and ultimately for success or failure.

6.20 Mega events generally involve private sector input. Policies and practices amongst the public and private sector can vary and need to be mutually understood and/or harmonised for successful partnership working. This has not always happened.

6.21 Major events are not such a problem because UK Sport has a clear remit to deal with such events, however UK Sport is only one of many partners who need to be involved with mega events.

Lack of project management skills

6.22 The organisation of a mega event requires excellent project management skills. This involves appointing boards with the relevant financial and operational experience to oversee all aspects of the project. Sports expertise is important but far from being the most important attribute needed on such a board. Government's role should be as an investor with a remit to protect its investment, rather than project deliverer.

A lack of international influence reduces our chances of winning bids

6.23 Winning bids requires the country to be able to influence others to gain their vote. England has recently successfully won the right to host the World Athletics Championships, UEFA European football championships and the Commonwealth Games.

6.24 However, it is generally considered that although England's bid to host the 2006 Football World Cup was technically strong, it failed because UEFA, the continent's governing body, declined to back the England bid. The Football Association noted that a fundamental cause for the failure to win the 2006 World Cup bid was "English football's relative lack of influence in both European and World football."³

³ Culture, Media and Sport Select Committee *Staging International Sporting Events* (March 2001).

6.25 In 1996 the International Rugby Board moved from the UK to Dublin and the International Association of Athletics Federation now resides in Monaco. The recent trend for world sporting governing bodies to relocate to countries offering favourable tax breaks is seen to have impacted negatively on the UK's political influence over world sport. This is a concern shared by David Moorcroft, the Chief Executive of UK Athletics: *"Once upon a time, numerous world sporting bodies were rooted in the UK, and counted Britons among their top officials. Today, most are based abroad. Many of the significant and powerful people in sport are not British."*⁴

6.26 Internationally there are two effects relating to sport:

- First, international influence can promote UK sporting interests in international sporting

bodies. As discussed above, this area might be improved.

- Second, sport can be used to promote UK interests internationally. The Foreign and Commonwealth Office and the British Council have a number of initiatives in place to help use sport as a mechanism to win support and raise the profile of the UK throughout the world.

6.27 FCO, DCMS and UK Sport have recently established an International Sports Committee to co-ordinate these issues and focus on achieving international objectives. This includes increasing the number of British members of international sporting bodies. This committee could report to the proposed Cabinet Committee with responsibility for sport and physical activity outlined in chapter 7 to raise its profile, and further enhance co-ordination.

Recommendation 6.1

To co-ordinate better international activity on sport, the existing International Sports Committee should report to a Cabinet Committee as appropriate.

Lead	Partner	Report to	By
DCMS	FCO, UK Sport, BOA, British Council	Cabinet Committee	Ongoing

New structures for mega events

6.28 For the future successful delivery of mega events in England, a new approach is required. This approach is based on:

- the creation of a mega events and projects Centre of Expertise within DCMS;
- developing a long-term events forecast; and
- adopting a more professional approach.

Mega events and project expertise


6.29 From a government perspective, arguably many of the problems experienced with mega events projects are due to its lack of active involvement from the earliest stages. Government is turned to for finance, not to decide whether or not to bid, although the latter may well be contingent on the former. There are several possible options to improve the current position, as described in Figure 6-2 below:

⁴ BBC Sport website (July 2000).
http://news.bbc.co.uk/1/low/in_depth/sport/2000/2006_world_cup_decision/823476.stm



Figure 6.2: Options for government involvement in mega events and projects

Option	Impact	Advantages	Disadvantages
UK Sport acts as sole government agent for all major/mega sporting events with an increased Lottery allocation for investment and greater powers of scrutiny and evaluation.	UK Sport would take a more prominent role in appraising potential mega sporting projects and making recommendations to the Government regarding their viability. UK Sport would also be closely involved in every stage of the bidding and delivery process monitoring on behalf of the Government.	UK Sport already has major sporting events experience. It would establish a 'one-stop' shop for major events. It would be a relatively low cost option to put in place.	For the largest projects central government is always going to be a key funder. The other sports councils would lose responsibilities in this area, resulting in possible complications from devolution. UK Sport may not have the investment skills or capacity required for mega projects. There may not be enough mega sporting events to justify maintaining expertise.
A new agency be established at arms length from government with responsibility for all publicly subsidised sporting events (or even all publicly funded sports and cultural events) in England.	This agency would oversee all stages of the events process acting on behalf of Government.	The agency would be seen as independent and be able to make decisions on an objective basis. Expertise could be developed and maintained.	Another agency would further complicate communication and liaison arrangements. It would be expensive to establish.
A major events centre of expertise be established within DCMS with responsibility for all major sporting and cultural events. The team would report to the Secretary of State for Culture, Media and Sport and the Chief Secretary to the Treasury.	The Centre of Expertise would be responsible for evaluating bid proposals and committing government support and/or resources. It would act as an overseer on publicly funded projects with powers of intervention if problems arose.	Establishing a Centre of Expertise within DCMS would simplify government involvement. It would have ready access to political influence. Expertise could be developed and maintained.	DCMS currently does not have sufficient skills or capacity required.



6.30 For all these options, central government will inevitably become closely involved in events of this scale. This suggests it will always need to have capacity, especially in investment appraisal and contract negotiation. Establishing a major events Centre of Expertise is probably the most effective way of creating such capacity. This Centre of Expertise should have a strategic role, managing government's interface with external stakeholders.

6.31 Given that the number of mega sporting events that England could bid for is limited, the Centre of Expertise could have a broader remit, and deal with cultural and other one off special events.

6.32 The Centre of Expertise would consist of staff within DCMS trained in investment and programme management. Seconded staff from HMT, OGC and other partners – including UK Sport, given their wider role on major events – would support them. Given the sporadic nature of mega sports and other events, Centre of Expertise members may also have other roles within DCMS. This Centre of Expertise group would build expertise and develop networks and contacts, which could be applied to a wide range of projects.

6.33 The development of the Centre of Expertise will involve identification of the skills and experience required and a review of the skills and experience existing within DCMS and its partner organisations. For example, steps should be taken to ensure that the knowledge and skills gained from the Commonwealth Games and Golden Jubilee, as well as the World Athletics Championships and Wembley, are properly captured. Gaps in the skill base can then be identified and decisions made regarding developing the expertise in-house (eg. generic programme management skills, and investment appraisal skills) and recruiting or buying in expertise from outside of government when needed. DCMS are currently undertaking just such a skills audit as part of a wider review.

6.34 For each event, the Centre of Expertise would put together a project team who would report to the Secretary of State for Culture, Media and Sport, and the Chief Secretary to the Treasury or to a Minister appointed by the Prime Minister to head up that specific event. Given the cross-cutting nature of mega events, and that they need involvement from many government departments, there would need to be working groups at official and Ministerial level to support this work. Ideally, the Centre of Expertise should be headed by an individual with experience of investment appraisal and programme management (not necessarily in the sporting field).

6.35 Staff with appraisal, legal and contracting skills should also be brought in on a secondment basis from outside of government. Expertise available in UK Sport should also be engaged. Where appropriate, the Centre of Expertise will also need to build relations with the Devolved Administrations, who may have separate bidding strategies (given the importance of identity and international profile in relation to events).

6.36 DCMS needs to establish criteria for when the Centre of Expertise should be involved. These might include:

- The event requires significant financial investment (to be quantified), public and/or private.
- Public interest in the event, nationally and/or internationally is high.
- The event is sufficiently large to be operationally complex, or requires the building of new facilities.
- The reputational risk of failure is high.
- Successful delivery of the event will require a high degree of partnership working with a wide range of partners.



6.37 The role of the Centre of Expertise would be to co-ordinate government input to, and involvement in, mega events, including:

- developing a strategy and agreed criteria for government investment in events. It should apply a decision-making framework for publicly subsidised mega event projects, and act as sole influential body over exchequer funding to these projects;
- performing a rigorous due-diligence of events projects, including definition of delivery standards, planning and budgetary scrutiny, and financial and project oversight;
- providing advice and guidance during an event's life span, should it go ahead, including on event management, and developing an approach synonymous with expertise and research.

6.38 The Centre of Expertise should be involved from the outset, and then in all stages of selected projects, as discussed below. This could work as follows:

- NGB/Council presents a business plan to DCMS for bidding and staging a mega event.

- DCMS draws together members of the events Centre of Expertise who are responsible for studying the plan and performing due-diligence on various aspects of plan eg. financial forecasts, management team, proposed suppliers, recruitment plan, regeneration and legacy.
- decisions put to Ministers for approval.
- If a decision is made to proceed with the event/bid/project the events Centre of Expertise forms a permanent team and confirms the amount Government is willing to invest.
- issues are addressed satisfactorily and government invests.
- the Centre of Expertise has, at all times, senior board level representation on the event organisation committee.

6.39 The main aim of the Centre of Expertise would therefore be to ensure that government was properly involved in making key decisions at each stage of the project, and guard investments appropriately.

Recommendation 6.2 (a), (b)

To improve government's approach to mega events and projects:

- (a) a "Mega Events Centre of Expertise" (MECE) should be created with appropriate investment appraisal, negotiation and project management skills.
- (b) the Prime Minister should appoint, if required, a specific Minister for a specific mega event.

Lead	Partner	Report to	By
DCMS, No 10	HMT, OGC, UK Sport	Secretary of State for Culture, Media and Sport and the Chief Secretary at the Treasury	June 2003

Long term forecast

6.40 Deciding to bid, assessing cost, benefits and “winnability” all require rigorous analysis. However, predicting when such decisions are likely to be needed is more straightforward. The purpose of a long-term forecast would be to set out the events the government would consider supporting, financially or otherwise, over the coming 20-year period. Any other events not included in this forecast could not assume that government support would be forthcoming.

6.41 The forecast should build on UK Sport’s major events strategy, and should be produced in conjunction with NGBs as they develop their own strategies for mass participation and elite success.

6.42 The production and delivery of this forecast would be the responsibility of the mega events and projects Centre of Expertise within DCMS in conjunction with HMT and OGC. In

tandem with this forecast, the events Centre of Expertise should also produce:

- a clear statement of its objectives in financing events;
- a statement of prioritised criteria used to assess projects (include relative risk and return);
- identification of the key partners for each event; and
- arrangements for monitoring and evaluating each event.

6.43 Suggested *sporting* events that could be included are listed in Figure 6.3. This is a preliminary list based on available evidence. Clearly cost benefit and winnability assessments need to be done well in advance of bid dates to allow the proper decision making processes to occur.

Figure 6.3: potential future mega events

Mega Event	Event date	Bid	Decide to bid
Olympics	2012, 2016, 2020	2003, 2007, 2011	2002, 2006, 2010
Commonwealth Games	2018	2010	2008
Football World Cup	2014	2008	2006
World Athletics Championships	2009, 2011	2004, 2006	2003, 2005

6.44 This forecast should be published so that all stakeholders have a clear understanding of the government’s intentions.

Recommendation 6.2 (c)

To improve government’s approach to mega events and projects:

- (c) a 20 year forecast should be developed, identifying those mega events which may involve government investment, building on the outline in this report.

Lead	Partner	Report to	By
DCMS	UK Sport, SE, NGBs	Secretary of State for Culture, Media and Sport and the Chief Secretary to the Treasury	Dec 2003

New approach for mega events

6.45 Bidding, delivery and evaluation are all key stages of the events process. To obtain the full benefit from any event, a professional approach is required for all three stages. All parties should have a clear understanding of the process.

6.46 The main issues to be addressed at each stage are shown in Figure 6.4.

6.47 The rest of this section looks briefly at how each of these issues could be addressed by the mega events Centre of Expertise.

Figure 6.4: Essential ingredients for delivering a successful event

<i>Bidding</i>	<i>Delivery</i>	<i>Evaluation</i>
Independent cost/benefit analysis	Managing product delivery	Project closure
Winnability assessment	Flexible design arrangements	Long term monitoring
Project definition	Planning and controlling	Evaluation
Management team and structures	Financial control	Benefits delivery

Bidding for an event: the risks and costs need rigorous assessment

"Throughout the 1980s, World Fair and Olympic organisers turned to the mega-event as a panacea, a solution to the myriad of problems caused by economic hard times. Instead of solving such problems, however, they often found themselves involved in very high-stake, high-risk enterprises that had devastating after effects".⁵

6.48 Bidding for a mega event involves the production of a number of strategies including:


- bidding strategy;
- business plan;
- robust legacy plan;
- winnability (ie. competitive analysis and strategy);

- stakeholder influence plan; and
- communications plan.

6.49 At this stage of the process the most important tasks are programme management of and evaluation of the bid proposal and the raising of finance. This requires a mix of skills, ranging from diplomatic influencing skills to robust financial appraisal skills. The mega events Centre of Expertise will play a key role in this process but will also draw on a wide range of relevant skills from outside experts. Bids will not go forward with government support unless the Centre of Expertise project team is fully satisfied with the winnability of the bid, acceptability of the level of risk and the robustness of the financial projections.

6.50 Chapter 2 showed that the quantifiable evidence to support many of the benefits

⁵ Mimeo New Orleans College of Urban and Public affairs *The Mega event as an urban redevelopment strategy: Atlanta prepares for 1996 and beyond* (1993).



attributed to mega events is weak. This means that the explicit risks and costs of events need careful consideration when assessing whether or not to bid for a mega-event. These include developing a clear understanding of the:

- shortcomings of impact studies;
- opportunity costs of investment;
- probability of winning; and
- strategic effects of winning.

Shortcomings of impact studies

6.51 Impact studies exist primarily to assist decision-makers in evaluating the efficacy of projects. One of the main difficulties experienced in assessing the impact of mega events is the lack of objective, independent impact studies of the facilities and their legacy: *“Few fields of empirical economic research offer virtual unanimity of findings. Yet, independent work on the economic impact of stadiums and arenas has uniformly found that there is no statistically significant positive correlation between sports facility construction and economic development. These results stand in distinct contrast to the promotional studies that are typically done by consulting firms under the hire of teams or local chambers of commerce supporting facility development. Typically, such promotional studies project future impact and almost inevitably adopt unrealistic assumptions regarding local value added, new spending and associated multipliers....”*⁶

6.52 In the UK impact studies have been rare until quite recently. For example, there was no impact study undertaken after the staging of the Sheffield World Student Games 1991, which produced a £180m loss resulting in a debt which adds just over £100 to annual council tax bills and will not be repaid until 2013.

6.53 The Culture, Media and Sport Select Committee strongly recommended that impact studies should be carried out for all major events, and UK Sport has published a number of documents outlining an appropriate methodology, which has been developed in association with Leisure Industries Research Centre.⁷ While many impact studies are now undertaken to provide justification for hosting events, we found few independent post-event studies that compare actual achievement to the predicted outcomes in the short or long term. Understanding the actual, rather than predicted, long term efficacy of such investments is clearly important to allocate resources better in the future.

Opportunity costs of investment

6.54 Investment decisions require choices to be made. This gives rise to opportunity costs (ie. the cost of not investing in a different opportunity). As impact studies treat investment costs as a stimulus for further benefits, the calculation of opportunity costs should include the potential benefits that could be derived from alternative investments: *“Even if a project does generate positive net benefits, public funds should be invested only if the net benefits exceed those from an alternative use of funds”*.⁸ However, most impact studies fail to take account of alternatives. These might be alternative investments to hosting a mega-event within sport (such as grassroots investment) or outside sport altogether.

Probability of winning

6.55 Winning bids to host mega-events is neither easy, nor risk free. There is fierce international competition to win bids. Therefore, even if the costs and benefits have been carefully evaluated, an assessment needs

⁶ Siegfried J and Zimbalist A The Economics of Sports Facilities and their Communities *Journal of Economic Perspectives* (Summer 2000).

⁷ UK Sport *Major Events, A “Blueprint for Success”* (1999); UK Sport *Major Events Blueprint: Measuring Success* (2000).

⁸ Kesenne S Miscalculations and misinterpretations in economic impact analysis *The Economic Impact of Sports Events* (2000).

to be made of the probability of winning, in order to calculate an expected value for the project. A variety of subjective factors need to be taken into account, including political factors, whose “turn” it is, geo-political considerations and so on. These are difficult assessments, but need to be made. Failure to account for “winnability” can lead to millions of pounds being put into promoting a bid, when there was little chance of the bid being successful from the outset, whatever its quality.

Strategic effects of winning

6.56 The so called “winner’s curse” suggests that whoever wins a fiercely competed bid is unlikely to make significant returns: *“Economic theory casts doubt on a substantial windfall for the host city from the Olympic Games. Cities competing with one another for the Games would theoretically bid until their expected return reached zero”*.⁹ This is supported to an extent by what happened in 1984 and since then. Los Angeles was the only viable bidder for the 1984 Olympic Games which allowed it to negotiate an unprecedented contract with the IOC: the local organising committee and the US Olympic Committee, not the city or the government, assumed all financial responsibility for hosting the games. This has not been repeated since and IOC Rule 4 requires the host city to assume all financial responsibility for the games.

6.57 Once won, there are further potential strategic risks associated with such high profile events. Reputation effects play strongly into the hands of contractors who know that projects must be finished on time. If it is a contest between time and budget, the latter is likely to suffer. Clever contracting can mitigate this risk, but it is a familiar risk for any large-scale government investment.

Delivering a mega event

6.58 Assuming a successful bid, the delivery stage of a mega event may fall into several distinct phases:

- Strategic planning and understanding the project: this is from 4 years to 2 years prior to the event. Key tasks are to ensure buy in, develop and clarify the delivery strategy, and set detailed planning timetables.
- Developing operational plans: from 2 years to 6 months prior to the event.
- Test, refine and deliver: from 6 months in advance to post-delivery.

6.59 The delivery of a mega event is a complex undertaking, which needs to fulfil all of the critical success factors of any major project. According to the Office of Government Commerce¹⁰ these include:

- a well-defined scope and agreed understanding of the intended outcome;
- active management of risks, issues and timely decision-making supported by clear and short lines of reporting;
- ongoing commitment and support from senior management;
- a senior individual with personal accountability and overall responsibility for the successful outcome of the project;
- an appropriately trained and experienced project team, and in particular a project manager whose capabilities match the complexity of the project; and
- defined and visibly managed processes that are appropriate for the scale and complexity of the project.

6.60 This process will press more responsibility onto government, but be managed in detail by the lead delivery organisation (a mega event company or lead delivery agent), which is

⁹ Baade R and Matheson V *Bidding for the Olympics: Fool’s Gold* (2002).

¹⁰ <http://www.ogc.gov.uk/sdtoolkit/bclifecycle/b/b7.html>

ultimately responsible for the event. But like any other investor, government needs a level of involvement that reflects its level of investment. The mega events Centre of Expertise should therefore work closely with the lead delivery organisation through all of these stages, providing support and scrutiny. It should ensure that there is:

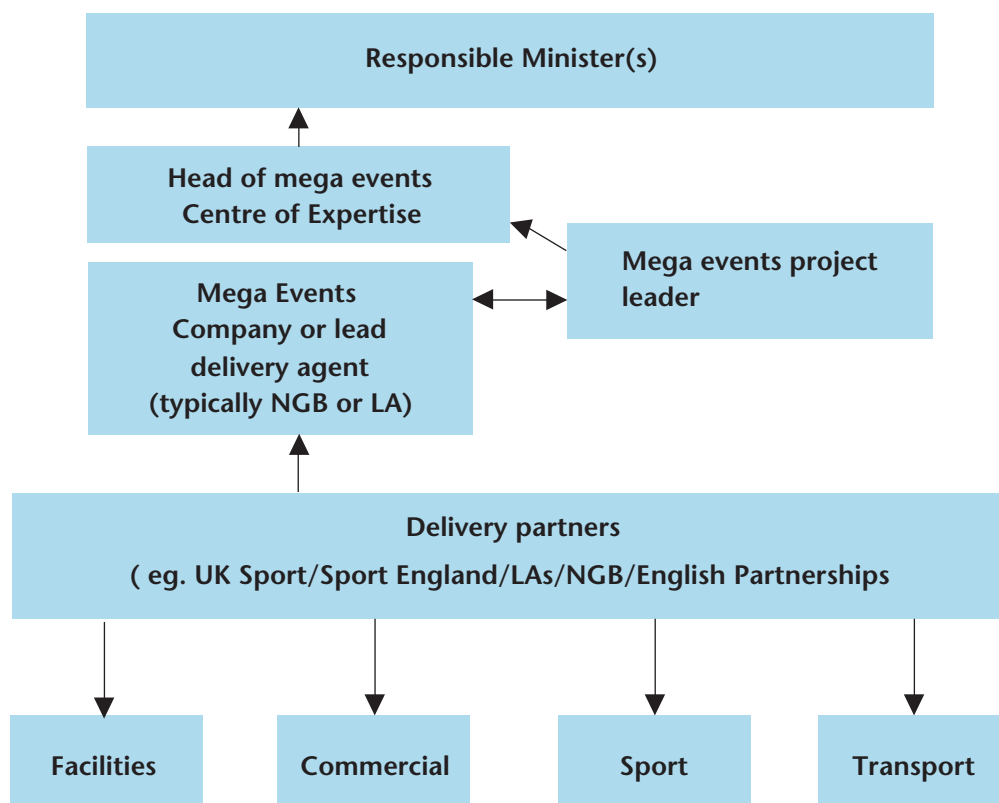
- *Robust investment decision-making:* taken according to affordability and cost justification. The mega events Centre of Expertise project team will retain close oversight of this.
- *Clear lines of accountability:* there should be a hierarchy of ownership, from the head of the delivery organisation, through the project Centre of Expertise, reporting to the responsible Minister(s).

- *Effective interface between ownership and delivery:* ongoing management and scrutiny to ensure that the desired project objectives are delivered.

6.61 Government involvement in a typical mega events project could therefore be structured as shown in Figure 6.5.

6.62 The Centre of Expertise will need to have adequate knowledge and information about the project to be able to make informed decisions. As a key partner in the event, there should be a named individual who is responsible for the project delivery from government's perspective, probably the mega events Centre of Expertise team leader reporting to the Minister overseeing the event.

Figure 6.5: Structure of a major project





6.63 The correct composition of the board that oversees the project is also crucial. It should have an appropriate mix of skills, and a balance between executive and non-executive members. To safeguard public monies invested in the project, the mega events project team should have a senior individual on the board and should specify in advance the type and frequency of reporting it expects to see.

6.64 Regular reports of progress against plans and budgets should be produced which clearly explain any deviation from plans and suggest corrective action to be agreed by the board as a whole.

Evaluating the outcomes of the event

6.65 Post-event evaluation is essential to judge the success of the event and to identify lessons to be learnt from the process. Following every event the mega events Centre of Expertise should commission an independent review of the immediate outcomes covering the process

of delivery and the achievement of immediate targets, such as numbers attending. Further post event studies should also be undertaken at various stages after the event to assess the value of the legacy created over the medium to long term.

6.66 Over a period of time the mega events Centre of Expertise should build knowledge and tools that can be applied to any mega project. This should be done in collaboration with UK Sport to ensure that lessons learnt can be applied, where relevant to major events.

6.67 Finally responsibility for the achievement of the longer-term legacy needs to be allocated to a lead partner. As discussed above, a successful bid should involve clear legacy planning.

Recommendation 6.2 (d)

To improve government's approach to mega events and projects:

(d) operational guidance and protocols for bidding, delivery and evaluation of major events should be produced to ensure consistency of approach.

Lead	Partner	Report to	By
MECE	HMT, OGC	Secretary of State for Culture, Media and Sport and the Chief Secretary to the Treasury	June 2003

7. IMPROVING THE ORGANISATION AND DELIVERY OF SPORT AND PHYSICAL ACTIVITY IN THE UK

Summary

Despite making the case for investing in sport and physical activity, before more government funds are invested, organisational reform is needed. Currently, multiple statements of strategy lead to confusion; complex structures lead to inefficiency; staff do not have the right skills; and many systems could be improved.

More funds should go direct to the end user at the frontline of sport, rather than being spent on bureaucracy. For sporting bodies, particularly Sport England and UK Sport, there should be less duplication of function; a clear separation between fund distribution and service delivery; better co-operation and co-ordination; better accountability to government and customers; and increased organisational effectiveness and efficiency.

- **Central Government** should establish a clear framework of accountability with funding bodies through revised funding agreements; better co-ordination mechanisms between departments; and enhanced capacity and greater priority for sport and physical activity in DCMS.
- **UK Sport and Sport England** should be investors rather than deliverers of services, and as such be smaller bodies with substantially reduced operational costs. Savings should go to the sports user. To aid scrutiny their boards should be smaller with more non-executive business expertise. Funding should be customer, rather than programme, based; Lottery criteria should be revised to focus on the twin track policy objectives; there should be increased delegation of decision making to a regional level; and better use of advisory groups. This should be delivered through an ongoing reform programme.
- **Other National Governing Bodies and National Sports Organisations** should have clear performance indicators, and be funded on the basis of delivery. Government investment should be used to drive modernisation and wider working with the voluntary and private sectors.
- There should be a non-directive approach to **local provision**, with more use of performance framework tools such as public health focused targets and local PSAs

The organisation of sport is overly complex

7.1 The previous chapters have set out a range of recommendations for sport in the UK: how to build a sport and physical activity culture; how to enhance the UK's international success; and how to create a systematic approach to mega events. This chapter considers the changes which are needed throughout the sports delivery system if these recommendations are to be implemented.

7.2 Organisational change is necessary. That is the strong message both from our analysis and the wide range of stakeholders we have consulted. The chapter begins by setting out four areas of all organisations which need to be addressed: their strategies, structures, systems and staff. We then propose some criteria and principles for reform, before making recommendations in relation to each organisational level in turn.

7.3 As with the whole review, the primary area of interest is the roles and interventions of national and local government, and the bodies related to them.

Multiple statements of strategy lead to confusion

7.4 Strategies could be clearer and more effectively co-ordinated. Among the national bodies with a responsibility for sport there are at least twelve different statements of priority, each with a slightly different emphasis. This hinders clear delivery goals.

7.5 The range of strategies in England, and their lack of interrelation, is set out at Figure 7.1.

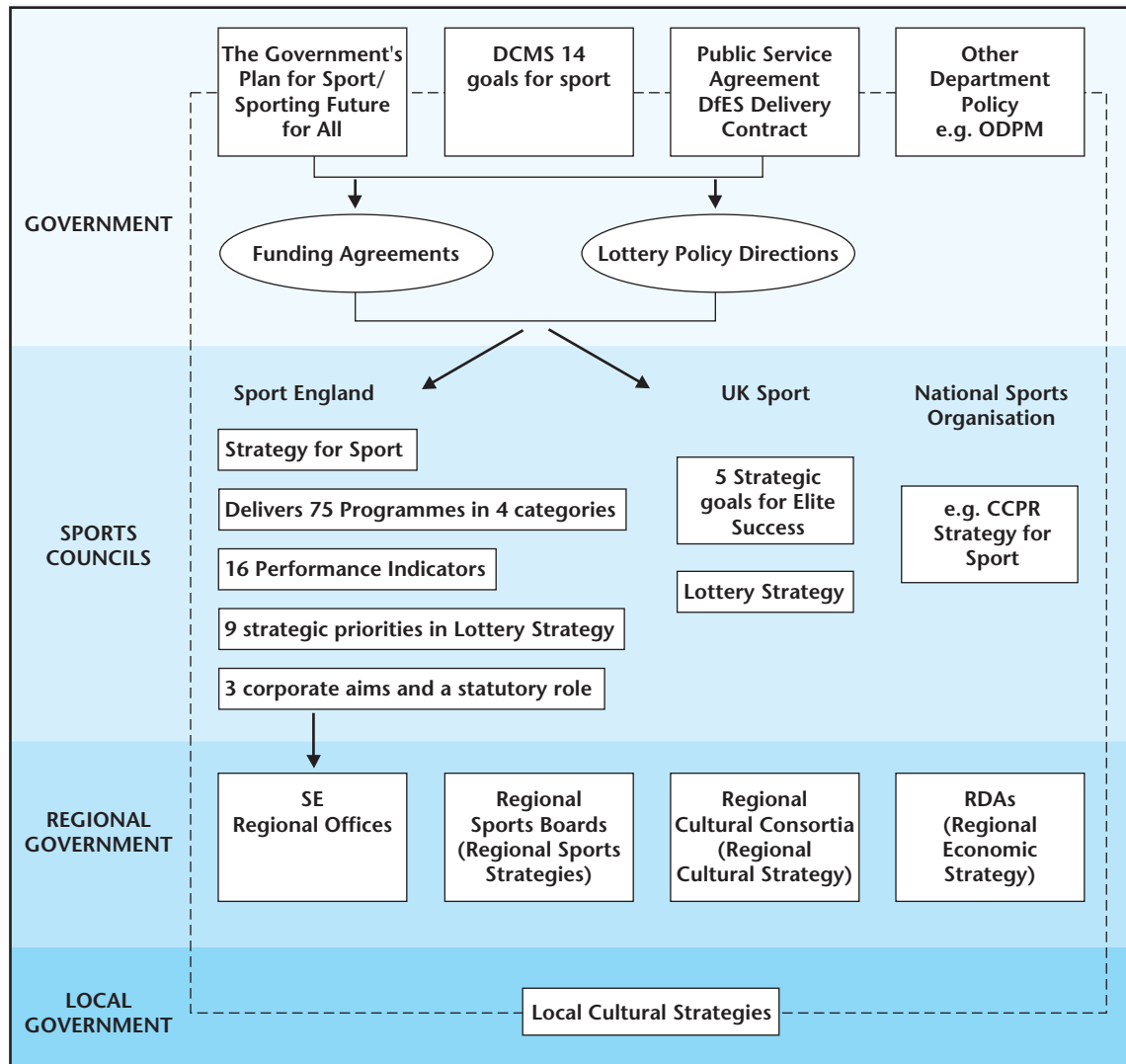
7.6 Government's *A Sporting Future for All* and subsequent *The Government's Plan for Sport* (2001) set out four core policy areas: sport in education; sport in the community; sporting excellence; and modernisation (see Annex E). DCMS has also set 14 goals for sport, reiterated in funding agreements with UK Sport and SE. DCMS has one PSA objective relating to sport: to increase participation in sporting activities.¹

7.7 Until March 2002, SE had six different statements of its strategic objectives (see Annex E), as well as a corporate strategy, not all of which corresponded to one another. UK Sport has five strategic goals relating to high performance success. In addition, some National Sports Organisations (such as CCPR) set strategies for sport. Each region has at least two sports-related strategies (regional cultural consortia have regional cultural strategies which take account of the strategies of regional sports boards, and link into the economic strategies of RDAs). Local authorities have also been encouraged to draw up cultural strategies (a Best Value indicator for 2000-01). But it is not clear how local or regional strategies relate to priorities set by national bodies.

7.8 The problem is that priorities are not always expressed or articulated in the same way. The four core policy areas contained in *A Sporting Future for All* are not consistently addressed, even across government and the sports councils' strategies. This reflects a lack of clarity about who leads on setting the national strategy for sport in England.

¹ The measurement tied to this (shared with DfES) is to increase the percentage of 5-16 year olds who spend at least 2 hours per week on high quality PE and school sport within and beyond the curriculum from 25% in 2002 to 75% by 2006.

Figure 7.1: There is no clear cascade of sports strategy



Complex structures lead to inefficiency

7.9 Structures need to follow on from these strategies (rather than vice versa). Chapter 1 has shown that the structures for delivering sport are complex and unclear to many outsiders. This reflects their ad hoc development over a long period of time. A common claim made about British sport is that it is beset by infighting and turf-wars generated by overlapping organisational responsibilities, to the detriment of the sports user and the UK's international sporting profile.

7.10 The four main delivery platforms are the education sector, local authorities and the voluntary and private sectors. There is confusion among those trying to access the system (for example when applying for funding) and inefficiency where roles and responsibilities overlap. Organisations are over-centralised and lack customer focus. The situation is further complicated (in relation to high-performance sport) by devolution.

Staff are not equipped to enable delivery

7.11 Traditionally, sporting bodies in the UK have been run by volunteers. But following increased professionalisation and the influx of £1.2bn of Lottery money, there is a danger that expertise in administration and management, with a focus on efficient delivery, is not valued enough. Two key areas need addressing:²

- **Capacity:** some key organisations do not have adequate numbers of staff, while others do not (given corporate priorities) deploy staff in areas critical for delivery.
- **Skills, training and career development:** the potential of staff at all levels is not being maximised. Qualification systems are not adequate, training is of variable quality and career paths are not sufficiently developed to aid recruitment and retention.

Key organisations do not have the capacity to carry out their role

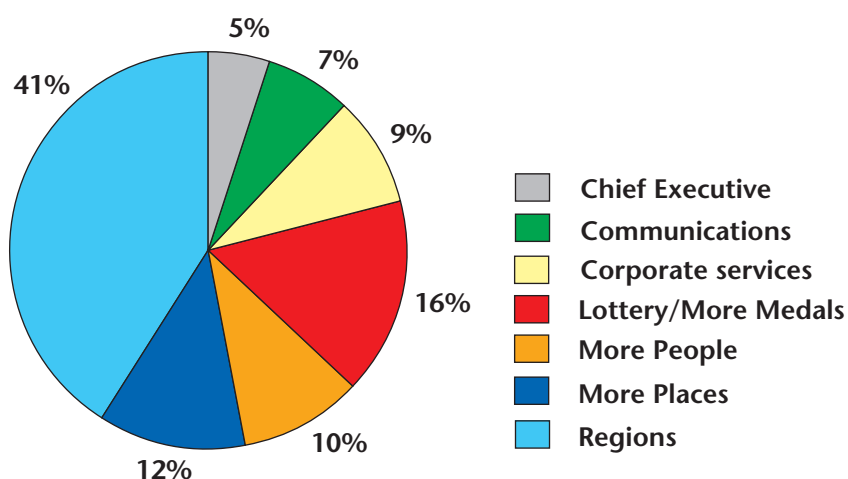
7.12 DCMS does not have the resources to carry out its priorities for sport. The Sport and Recreation Division (SARD) has only 26 staff. An

estimated 56% of officials' time is spent on direct Ministerial support (drafting briefing, parliamentary work and ministerial letters), compared to 10% on NDPB sponsorship and 22% on policy development. This emphasis is high compared to the workloads (and staffing levels) elsewhere in the department.³

7.13 The effect of this workload is to make the Division focus on short term issues, rather than long term strategy, and on Ministers as much as the wide range of customers who deal with it (such as the sports councils, other departments or NGBs).

7.14 In terms of optimal deployment of staff, SE has been over-centralised. Figure 7.2 shows that the corporate centre of SE has over 24% of the staff, including 32 staff working on communications. Until recently, its 9 regional offices had 41% of staff in the organisation, with responsibility for 7% of the budget (5% for grant allocation). Current reforms aim to reduce operating costs substantially and delegate decision making on community projects to the regions. UK Sport also has a high number of staff (30%) in its corporate centre, though this is changing.

Figure 7.2 SE Staff by directorate (total 451)



² This chapter focuses on administrative and management staff – Chapter 5 has considered specialist staff (eg. coaches and sports scientists).

³ Source: DCMS Departmental Plan (2001). In 2000-01, SARD answered 17% of the department's parliamentary questions, and 23% of its Ministerial Correspondence.

Skills, Training and Career development are not optimal

7.15 In addition, many staff do not possess the right skills. In DCMS and the sports councils there is not enough expertise in project management and contract writing (for funding agreements). Sports councils' boards are large (until recently there were 16 on the SE board), and recruitment places an emphasis on sporting (ie. high-performance) experience. While an understanding of sport is an important asset, other skills (such as investment appraisal) are more important.

7.16 Neither are staff developed or trained to have the capacity to lead sport at local level. As the provision and management of facilities is increasingly organised through contracts with other delivery agents, an increasing variety of skills, such as project management and partnership working, are required by local authority staff. Some organisations (such as the Institute of Leisure and Amenity Management (ILAM)) do offer training schemes and a professional qualification, but anecdotal evidence suggests that there is a difficulty in attracting good sports development officers, administrators, and managers, with no identifiable career path and low wages.

7.17 One problem may be the lack of sustainable funding for posts, and the lack of incentives for local authorities to employ permanent sports development officers. The use of initiative funding often leads to posts being created only for the duration of a project.

7.18 However, much of sport's staff base consists of volunteers in governing bodies and sports clubs. Figure 7.3 shows that in 1996 there were almost 1.5 million sports volunteers, with over 180 million hours worked – this accounts for over a third of the country's volunteering.⁴

7.19 It is therefore crucial that the role of volunteers in sport is fully supported, with an emphasis on better capacity building. To this end, steps are being taken to ensure that both the quality and quantity of volunteers is maintained.⁵

7.20 Most notable is that there is not a professional qualification system for sports administrators and volunteers. There are some schemes to build capacity and provide training, but overall the sports "industry" is not training its future leaders to run and manage a system containing large amounts of public and private money.

Figure 7.3: Number of volunteers and hours committed

Type of sports volunteer	Number of volunteers	Number of hours per year	Number of hours per week
Governing bodies and sports clubs in 94 sports	1,166,688	165,528,565	142
International events hosted in the UK	5,047	277,680	n/a
Disabled sport	25,217	3,162,744	125
Schools	37,897	2,576,972	68
Youth Organisations	233,389	11,617,709	50
Total	1,468,238	183,163,670	125

Source: LIRC (1996)

⁴On this basis, the voluntary sector adds an additional 106,000 full time equivalent workers to a sports economy which employs 414,950. Note that this research only includes 'formal' volunteers; the efforts of 'informal' volunteers – parents providing transport to matches or the spectator/'linesman' – are not included, so it is suspected that the actual hours contributed are much higher.

⁵DCMS is encouraging its NDPBs to adopt the Active Communities Unit's Compact between Government and the Voluntary sector and related Code of Good Practice; and has earmarked £7m between 2002-04 to encourage young people to become involved in officiating, leading or coaching sport (the Step into Sport programme). SE has developed the Volunteer Investment Programme (VIP) for sports clubs, NGBs, university sports associations and local authorities, which aims to support the development of volunteer management plans, for the recruitment, retention and recognition of volunteers.



7.21 Specialist staff are also crucial to the frontline delivery of sport, with a need for a high quantity and quality of coaches at all levels, and scientists and medical experts at the high performance level. Recent research has suggested that, compared against international best practice, UK coaching is underdeveloped.⁶ As chapter 5 discussed, the recommendations of the Coaching Task Force aim to address this.

Systems need to be professionalised

7.22 Finally, systems are inefficient in four key areas: funding arrangements are complex; operational costs are high; monitoring and evaluation is weak; and there is little use of reward or sanction.

Funding arrangements are complicated

7.23 Funding arrangements are complex, and criteria for allocation are not clear or consistently applied. Routes to funding for clubs or individual athletes are difficult, with varying levels of advice and support. There are few one-stop shops, and many stakeholders claim that processes are bureaucratic. There tends to be a 'we know best' culture amongst delivery agents, with customers having little ownership of the delivery process.

7.24 SE alone has over 75 programmes, including ten headline programmes and 12 underpinning programmes.⁷ The wide variety of funding sources can lead to governing bodies, and other deliverers, chasing initiatives in the short-term rather than pursuing a longer term strategy.

7.25 The work of Policy Action Team 10 found that many organisations need better information on the availability of funding sources, and that large amounts of information are requested of applicants, making bidding processes expensive and time consuming.⁸ Other key concerns identified were that:

- short term funding (few programmes provide funding for more than three years) hindered long term planning and community development;
- partnership funding could be difficult to find (even 10% match funding could be difficult to find in many deprived areas);
- rigid rules often limited the scope and value of projects;
- the eligibility criteria for programmes were changed, resulting in wasted effort; and
- competing expectations of multiple funders caused considerable difficulty.

7.26 Likewise, the *Cunningham Review* of elite sport found that there was a need to improve the consistency and co-ordination of funding, and to reduce the amount of paperwork in assessment and monitoring processes.

Operational costs are high


7.27 Operational costs are high – in some cases up to a third of funds are expended before they reach the end user. For example, operating costs represented 33% (£14.5m) of SE's grant in aid and 11% of Lottery spend in 2001/02.⁹ Some of these costs are an essential part of service delivery, but the above figures are still indicative of the potential for more efficient processes. Operating costs (including staff and

⁶ Duffy P *Bench-marking coaching in the UK against best international practice* (2002).

⁷ The ten key programmes are: School Sports Coordinators, Space for Sport and the Arts, Sport Action Zones, Playing Fields and Green Spaces, Community Capital Development Programme, Statutory Land Use Planning, Active Sports Partnership Development, English Institute of Sport, Commonwealth Games and World Class Support.

⁸ DCMS *Arts and Sport: Policy Action Team 10, report to the Social Exclusion Unit* (2000).

⁹ "Operating Costs" are taken to include all monies not distributed as grants, ie. administrative costs, salaries, staffing costs (including for those delivering programmes), travel and subsistence, and programmes for improving services and communications. This was 26% of gross exchequer expenditure. Administrative costs (communications, CEOs office, management audit, HR, IT services, finance admin and officer services) totalled 8.9% of grant in aid, and 3.3% of Lottery income over the same period.



communications) are also high at UK Sport: in 2000-01 they represented 30% (£4.5m) of exchequer spend and 6% of Lottery distribution (15% of total funds distributed).¹⁰

7.28 This means that significant sums of money that would otherwise be spent on sport and physical activity are not reaching the end user. Both councils recognise the importance of increasing efficiency and reducing administrative costs, and have targets in their funding agreements to make savings.

Monitoring and evaluation is poor

7.29 Monitoring and evaluation is key to assessing the progress being made in delivering sport. It determines the value of programmes being delivered, identifies areas for improvement, and helps to promote examples of best practice. But it is weak, with poor lines of accountability and a focus on short term results and outputs.

7.30 UK Sport and SE have a range of internal and external monitoring systems (and have a statutory duty to evaluate the impact of their Lottery distribution). But their monitoring and feedback could be more effective, through greater focus on the conditions and targets by which funding is granted.

7.31 As chapter 4 has discussed, a fundamental problem is the lack of comprehensive, reliable baseline data. There is little collation and sharing of data, leading to a lack of understanding about sporting trends and patterns. This means that strategy is based on partial information and anecdotal evidence. If there is inadequate monitoring, there can be no real analysis of the opportunity costs of delivering one set of actions as opposed to another.

There is little use of reward and sanction

7.32 Finally, as a result of poor monitoring, accountability is poor, and more use could be

made of reward or sanction. Not all funding agreements explicitly promote financial rigour or enterprise, or set out minimum skill levels or requirements for leveraging external funds.

7.33 DCMS has limited sanctions if the sports councils fail to perform. A key scrutiny body, the Culture, Media and Sport Select Committee, is able to make recommendations for change (but has no powers to enforce that change). UK Sport does undertake “fit for purpose” audits of NGBs, and annually reviews athletes to which it gives awards.

7.34 In comparison, the Australian Sports Commission stopped funding to the NGB for Australian swimming because of concerns it had over its corporate governance. Funding was withheld until remedial action was taken. SE and UK Sport have recently taken a similar approach, and withheld exchequer funding from six NGBs which failed to meet governance requirements.

Criteria for reform

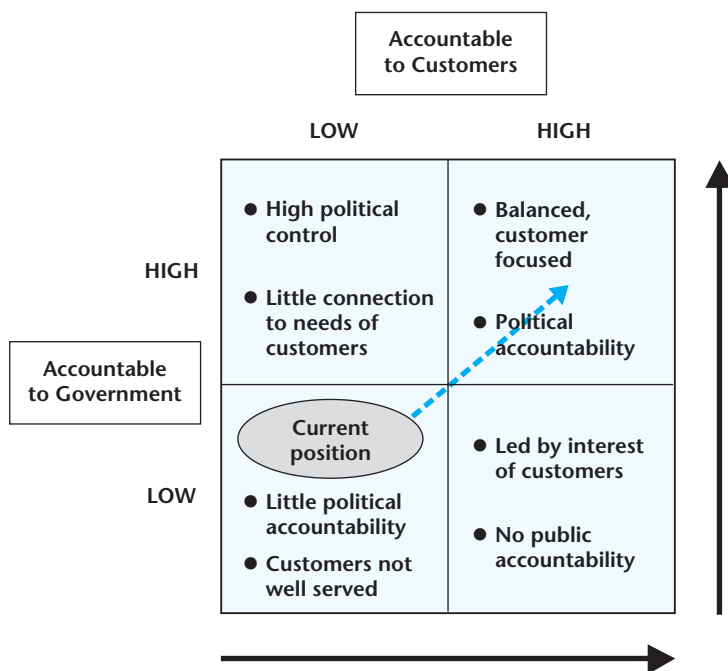
7.35 So, if sport is to work effectively, improvements are needed to strategies, structures, staff and systems at all levels of the delivery system.

7.36 It is not the purpose of this report – or for government – to undertake a detailed analysis of each sporting delivery body. Government should set the goals it wishes to see achieved and the standards it wishes to see met: how that is done is a job for the leaders and management teams of those organisations.

7.37 However, this chapter does make a number of recommendations to address the problems outlined above, concentrating particularly on the relationships between organisations, and the performance system that operates between funders and deliverers.

¹⁰ Operating Costs are defined in the same way as for SE. UK Sport administration costs are below 12% of exchequer spend. Lottery administration costs are low compared to other distributors.

Figure 7.4: There needs to be increased accountability to government and to customers



7.38 There are six criteria for the recommendations that follow. They should bring about:

- (i) **less duplication of function between and within sporting organisations;**
- (ii) **a clear separation between fund distribution and service delivery.** Government should not crowd out private or voluntary sector provision;
- (iii) **better co-ordination and co-operation between bodies,** where appropriate;
- (iv) **greater accountability to government for fund distribution;**
- (v) **greater accountability to customers** at the same time, with a focus on users' needs (see Figure 7.4); and
- (vi) **increased organisational effectiveness and efficiency,** with reduced administration costs and quicker fund delivery to the user.

7.39 Having established the criteria for change, the remainder of this chapter makes a number of proposals for rationalising aspects of the four key areas (strategy, structures, staff and systems), at each organisational level:


- within DCMS and across Whitehall;
- in UK Sport and SE;
- in other national bodies;
- local delivery.

Central government: national strategy, clear accountability

The strategy cascade

7.40 Government does not run sport, and nor should it. However, it funds many of those that do, and as a key funder (along with the private and voluntary sectors) its resource allocation affects the overall direction of sport and physical activity in the UK.

7.41 DCMS's key role must be to develop, lead and co-ordinate the strategy for sport and physical activity in the UK. A primary purpose of this review has been to set out the priorities for that strategy: the twin track of increasing grassroots participation and enhancing international success. Strategy formulation must



be consultative, and involve those bodies that deliver sport in order to be responsive to users' needs. DCMS must set the top-level targets that it wants delivered, and will invest in. Only when the delivery system is not working should it intervene to protect its investment.

7.42 Government strategy should have a small number of key objectives. It should form a framework within which the sports councils develop their operational plans, and within which local government can set its local cultural strategies. Through this relationship, strategies should take account of (and be informed by) local needs and circumstances (a bottom-up approach); but local strategies should also fit into wider national objectives (a top-down approach).

7.43 To achieve this, and to resolve the problems outlined above, there needs to be:

- more capacity within DCMS;
- better performance management through funding agreements; and
- better co-ordination of strategy across government.

Capacity to deliver

7.44 To drive co-ordination, to implement a framework of accountability, and to lead strategy development, there needs to be significantly enhanced capacity within DCMS. The Sport and Recreation division (SARD) needs greater support to become more prominent, more proactive, and more focused on 5 core tasks:

- setting strategic policy in two key areas: grassroots participation and high-performance sport;
- management of related projects (such as the school sports entitlement);
- Whitehall liaison and co-ordination;

- liaison with UK Sport and SE; and
- ministerial support.

7.45 There should be considerably more capacity at middle and senior management levels in DCMS: at the least, the Department requires a Director for Sport at Management Board level. We are pleased to note that this appointment has recently been made. Where specific projects arise, these need to be led by staff with sufficient expertise and skills to drive change forward.

7.46 There needs to be more emphasis on project management, and the ability to manage key relationships with NDPBs (including rigorous setting of funding agreements). There should be a named senior client manager responsible for managing the relationship with SE and UK Sport. At the same time, sports council officials need to gain greater exposure to Ministers, and more use should be made of secondments (SE has started to second officials to relevant government departments) to build expertise and best practice.

7.47 DCMS will need to consider in detail the appropriate internal structures to support this change of roles, with change being taken forward as part of the current reform programme.

Funding agreements linked to results

7.48 In terms of systems, a critical challenge for DCMS is to enhance its relationship with SE and UK Sport, in order to deliver this strategy. It must improve its use of the levers it has to manage the efficient and effective investment of funds.

7.49 At present the Minister for Sport has only two levers for driving change in the councils – sacking the board or withholding funds. The latter of these two options should be used more readily. The funding agreements between DCMS, UK Sport and SE need to be far stronger, so that:



- Ministers can retain a firm handle on strategic priorities, while allowing sponsored bodies the freedom to deliver agreed outcomes without micro-control;
- programmes and services are customer-focused; and
- there is consistent data collection to enable robust measurement of performance and impact, in line with agreed targets.

7.50 Where possible, the department should be seen as a strategic commissioner rather than a funder. This is because it has a clear overview, and at times a choice between different providers. The funding agreements should detail key outcomes to be delivered. Objectives should be reviewed jointly on a regular basis, and should focus on the priorities of the body and of Ministers. Annual performance against targets should include an element of independent (rather than self) assessment.

7.51 Targets in funding agreements should relate to the strategy. They should be realistic, challenging and central to the objectives. An element of financial incentive should be included, and they should set clear efficiency targets:

- to drive speed of fund delivery to the end user;
- to reduce levels of administration costs; and
- to drive more engagement with the private sector, and requirements for partnership funding.

7.52 A relationship, clearly defined through a strong funding agreement, should enable functions to be carried out free from political interference, but with clear accountability for delivery.

7.53 The Permanent Secretary's 'Touchstone' programme should be welcomed as a positive step towards dealing with these issues. It is driving forward a new relationship with DCMS's NDPBs, in line with spending agreements reached in SR2002.¹¹ The department received a ringfenced pots of funding – some £28m over three years – for NDPB reform, and is due to agree a strategic plan for this reform, including streamlined funding agreements, modernisation, efficiency savings, and a pay and workforce strategy. A percentage of the department's resource settlement will be held back from distribution to NDPBs pending this reform.

More joint working

7.54 To develop a strategy that takes account of interest in sport and physical activity across government, DCMS must work more effectively across departmental boundaries. Currently there is no cross-departmental group of officials that considers policy implications of sport and physical activity in the round, with the exception of an ad hoc group chaired by the Minister for Sport.¹²

7.55 For example, two of the key delivery arms for sport (schools and local authorities) fall under the remit of DfES and ODPM. DfES is working well with DCMS on the school sport entitlement; but ODPM needs to work more closely with DCMS (key areas include neighbourhood renewal, planning, and local government finance), as does DoH, given the important impact of physical activity on public health.

7.56 There have been calls in some quarters for the sport portfolio to be moved (for example to the Departments of Health or Education), or for

¹¹ The Touchstone project aims to improve the Department's focus on the delivery of key strategic outcomes (both through organisation and internal ways of working, as well as the relationship with sponsored bodies).

¹² This is not always attended by other Ministers, or senior officials. Other co-ordination mechanisms are two Cabinet Committees relating to sport (MISC 12 on Wembley and MISC15 on the Commonwealth Games); the joint DfES/DCMS school sports project board; the School Sports Alliance, as well as a non-political adviser on PE and School sport.

a Cabinet level Minister for Sport. Neither of these would have the impact sought by those calling for such a move. The location of the sport portfolio in DCMS enables a cross-cutting approach; and there is already Cabinet level representation for sport through the Secretary of State for Culture, Media and Sport.

7.57 However, more use should be made of formal co-ordinating structures. A Cabinet Committee (such as that for Domestic Affairs) should, where necessary, consider issues relating to sport and physical activity. This would improve co-ordination of English policy (as distinct from the Sports Cabinet discussed in chapter 5, which addresses common issues with the Devolved Administrations). Key issues for this committee will be to monitor progress on increased mass participation and enhanced

international success. It should provide a policy forum for collective decision making on:

- the cross-cutting recommendations of this report, particularly the work of the cross-cutting Sport and Physical Activity Board (SPAB) on creating a physical activity culture;
- other existing cross-cutting work, such as that of the School Sports Alliance, which should report to the Committee; and
- other ad hoc sports-related issues, for example, policy on football hooliganism;¹³ or work with FCO on sport related public diplomacy.

7.58 This committee should take over the current work of the Sports Minister's group for sport, and other Ministerial committees on sport. It should be supported by a Cabinet Office chaired officials' group to anticipate and resolve issues.¹⁴

Recommendation 7.1

To improve the delivery of sport and physical activity by central government:

- a Director for Sport should be appointed, and lead responsibilities identified on "grassroots participation", and "talent development and high-performance sport" in DCMS;
- writing new, more rigorous, funding agreements with UK Sport and SE, with financial incentives and penalties and output/outcome-focused targets linked to DoH, DfES and DCMS PSAs, among others;
- sport and physical activity issues to be co-ordinated by a Cabinet Committee, supported by a Cabinet Office chaired senior officials group as necessary. This will replace all other Ministerial committees on sport; and
- more use to be made of joint appointments and secondments, including a joint DCMS-DoH official on sport, physical activity and health.

Lead	Partner	Report to	By
<ul style="list-style-type: none"> ● DCMS ● DCMS ● Cabinet Office ● DCMS/DoH 	<ul style="list-style-type: none"> ● HMT, OGC 	<ul style="list-style-type: none"> ● DCMS Ministers ● DCMS Ministers ● Prime Minister ● DCMS/DoH Ministers 	<ul style="list-style-type: none"> ● Spring 2003 ● Start of 2003-04 financial year ● March 2003 ● March 2003

¹³This affects DCMS, DTI, FCO, and Home Office. A recent issue which needed collective discussion was over the payment for clean-up operations following hooligan disturbances.

¹⁴This should include representatives of DfES (Curriculum division and Children and Young People's Unit); DoH (Public Health Division); DTI (Consumer goods section); ODPM (Neighbourhood renewal unit, urban policy unit, local government finance team, planning directorate); Home Office (Football Safety); FCO (public diplomacy, cultural relations and international influence); and HMT (DCMS spending team); and be chaired by the Cabinet Office.

7.59 This is not to suggest that all issues relating to sport should be discussed in a special committee. Part of the challenge is to 'mainstream' sport, so that it is seen as an integral part of policy solutions across a range of issues.

7.60 To this end, it has also been suggested that a special adviser should be appointed to work on sport and health. A joint appointment at official level on health, sport and physical activity would provide an important impetus, and is being discussed by DCMS and DoH. But rather than put the onus on a single figure, emphasis should also be placed on wider joint departmental working, mirroring the successful work of DCMS and DfES on the school sport entitlement. This could involve the use of joint targets, and joint project teams (co-located if necessary) to ensure delivery.

UK Sport and SE: customer focused investors

7.61 This section makes recommendations about the sports councils. It concentrates on SE and UK Sport, because the other three councils are the responsibility of the Devolved Administrations.

7.62 In the absence of total centralisation or total devolution of high performance sport, chapter 5 has set out recommendations for a simplification of which sports are funded at UK and devolved level; a one-plan approach to NGB funding; and steps to improve co-ordination and co-operation.

7.63 In addition to these proposals, this section considers reforms which aim to improve the effectiveness and efficiency of UK Sport and SE, in order to meet the criteria set out above. It proposes that the two councils:

- focus on investing in (rather than delivering) sport;
- have better scrutiny through strengthened boards; and
- take steps to make systems more customer responsive.

7.64 Although the sports councils perform a key fund distribution function, it should be emphasised that other parts of government, particularly local authorities, spend considerably more on sport. They are discussed in more detail below.

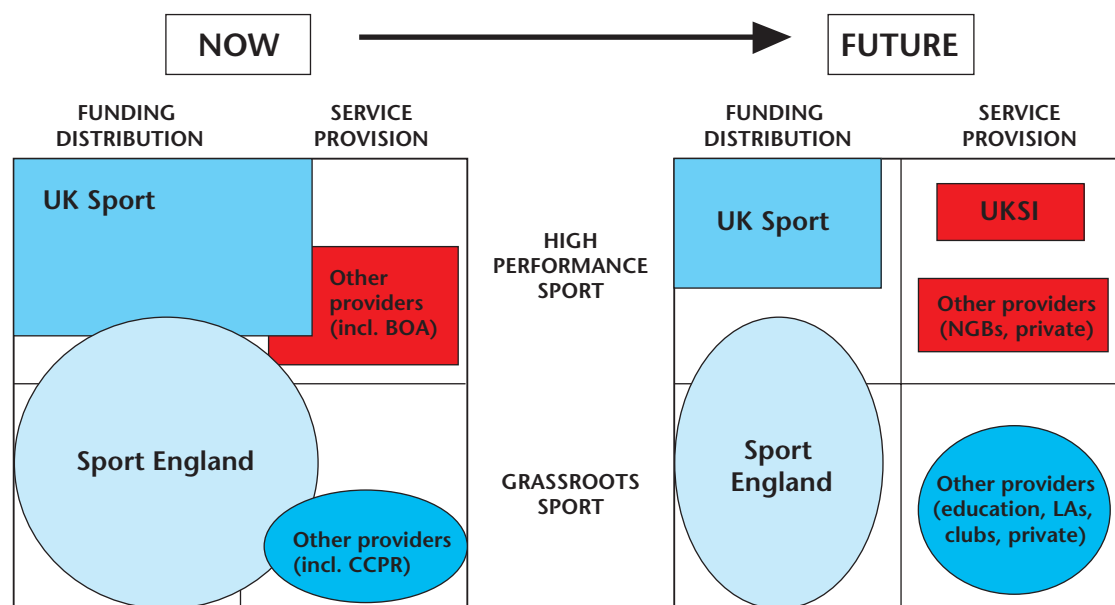
Focus on investment

7.65 SE and UK Sport currently both distribute funds as well as provide services (see Figure 7.5). But in providing services, there is a danger that they crowd out service provision by the private/voluntary sectors; and do not enable service delivery to be carried out at a local level by those with local knowledge. Therefore the councils' key function should be to distribute funds strategically, in line with the government's top level priorities. They should see themselves as "investment banks", investing to achieve returns (increased participation or enhanced international success).

7.66 UK Sport should focus on enhancing high performance sport and talent development, taking more responsibility for high performance devolved sports where NGBs and DAs agree that this should be the case (as proposed in chapter 5). SE should focus on grassroots sport, and its mission should be to invest in order to increase participation in sport and physical activity.¹⁵ Its success in increasing participation should be the primary criteria on which it is judged by DCMS; just as UK Sport's success in enhancing international success should be the main criteria on which it is judged by the Sports Cabinet.

¹⁵ SE's Mission Statement, agreed in April 2002, is "To foster a healthier, more successful nation through increased investment in sport and active recreation". As discussed in chapter 5, SE will need to retain oversight of English high-performance sport.

Figure 7.5: A clearer separation of function and sporting area is needed



7.67 Both organisations should be driven by an overall investment strategy, following a clear investment (rather than grant) process. They should have four key activities:

- **taking a strategic view** of grassroots/high performance sport. From a government perspective, national strategy should be owned by DCMS, but developed in partnership with other departments, and both Councils, who can advise government on policy development and effectiveness;
- **investment:** distributing funds to delivery partners on the basis of this strategy and against the targets set in funding agreements from DCMS. This should follow three steps:
 - *Investment appraisal:* assess ideal delivery partners, scrutinise proposed business plans and the capacity of management teams;
 - *Funding agreement:* investment in selected operations, with a clear contract setting expected return on investment and performance targets; and

- *Monitoring and evaluation:* of outcomes against targets, with suitable reward/sanction according to performance.

- **advice and guidance** to delivery organisations, including capacity building, may be necessary. But the councils should not deliver products, services or programmes unless there is no other possible delivery agent (ie. they should not crowd out private/voluntary provision); and
- **research:** baseline research into broader trends and issues in sport and physical activity will be needed in order to inform the investment strategy.

7.68 As fund distributors (rather than service deliverers) both councils should spend less time promoting their work (leading to confusion between distributing body branding and Lottery branding), in order to avoid crowding out commercial sponsorship and to maximise direct investment in sport. Athlete income is reduced as a result of this distortion of the sponsorship market. A single Lottery brand for sport might be more desirable.

7.69 This new role should lead to more focused organisations, with less duplication. There should be less micro-management and more freedom for partners to deliver against agreed targets. At both national and regional level, the councils should be investors and enablers, not deliverers or implementers.

Improved governance structures

7.70 Several steps already proposed will enhance the sports councils accountability to government (and so to Parliament), including a strengthened Sports Cabinet (for oversight of UK Sport) and revised funding agreements.

7.71 In addition, reform is needed to the councils (ie. boards) of both SE and UK Sport. The boards need to be able to provide more effective non-executive scrutiny. The current boards should be replaced with much smaller bodies. Ideally they should have nine members (with a maximum of 12) including, in the case of UK Sport, the four HCSC chairs.

7.72 The chair and members should continue to be appointed by the Secretary of State for Culture, Media and Sport. They should be chosen primarily for their non-executive skills (ie. strategy, vision, wide business experience, planning, scrutiny and leadership). This is in line with a recent Better Regulation Task Force recommendation that board members “should be appointed for their expertise rather than to represent stakeholder groups”.¹⁶ Some representation of Regional Sports Board Chairs on the SE board may be desirable (though they should make up no more than three out of nine members).¹⁷ But it should not be necessary to have any prior links to sport or sporting experience (indeed, a diverse perspective may be an advantage). It may be necessary to pay members to achieve an adequate calibre.

7.73 The role of these non-executive boards should be to guide the strategic direction of the organisations. They should:

- guide corporate strategy and vision (including approval of policy matters and operational and corporate plans);
- appoint the chief executive and senior management;
- monitor performance against high level aims and objectives, preventing conflicts of interest and balancing competing demands on the organisation (including an independent judgement on managerial performance, resources, key appointments and standards of conduct); and
- ensure that public funds are properly applied and safeguarded, and ensure that the organisations are directed and managed in the public interest.

7.74 They need to exercise objective judgement independent from management teams, scrutinise the actions of the organisation, and be accountable for those actions to government. To this end, the Director for Sport in DCMS should attend the board meetings as an observer.

Increased customer focus

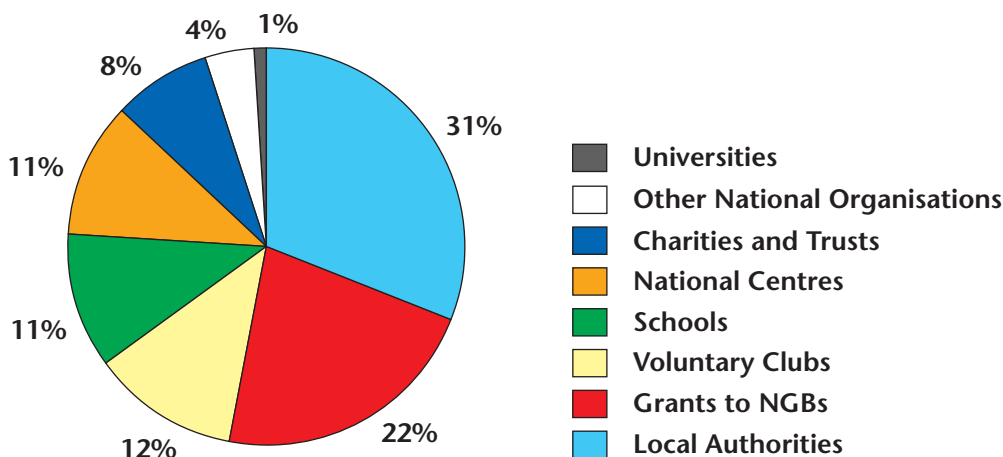
7.75 The sports councils, particularly SE, need to be more customer responsive, so that the voice of implementers and other stakeholders feed into organisational strategy. There should be less bureaucracy, with more funds going direct to the user. Four further changes will help to achieve this:

- Customer-focused rather than “programme-based” funding.
- Change to criteria for Lottery funding.
- More delegation of decision making.
- More use of advisory bodies.

¹⁶ Cabinet Office *Economic Regulators* (2001).

¹⁷ Regional Sports Boards are discussed in more detail below.

Figure 7.6: SE grants by recipient 2001-02 (Lottery and Exchequer – total £307m)



Customer-focused rather than programme-based funding

7.76 The programme-based approach to funding leads to confusion among customers, and creates a bidding culture, with a focus on short-term projects, not long-term change. SE currently has over 75 different programmes, and does not routinely analyse how much funding goes to its different customer groups. An analysis of the current breakdown of SE spend by customer is at Figure 7.6.

7.77 This suggests that the organisation needs to pay far more attention to whether its resources are focused on those customers it predominantly deals with. For example:

- If local authorities are its largest customer, a key challenge for SE is to focus on enabling local delivery. It must have the leverage, networks and necessary staff skills to engage with LAs. There must be linkage between the funding allocated to LAs and schools (particularly in terms of facilities). SE must promote best practice with local authorities and other local partners about ways to implement a health-focused sport and physical activity culture.
- English NGBs should be funded for grassroots sport according to a single

national plan (rather than having to apply to many different pots).

7.78 There should be a much smaller number of significantly sized funding streams, and less of a piecemeal approach. Allocation (and organisational teams) should focus on core client groups (NGBs, clubs, educational institutions, local authorities and private sector providers). At present, the focus is not equally spread between the four main delivery platforms for sport (education sector, voluntary sector, local authorities and the private/commercial sector).

7.79 Both UK Sport and SE could also take more steps to ensure that their high-performance work is more athlete (as distinct from NGB) centred, taking account of the views of bodies such as the “UK Competitors” or the BOA athletes’ commission.

7.80 There also needs to be a move away from short-term project funding, towards investments with clear, sustainable streams of income. Mainstreaming is particularly important given the possible decrease in both Lottery and private funding. Too many grants are currently made for a short-term period, with no guarantee of sustainability.

Redrawing of Lottery Criteria

7.81 SE should also revise its Lottery criteria. As chapter 1 has shown, distribution to date has been biased towards major (and wealthy) sports and major infrastructure investments. SE should ensure that its criteria are more transparent, and that Lottery investment is being maximised in order to increase participation (ie. with more focus on minor investments). This is in contrast to the criteria change proposed for UK Sport (in chapter 5).

7.82 In doing this, it should ensure that it is taking greater advantage of changes made to the Lottery rules in 1998 through the National Lottery Act (allowing distributors to solicit applications, to delegate decisions, to provide more revenue funding, and to make it easier for less wealthy organisations to benefit).

7.83 The current review of Lottery funding is considering further important changes, which may have a significant impact on the sports councils. The key aims of the proposals are to:

- make the Lottery more responsive to the needs and priorities of communities;
- ensure that funding is fairly distributed to all areas and communities across the UK (which should include an assessment of the basis of allocation to the Devolved Administrations, given claims that the current system does not take deprivation into account¹⁸);
- manage the challenges of Lottery funding (including issues such as sustainability); and
- make the delivery of Lottery funding more efficient and more effective.

7.84 The review includes proposals for closer working between distributors, micro grants to be delivered at a local level, more use of one-stop shops, and steps to provide on-going revenue funding for Lottery projects.¹⁹

More delegation of decision-making to a regional level in England

7.85 The third area of change required to make the sports councils more customer responsive relate specifically to SE's regional structures. In order to take more account of local need, and to follow the principle of subsidiarity, there needs to be more delegation of decision-making to the regional level. There should be less micro-management from the centre, and more freedom for delivery partners to operate based on performance.

7.86 It is not within the remit of this project to determine exactly which organisational structures should operate within SE, or what funding thresholds should apply. It is for SE's CEO to propose the best structures to deliver increased participation; and for DCMS to judge the organisation on the basis of delivery against agreed targets, not against the specific structures that results are delivered through.²⁰

7.87 Whatever model is agreed, it should be subject to approval through stakeholder consultation. Our analysis and wide ranging interviews suggests four criteria which any new regional sports structure must meet. It must be:

- **less bureaucratic:** this means lower cost and faster decision-making processes, with more money going to the end user. This suggests adapting existing structures, rather than creating more layers;²¹

¹⁸ The allocation of Lottery money to the Devolved Administrations is not based on the Barnett Formula, but instead on relative populations in 1993 (sections 23(1) and (2) of the amended National Lottery Act). No other factors are taken into account, although Northern Ireland receives a larger share in view of deprivation factors. This may lead to a situation where DAs transfer more funding to UK Sport than they receive back through UK Sport Lottery awards.

¹⁹ The Review of Lottery Funding falls into two parts: DCMS *A Review of Lottery Licensing and Regulation* (June 2002), and DCMS *A consultation paper on Lottery distribution policy* (July 2002).

²⁰ In so doing, the DCMS QUEST report, *Regional Structures: A Performance Review Tool* (June 2002) should be taken into account. This report enables DCMS and its NDPBs to review whether the allocation of responsibilities and resources between the centre and regional tier are fit for purpose.

²¹ See recommendation of the Cabinet Office Better Regulation Task Force report *Local Delivery of Central Policy* (2002): "too often new institutions are set up in haste...working within the framework of what is already in place should be the preferred option".

- **flexible to political change:** for example the possibility of regionally elected assemblies as heralded in the Regional Government White Paper;²²
- **responsive to local needs:** more funding decisions need to be taken closer to the point of delivery, and in co-ordination with local sports and activity deliverers in private, voluntary and public sectors; and
- **consistent with the national strategy:** aimed at increased participation and increased international success.

7.88 On the basis of these criteria the most appropriate SE structure is likely to be a delegated model (similar to the Regional Arts Council model), rather than autonomous operating entities (which could lead to fragmentation, conflicting lines of authority, and decision-making and increased costs through additional overheads).

7.89 Each SE Regional Office (SERO) should submit an annual plan (with budget) for how they intend to deliver the priorities for sport, as set out in the SE national strategy. This should form the basis of fund allocation, which should take account of capacity to deliver stated objectives, regional sporting need and levels of deprivation, as well as the outcome of the Lottery Review. As with the central office, the regional office should be an enabler and investor, not a deliverer of programmes. It should distribute funds it has been allocated to local and regional sport delivery agencies. SE central office should remain, however, the agency that commissions and funds NGBs and other nationally organised bodies such as Sportscoach UK.

7.90 Ideally, there should be a simplification of other regional sporting bodies. There are currently too many bodies, few of which have any executive function. The SERO needs to work much more closely with Government Offices, the English Institute of Sport regional representatives, regional federations of sport and Regional Development Agencies. The role of Regional Cultural Consortia was reviewed by DCMS in 2002. It is recognised that their future role should not duplicate that of the SERO.

7.91 Regional Sports Boards (RSBs) should play an advisory (non-executive) role to the SERO. They should bring together key regional stakeholders to offer advice and to ensure that national strategy is implemented at a regional level. In particular they offer a means of engaging influential figures from key sectors in the sport and physical activity agenda. The advice of their Chairs needs to be represented at the top of the organisation. We therefore recommend that:

- The RSB chairs are convened in an advisory group to the SE board; and
- The RSB chairs are represented on the board. But given the need for the board to be small, a maximum of three of the RSB chairs should be board members.

Better use of advisory bodies for strategy development

7.92 Finally, more use should be made of advisory bodies of key stakeholders to play a formal role in strategy development. They should be independent of delivery structures and report to the council boards. Figure 7.7 shows the councils' current advisory groups, along with possible changes, focusing more on specific customer groups.

7.93 This includes the possibility of having a single Lottery panel for both organisations, which

²² DTLR *Your Region, Your Choice: Revitalising the English Regions* (2002).



Figure 7.7: SE and UK Sport advisory groups – current and future

SE (current)	UK Sport (current)
<ul style="list-style-type: none"> • Lottery Panel • Local Authorities • Further and Higher Education • Equity 	<ul style="list-style-type: none"> • Lottery Panel • Marketing and Media • Audit Committee • Major Events Steering Group • International relations • UKSI board
SE (future)	UK Sport (future)
<ul style="list-style-type: none"> • Lottery Panel (joint?) • Audit Committee • Health Panel • RSB chairs • Local delivery • Education • Voluntary and private sectors 	<ul style="list-style-type: none"> • Lottery Panel (joint?) • Audit Committee • Major Events • International relations • NGB performance directors • Athletes panel

could distribute two ringfenced pots of funding (one for high performance sport and one for grassroots sport). This might be considered as part of the current Lottery review, taking account of the consequences for devolution.

7.94 These groups should not be ‘talking shops’. They should be formally consulted as part of the corporate planning process. Group members may need coaching and guidance to ensure that the bodies have sufficient strength.

A clear reform process

7.95 To achieve the changes outlined above, UK Sport and SE will need to undergo significant internal reforms, to their staffing, structures and systems.²³ There should be a significant reduction in overall numbers of staff and activities at SE. Central teams should be much smaller, reflecting the transfer of some staff to the regional offices.

7.96 Rigorous funding agreements with DCMS should drive efficiency and significantly reduced operational costs. For SE, a saving of 25% in these costs would release £3.6m. Such savings should be moved directly to investment in sport outside the organisation. There will also need to be a significant shift in staff skills, for example

with more expertise in legal and accounting skills, and the setting of delivery contracts.

7.97 This presents a change management challenge for the management of both organisations. The reforms should be led by their Chief Executives, in partnership with their boards and DCMS. To encourage continuous improvement they will be subject to a series of regular audits, within the context of sustainable funding agreements.

7.98 DCMS is already beginning this process for SE, in line with changes to funding agreements, as discussed above. A project board, representing SE and DCMS, has been put in place to manage this process and ensure that change is proceeding satisfactorily.

7.99 But ultimately, if the reforms are not successful, DCMS has the option of abolishing SE or UK Sport, and bringing those functions which could not be met by the private sector back into DCMS; or to make them an executive agency under closer Ministerial control. Neither of these options are necessary or desirable at this stage, if the reforms set out in this chapter are carried out. But a further *independent* assessment of the sports councils’ role and relation to government should be carried out in 2005, in order to assess progress.

²³ In particular SE is implementing a change programme as a result of the recommendations of the SE Quinquennial review and associated reports. This noted that communications could be improved; that there was scope for better use of IT; for better planning and resource management (including the separation of financial and planning systems); and better corporate governance (eg. assessment of risk).

Recommendation 7.2

To reduce bureaucracy and increase funding direct to the sports user, Sport England and UK Sport:

- should be primarily fund distributors, not service providers. When investing they should monitor and evaluate outcomes against clear targets;
- should replace their current boards with smaller non-executive bodies and more traditional business skills;
- should become more customer focused by:
 - moving the organisations away from programme-based funding to customer-focused funding. For example, English NGBs should receive funding for grassroots according to a single national plan;
 - revising SE's overall strategy to focus more on grassroots participation;
 - ensuring that SE Regional Offices submit annual plans for the application of delegated funds, taking advice from RSBs; and
 - making more formal use of customer advisory groups in the corporate planning process.
- should instigate an immediate programme, with a series of regular audits, to encourage continuous improvement and ensure that change progresses. There needs to be a significant shift in staff skills, and a substantial reduction in operational costs. An independent assessment of progress will need to be undertaken after three years.

Lead	Partner	Report to	By
DCMS	SE, UK Sport	DCMS/SE project board; Sports Cabinet	Summer 2003

Non governmental bodies: funding for results

7.100 There are many national sporting bodies that are independent of government. The two main groups of organisations are: National Governing Bodies (and associated sports clubs); and other National Sports Organisations (such as CCPR and the BOA). Government has little control over these organisations, but it does have one crucial tool – its funding. Where possible, it should use this to drive modernisation and wider partnership working with the voluntary and private sectors.

National Governing Bodies and clubs: tax and charitable issues

7.101 Chapter 5 has already discussed the importance of an NGB-led approach to high-performance sport. NGBs should be funded according to four year agreements, based on their one-stop plans (which cover grassroots as well as high-performance sport). They should be encouraged to modernise, with capacity building where necessary; to seek alternative sources of income; and to rationalise their numbers.

7.102 Many NGBs have affiliated local clubs. These provide a range of sporting opportunities at non-high performance levels, and are a key delivery platform for sport at all levels.



7.103 SE has recently launched a consultation on a national strategy for sports club development, which aims to make clubs better managed, more sustainable and more accessible, for grassroots participation as well as talent development. The strategy will also address issues such as rate relief.²⁴ This should be progressed and published as a priority. Chapter 5 has discussed how clubs need to be better linked into the talent development pathway, with strong ties to schools (as the School Sports Co-ordinators are doing). The recently announced Community Club Development Fund (£60m over three years, funded from the Capital Modernisation Fund) will also be important in enhancing community sports club facilities.

7.104 There are two further issues for clubs and governing bodies which impact on their levels of funding and may act as disincentives to investment: tax reliefs and charitable status.

7.105 Tax relief for investment in stadia is limited to elements of plant and machinery and does not include structural costs. While this is at odds with sports and leisure facilities at hotels which qualify for full tax reliefs, it is in line with most commercial businesses who do not receive capital allowances on structures. It would be hard to make a case for sports facilities without addressing the overall scope of industrial buildings allowances. The Government is currently consulting on possible changes to corporation tax, including the treatment of expenditure on commercial buildings.

7.106 NGBs have also expressed concerns regarding the tax treatment of expenditure on grassroots development. Grassroots expenditure is non-deductible when calculating NGB taxable profits, as it is not regarded as a legitimate expense contributing to the profit making activities of NGBs. Therefore NGBs are not

encouraged to invest money in grassroots sport development.

7.107 NGBs could address this issue by setting up charitable trusts for their grassroots development activities. However, many consider this to be bureaucratic and impractical. Alternative solutions might include the granting of exemptions from corporation tax to NGBs for that part of their activities. A clear distinction would need to be made between genuine commercial activities and grassroots developments. There would be a need to ensure that this did not disadvantage other businesses, should NGBs put this proposal to HMT.

7.108 Rate relief is also an issue of concern. However, new proposals to give sport charitable status will resolve this. Under new Charity Commission guidelines, Community Amateur Sports Clubs (CASCs) are eligible for a range of tax benefits including 80% mandatory rate relief. Clubs are being encouraged to apply for charitable status, but for those which cannot, or do not wish to, the April 2002 Budget introduced a package of measures giving CASCs access to tax reliefs on income and donations, similar to those given to charities.²⁵

7.109 In addition, a recent (separate) Strategy Unit report has proposed that “the advancement of charitable sport” become one of 10 new charitable purposes in law.²⁶ Key considerations include the definition of amateur (which will follow the HMT consultation on CASCs); the definition of sport (activities involving an element of physical skill which promote and maintain health); open membership (selection can be on the basis of skill or aptitude, but there must be transparent standards and selection processes); and trading (clubs could run whatever commercial activities they wished, so long as these are properly

²⁴ http://www.sportengland.org/press_releases/club_strat.PDF

²⁵ http://www.hm-treasury.gov.uk/Budget/bud_bud02/budget_report/bud_bud02_repchap5.cfm,
<http://www.culture.gov.uk/sport/search.asp?Name=/pressreleases/sport/2002/dcms109.txt> and
www.charity-commission.gov.uk

²⁶ <http://www.strategy.gov.uk/2001/charity/main.shtml>

planned and accounted for under new trading guidelines, and surpluses are used for charitable purposes).

7.110 We believe that these proposals are a positive contribution to reduce bureaucracy and improve the financial position of a wide range of sporting clubs. We recommend their early adoption and, as part of the modernisation process, NGBs will need to consider how best to take advantage of them.

Funding linked to results

7.111 The sports councils fund a significant number of other independent national organisations for different aspects of delivery. These include bodies such as the Central Council of Physical Recreation (CCPR), SportscoachUK and Sportsmatch.

7.112 In line with the principle of a rigorous accountability framework, all of these bodies need to be treated in the same way as other delivery organisations, with a delivery contract and clear monitoring of outputs. Many of these bodies act as an extra (costly) tier between funder and user (to whom this money could be going directly). Therefore, there needs to be a strong emphasis on accountability and efficiency, and the value added by such bodies.

7.113 The case of the CCPR is notable (see Figure 7.8). It should work far more closely with SE, receiving grants only for specific delivery projects. Its future role could be to focus more on the 'smaller' NGBs to help with capacity building and modernisation.

Figure 7.8: Case Study – the role of the Central Council for Physical Recreation

The CCPR is an umbrella group for NGBs, and acts as a consultative body. Although it is "independent" of government, the bulk of its £1.4m income comes from a contract with SE, negotiated on an ongoing basis as a result of the 1972 transfer of most of CCPR's assets to the (then) Sports Council. In return, the Council agreed to "make such resources and facilities available to the CCPR...as may be reasonably required". It only receives £22,000 a year from member subscriptions, and 73% of its total expenditure is made up of staff costs and rent, with the bulk of the remainder being administration costs.

It has been argued by some that CCPR's income should come from voluntary subscriptions from the NGBs it represents.

Recommendation 7.3

To improve the delivery of sport and physical activity by non-governmental bodies all funding contracts should be reviewed. Funding by SE and UK Sport should only be on the basis of clear deliverables and a strong framework of accountability on behalf of funding recipients. Where performance criteria are not met, funding should be withheld.

Lead	Partner	Report to	By
UK Sport and SE		DCMS Ministers	Summer 2003

Local delivery: flexibility and choice

Local delivery is critical

7.114 If participation is to be increased, it is at the local (not central or regional) level that most activity must be focused:

- 31% of SE's grants go to local authorities, with the majority of the remainder going to other local organisations, such as schools (as Figure 7.6 has shown). These bodies operate on a local, not regional basis – indeed very few sporting organisations are organised regionally; and
- over 80% of total Government funding for sport is delivered via local authorities (through leisure departments, and through LEAs funding of sport and PE), not through the sports councils. Delivery for the user comes at local and sub-local level (as discussed in chapter 1).

7.115 However, sport and physical activity are not always seen as a priority at a local level, despite their clear local health and education implications. It is not a statutory service and, although funding is provided through the Environmental Protection and Cultural Services block of local authority formula grant, it is not ring-fenced for specific services.²⁷

7.116 As a result, sport and leisure expenditure is often the first to suffer if resources are reduced. A significant proportion of budgets is spent on the management and maintenance of facilities (rather than the strategic development of sport and recreation). At the same time, because some authorities have recognised that

sport can play a part in achieving other objectives, such as social inclusion, they have concentrated departmental expenditure in these areas.

7.117 This has led to a wide variation in levels of investment in sport and recreation. A recent Audit Commission report into local authority sport and recreation provision, based on 80 Best Value inspection reports, concluded that while services were beginning to improve, there needed to be “a fundamental shift in attitudes in many authorities”. In particular it said that there needed to be clearer sporting priorities and objectives, focused on the needs of local communities; better strategic planning; wider consideration of the options for delivery; and practical steps to improve services and bring about a joined up approach to delivery.²⁸

7.118 Some councils are exemplars (see Figure 7.9). In 2001, four councils were awarded beacon status in the category of regeneration through Culture, Sport and Tourism (Nottingham, Knowsley, Gateshead and Sunderland).²⁹ But despite these examples of good practice, there is a general lack of strategic management, shrinking core budgets, fragmented streams of finance and a lack of sustainable effort.

²⁷ The Environmental, Protective and Cultural Services (EPCS) block includes administration, all culture and recreation, transport, waste management, public health and safety, economic development, planning and housing and legal services. It is one of the slowest growing blocks. The current review of local government finance will consider allocation, and seeks to set formulae that are fair, intelligible, simple and stable. <http://www.local.dtlr.gov.uk/review/consult/index.htm>

²⁸ The Audit Commission *Acknowledge Learning from Audit Inspection and Research: Sport and Recreation* (2002)

²⁹ For example see <http://www.sunderlandbeacon.com/home.htm>



Figure 7.9: Best Practice at Local Authorities

Hambleton District Council

- Facilities reflect population distribution patterns.
- Indoor centres are high quality and well maintained.
- Contributes to corporate objectives such as health improvement.
- Provides a broad range of activities appropriate to the community.
- Takes account of national and regional strategies for sport and leisure.
- Measures its performance against private/public sector provision.
- In the top quartile of English and district authorities for most aspects of performance.
- Has low charges and high attendance compared to neighbours.
- High user satisfaction.

Suffolk Coastal District Council

- Has low charges and high attendances.
- Good customer satisfaction.
- Prioritised, well resourced, 5 year plan to improve the service.
- Empowered local communities.

Source: Audit Commission Best Value Reports

A non-directive approach

7.119 In line with the strategic priorities which this report has set out, and given the strength of the evidence in this area, the potential of sport and physical activity for health should be higher up the local authority agenda. As we have argued, there needs to be more thorough exploration of the potential of sport to benefit other objectives, such as crime reduction and social inclusion. As chapter 4 has shown, this requires far more than simply providing facilities, so local policy must consider the full range of mechanisms on the supply and demand side. Local authority promotion of public health through sport is entirely consistent with their general duty to promote the social, economic and environmental wellbeing of their communities.

7.120 However, given the situation described above, how should central government work with local authorities to influence the level and quality of provision of sport and recreation services?

7.121 The Local Government White Paper aimed to give local agencies more flexibility and autonomy.³⁰ It reinforced the need for a “bottom up” approach through local priority setting, rather than the centre imposing “top down” requirements. In this context, it is legitimate for central government to set broad national expectations for sport and recreation. But it must be for each community to decide on the relative importance of sport and recreation as part of their local community planning process.

7.122 As a result of this approach, the Local Government White Paper proposed a national performance measurement framework within which authorities’ performance is assessed against national and local priorities. In return they are freed up from over prescription and bureaucracy by central government to enable them to achieve continuous improvement across all of their services to the public. There is therefore a movement away from the use of directive levers, such as legislation or ringfenced grants, to drive local provision.

³⁰ Local Government White Paper *Strong local Leadership – Quality Public Services* (December 2001).

7.123 In the light of this, the rest of this section considers the skills and capacity which are needed to deliver sport and physical activity policy at the local level, and the measurements and evaluations needed to drive change.

Local performance measurement

7.124 Local government has too many strategies, plans, and targets, which the Government is committed to reducing. We do not propose to add to them. Rather we wish to use existing tools to better incorporate an emphasis on sport and physical activity.

7.125 The performance management framework offers a means by which local authorities may be encouraged to pursue continuous improvement in sport and recreation services. This section considers five existing tools which are part of the current framework:

- Local cultural strategies;
- Best Value Performance Indicators (BVPs);
- Best Value Reviews (BVRs);
- The Comprehensive Performance Assessment (CPA); and
- Local public service agreements (LPSAs).

Local Cultural Strategies

7.126 Local authorities are encouraged to develop and implement Local Cultural Strategies to promote the cultural well-being of their area. Only 64 out of 391 councils had a local cultural strategy in place in 2000-01 (according to the relevant BVPI), although it can be expected that this proportion will rise sharply.

7.127 DCMS's guidance on local cultural strategies places an emphasis on their cross-cutting nature.³¹ Ideally, they should fit with the national priorities set by DCMS (ie. a focus on enabling sport and physical activity). But the

strategies must also be firmly rooted in local circumstances, and be complementary to the council's broader objectives. In developing them, just as DCMS needs to work closely with DoH and DfES at a national level, culture and leisure departments need to ensure that their strategy is informed by, and feeds into, the work of key local partners. In particular, to have an impact, they must tie into:

- the statutory overarching Community Strategies developed by Local Strategic Partnerships;
- the local health strategy developed by Primary Care Trusts (given the importance of physical activity for public health); and
- the plans of Local Education Authorities.

7.128 Currently, there is no guidance on how to evaluate the success of these strategies in achieving their objectives. Such a framework would offer guidance to local authorities on best practice, provide a basis for self-assessment and external inspection, and have the potential to contribute to the CPA (discussed below). It should place an emphasis on locking local cultural strategies into Community Strategies.

Best Value Performance Indicators

7.129 The Best Value regime sets a duty of continuous improvement on local authorities (as outlined by the Local Government Act 1999), in relation to economy, efficiency and effectiveness. It calls for innovative approaches to commissioning, procuring and providing services.

7.130 BVPIs are measures of performance set by the departments in central government. There are no BVPIs which relate directly to sport and recreation, although three relate to wider cultural services (see Figure 7.10). Specific sport and recreation indicators, focused on participation or, better still, health-related outputs and specific target groups, would help to encourage provision.

³¹ DCMS *Creating Opportunities: Guidance for Local Authorities in England on Local Cultural Strategies* (2000).



Figure 7.10 Government and Audit Commission Best Value Performance Indicators (BVPIs)

For the performance year 2001/02, the indicators relevant to sport were:

- BVPI114 – The adoption by the authority of a local cultural strategy
- BVPI 116 – Spend per head of population on cultural and recreational facilities and activities

In 2000/01 an additional indicator was collected:

- BVPI119 – Percentage of residents, by targeted group, satisfied with the local authority's cultural and recreational service

Best Value Reviews

7.131 There is a statutory requirement under the 1999 Local Government Act for authorities to carry out Best Value Reviews (BVRs). These provide a mechanism for assessing whether services are the most efficient and effective means of meeting users' needs and community objectives. Of 178 BVRs on cultural services in 2000-01, only 3 were judged excellent, with 22 marked "fair, unlikely or will not improve". This needs to improve. ODPM is currently consulting on updated guidance on Best Value and performance improvement, including guidance on BVRs.³²

Comprehensive Performance Assessment

7.132 Up until April 2002 the performance of a council was assessed against its compliance with Best Value. The December 2001 Local Government White Paper set out a new Comprehensive Performance Assessment process (CPA). This brings together audit, inspection and other data to assess performance and the council's capacity to improve (to be introduced by late 2002 for all unitary and upper tier authorities, and by 2004 for all district councils).

7.133 Leisure services (combined with libraries) are included in the cultural service block under phase one of the CPA (although with a lower weighting than other services).³³ But as with local cultural strategies, there is no quality

control in support of this element of the CPA. Local authorities need advising on good practice in order for them to achieve an excellent service.

7.134 To this end a working group has been established in the East Midlands ("Towards Excellence in Sport and Recreation") involving ODPM, DCMS, SE, the Audit Commission and a number of local authorities. Its aim is to design a framework that will define excellence in provision of sport and recreation by local authorities. This should include excellence in process terms (defined according to local priorities), as well as in relation to high level national expectations.

7.135 This framework should be developed and more widely adopted, to provide the basis for self assessment and continuous improvement, as well as for inspection in the context of Best Value and the application of the CPA.

Local Public Service Agreements

7.136 PSAs are voluntary agreements between central government and local authorities, aimed at further improving performance. They contain explicit and demanding targets which enable local and central government to work together. Authorities can choose 12 or so LPSA targets (in return for more flexibility and financial reward if achieved) to reflect their key priorities. The targets fall into two categories:

³² <http://www.local-regions.odpm.gov.uk/consult/performance/pdf/circular.pdf>

³³ Phase 1 of the CPA deals with Upper tier authorities; Phase 2, for districts, is currently being confirmed.

- **National targets:** the majority must be drawn from the national PSA targets which relate to local government services (a choice of 15 were set out following SR2002). None of these 15 national targets are sport and leisure related.
- **Local targets:** the remainder are locally determined. Out of 254 currently adopted, only 10 relate to leisure.

7.137 Examples of current performance indicators associated with these targets are at Figure 7.11. DCMS is also looking to build best practice, and is due to issue guidance on what could be covered.

7.138 Given the importance of physical activity to health, it would be desirable for one of the national targets to be related to sport and physical activity, in the context of the target to “reduce inequalities in health outcomes”. Certainly, sport and physical activity related targets should be included on the possible list of locally determined targets, and DCMS and SE should disseminate best practice (for example through regional workshops) on setting these.

Better partnership working

7.139 There are an array of different bodies involved in the local delivery of sport and physical activity:

- Local authorities, as the key providers and enablers of facility provision, work increasingly with the private sector. They also play an important role in providing opportunities through sports development teams and officers;
- The education sector (LEAs, primary and secondary schools, specialist sports colleges and school sports co-ordinators, higher and further education institutions);
- SE;
- Primary care trusts (given their strategic role in public health and physical activity);³⁴
- Voluntary sector sporting bodies (NGBs and local sports clubs, as well as not for profit and charitable trusts); and
- Private sector providers.

Figure 7.11: Examples of existing local PSA targets relating to sport and physical activity

- Number of young people aged 6-16 years from target communities visiting sport centres (Leeds).
- Registered individual attendance at LBS youth service provision, LBS leisure sports centres, play sites, adventure playgrounds and sports development programmes (Southwark).
- % of residents (including those in target groups) satisfied with sport and leisure facilities (BVPI 119); % of residents (including those in the target groups) who regularly participate/use sport and leisure facilities (Croydon).
- Annual number of 16 to 19 year olds completing sports qualification and work/experience within leisure industry (Telford & Wrekin).
- Number of young people 5-16/young women 11-16/young disabled people under 19 participating in coached sports activities (Greenwich).
- Increase in the number of young people in LPSA family of schools taking part in extra-curricular sport (Sunderland).
- % of primary schools pupils participating in 2 or more hours of sport or PE (Portsmouth).

³⁴ NOF have agreed to fund a pilot regional health and physical activity co-ordinator for a 3 year period to open channels of communication between PCTs and sport and active recreation (whether provided by LAs, the voluntary or private sector).

7.140 Given this array of delivery bodies, it is hard to know which organisation has lead responsibility. The challenge is to ensure that funding and services provided by all of these bodies are co-ordinated, and results in increased participation. Local authorities need to ensure that these delivery partners are working to the same agenda, either through co-operative agreement or contractual obligations.

7.141 The emphasis should be on outcomes, rather than the structures under which they are delivered. But there are two existing structures which could take a lead in co-ordinating delivery at the local level:

- **Local Strategic Partnerships:** these bring together different parts of the public, private, community and voluntary sector, with the statutory responsibility for producing the Community Strategy, which ensures an integrated approach to the sustainable economic, social and physical development of an area, with an emphasis on tackling deprivation (initial partnerships were set up in the 88 neighbourhood renewal areas, and are being established in all authorities); and
- **County Sports Partnerships:** 45 of these have been set up as part of SE's Active Sports

Programme, to develop co-ordination around 10 target sports for 8-16 year olds. Current partnerships vary in effectiveness around the country.

7.142 Either of these groups could take a lead co-ordinating role where developing sport and physical activity was seen as a local priority. LSPs are potentially more powerful bodies, although county partnerships are explicitly sports-focused. Working in the context of the performance measurement framework, they could identify weaknesses in provision that needed to be addressed, identify key partnerships that needed to be developed (just as school sports co-ordinators are building school-club links), and put in place appropriate delivery mechanisms.

7.143 As the previous section implies, the role for SE is to work with local partners where required. Its role at a national (and regional) level is to distribute funds, and from its national perspective to identify good practice. Incentives must be aligned accordingly. It should work with DCMS to set out optimum standards, and to develop guidelines of what constitutes a good local authority service for sport and physical activity.

Figure 7.12: SE 6 core recommended indicators

1. Does the authority have an adopted strategy for sport that meets SE guidelines?
2. The % of adult residents from different social groups taking part in sport and physical activity (including walking) on at least four occasions in the previous four weeks.
3. The % of young people who have participated in three sports (including walking) at least 10 times each in the past year in their leisure time out of school lessons.
4. The % of adult residents from different social groups who think that sports provision in their local neighbourhood is good/very good.
5. The % of adult residents and the % of young from different social groups who have participated in a sporting activity or event at a local authority sports facility in the past 4 weeks, and the past 12 months.
6. The % of adult residents from different social groups contributing to sport as a volunteer.

7.144 This may involve building expertise in target setting. Critically, rather than being input indicators (eg. the BVPI requiring production of a cultural strategy), these targets should focus on outputs (eg. an increase in the numbers participating) and outcomes (eg. improvements in local health). SE already have some core recommended indicators, on which they could build (see Figure 7.12).³⁵

7.145 To do this effectively, as discussed in chapter 4, they will need to:

- continue to build the evidence base to show the benefits that sport and physical activity bring, particularly to the health agenda; and
- put in place adequate data collection, so that there is a robust baseline against which targets can be measured. In so doing they must take account of related work (for example DoH are developing an improved physical activity and health monitoring system).

7.146 These delivery arrangements need to be integrated with the five different aspects of the performance management framework outlined above. The local cultural strategy should be an integral part of Community Strategies (as produced by the LSP through local stakeholders). The aims, objectives and targets set out in that cultural strategy should then be translated into authority programmes by their service and business plans, which are part of their performance management systems. Each authority plan will contain performance indicators (both local and national) and monitoring arrangements. When auditors and inspectors visit authorities they will examine how effectively councils translate Community Strategy objectives into their corporate arrangements and service delivery.

Equipping professional and voluntary staff

7.147 As the role of local government changes from being a direct provider of services, the skills needed by local authority staff will change from facilities management to strategic delivery. Local authority leisure staff must be skilled in project management, partnership working, networking and capacity building, in order to deliver a wider sport and physical activity agenda.

7.148 There also needs to be a better career path for local authority employees. They should work on strategic development, delivering through others rather than managing facilities directly, and there should be more emphasis on long term employment (rather than for the duration of specific projects).

7.149 If SPRITO (the Sport and Recreation Industry Training Organisation) is to become the Sector Skills Council for sport and recreation it must take a lead role in this area as a priority, tying in with the wider training and development of sports professionals. *The Government's Plan For Sport* made a series of recommendations relating to sports development, which still need to be taken forward:

- a national audit of academic and vocational provision;
- an examination of overlap with the remit of the Physical Educational Professional Development Board;
- a review of national standards for sports development and overlaps with coaching, facility management, play and other training programmes;

³⁵ http://www.sportengland.org/whatwedo/best_value/bestval_bench.htm

- work to establish a mechanism through which sports development education and training can be independently assessed, accredited and related to the National Qualifications Framework; matched to the National Standards Framework, with an identification of gaps which need filling; and
- a national think tank to identify future sports development training needs.

7.150 In addition to professional staff in local authorities, a key platform for local delivery is through volunteers, often working through sports clubs. SE should continue to take a lead role funding delivery partners (such as SPRITO and CCPR) to be advocates for volunteering across sport, in order to build a sustained approach to the role of volunteers in community sport. It should:

- ensure that the management of volunteers is integral to programmes in which it invests;
- undertake research, monitoring and evaluation of volunteer management throughout sport;
- advise NGBs, and other delivery partners, on volunteer management, helping bodies to build expertise and establish links; and
- identify and invest in suitable pilot projects.

7.151 This work should include its Volunteer Investment Programme and volunteer support strategy, and be complemented by the £7m *Step into Sport* programme for volunteer training, funded by DCMS and HO (and delivered by SE, the British Sports Trust and Youth Sport Trust). Work with voluntary sector sport should also be guided by the 1998 compact between government and the Third Sector.

7.152 Most importantly of all, both of these elements for supporting and training key workers in sport – professional and voluntary – need to be co-ordinated. If SPRITO's bid to become the new Sector Skills Council for sport is successful, it needs to manage and co-ordinate this area of work in partnership with players including DfES, CLOA, ILAM, the National Association for Sports Development, the LGA, SportscoachUK, ISRM, CCPR and SE.

7.153 The endpoint of this process needs to be the relation of sports career training opportunities to the national framework so that there are demonstrable academic and vocational professional development routes accessible to professionals and volunteers in sports development, coaching leadership, facility management and sports administration.

Recommendation 7.4

To improve the delivery of sport and physical activity by local government and the NHS:

The following should be developed:

- Best Value Performance Indicators relating to sport and physical activity;
- health focused local PSA targets relating to sport and physical activity (ideally these should be included on future national lists);
- adoption of the framework “towards excellence in sport and recreation” as part of the CPA, for publication; and
- a strategy for improvement planning in response to poor Comprehensive Performance Assessment judgements (by March 2003).
- An action plan should be produced for the development and training of key workers in sport with clear qualifications and career paths.

Lead	Partner	Report to	By
<ul style="list-style-type: none"> ● DCMS and ODPM 	<ul style="list-style-type: none"> ● DoH, SE, LGA, ILAM, CLOA and the Audit Commission 	<ul style="list-style-type: none"> ● Cabinet Committee 	<ul style="list-style-type: none"> ● Summer 2003
<ul style="list-style-type: none"> ● Sector Skills Council 	<ul style="list-style-type: none"> ● DCMS, DAs, DfES, SE, CLOA, ILAM, LGA, NASD, SportscoachUK, CCPR, and ISRM 	<ul style="list-style-type: none"> ● Cabinet Committee 	<ul style="list-style-type: none"> ● Spring 2004

Conclusion

7.154 Significant reforms are needed to the organisations which deliver sport, and that these reforms need to be carried out before there can be major new investment. There needs to be changes to the strategies, structures, systems and staff at all levels. The danger is that, to date, too much focus has been placed on structures, and too little on the other three areas.

7.155 This chapter has proposed how the sports delivery system should work – with a clear strategy set by central government, investment-focused sports councils and local delivery agents.

8. IMPLEMENTATION

8.1 Implementation is of critical importance for realising the benefits of the proposals in this report. We have set out the long term aims for government: it has an important role to play in sport and physical activity, as a partner with the voluntary and private sectors. It does so mainly for the health benefits these yield to the nation. Reform will take us towards the twin-track goal of increased mass participation and improved international success.

8.2 Achieving these benefits will require significant behavioural change, probably only achievable over a 20 year period. Given the long lead times, action should not be delayed.

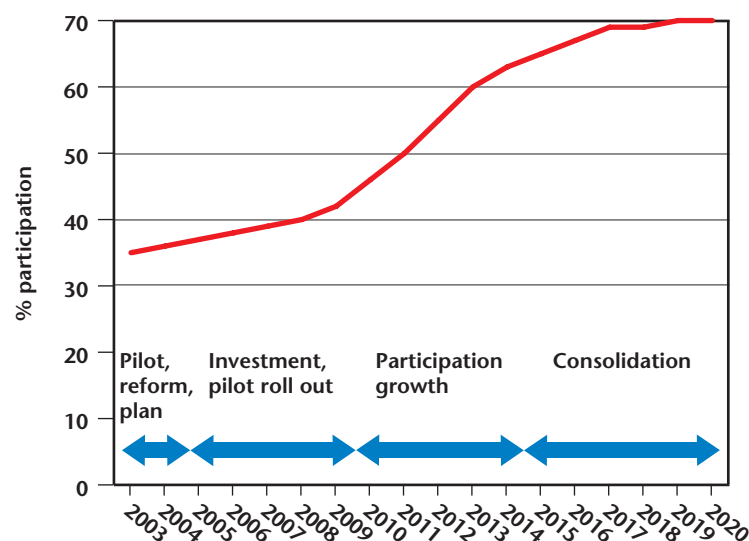
8.3 This chapter summarises the report's recommendations and sets out the timing of the action required.

Timeline for action

8.4 Some of the recommendations need to be acted upon in the short term (by summer 2003); others are for implementation in the medium and longer term:

- mechanisms to co-ordinate an increase in physical activity need to be put in place immediately. But, given the importance of building a robust evidence base for this work, policy must evolve as new information arrives from pilots, and from improved data on facilities and participation. Growth in participation will not therefore be linear, but follow four stages (see Figure 8.1);

Figure 8.1: Participation four-stage growth objective

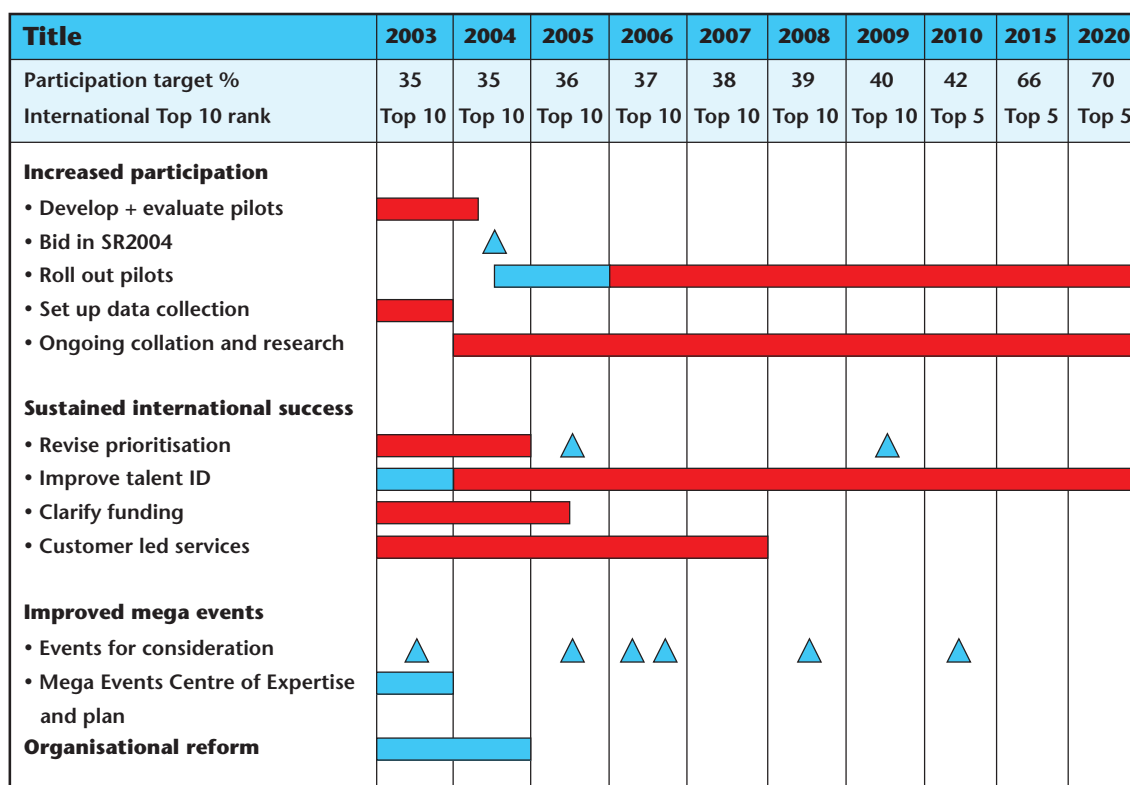


- proposals to enhance international success can be implemented immediately, although negotiations to clarify funding in a devolved context may take longer to resolve. Proposals to create more customer focused service delivery may not be fully implemented until 2005;
- an improved approach to mega events is deliverable immediately; and

- proposals to improve the delivery and organisation of sport and physical activity can be implemented in the short term, but many of the reforms will be ongoing.

8.5 A timeline summarising this process is at Figure 8.2, and further detail is at Annex F.

Figure 8.2: Implementation timeline



KEY: ■ development ■ implementation ▲ key decisions

Who is responsible for what?

8.6 Given the remit of the review, the recommendations relate mainly to central government and the sports councils. They will need to work in partnership with key stakeholders, consulting on further proposals with the sporting community, and with partners in the private and voluntary sectors.

8.7 Responsibility for securing implementation is shared between the following individuals and groups:

- the new Director of Sport in DCMS will have overall responsibility for overseeing implementation of the report's recommendations. He will report to the Minister for Sport and Secretary of State for Culture, Media and Sport;

- where issues cut across departmental responsibilities (such as the work of the Sport and Physical Activity Board), the Director of Sport may need to put in place an inter-departmental team of officials to monitor progress. They will report to the Cabinet Committee with responsibility for sport and physical activity; and
- given that a number of key areas of sport policy are devolved to Scotland, Wales and Northern Ireland, it is clearly essential that they are involved with the implementation of relevant recommendations on high-performance sport. Close working between the Devolved Administrations and Whitehall will be needed, as well as with the Sports Councils. Progress on these issues will need to be reported to the Sports Cabinet.

8.8 The previous four chapters contain 18 recommendations, each with clearly identified responsibility for implementation, partners for delivery, and a date for action. The table below summarises all the recommendations contained in this report.

8.9 Most important of all, as has been reiterated throughout this report, is that government does not run sport. Sport and physical activity is delivered through a wide

range of partners in a number of sectors. In the past, the relationships between those partners have often been characterised by conflicting priorities and turf wars. This report has presented a clear vision for the future, with a focus on the needs of sports users at all levels. That vision will not be achieved unless all parties stop pursuing their own interests, and start working together, as a team, towards achieving increased mass participation and enhanced international success.

How will progress with implementation be monitored?

8.10 Progress for implementation will need to be monitored by the above groups (the Secretary of State for Culture, Media and Sport with lead responsibility, reporting to the Sport and Physical Activity Cabinet Committee, and the Sports Cabinet where appropriate). Given DCMS's overall responsibility, it should publish an annual report on progress, as part of its annual review of delivery of *The Government's Plan for Sport*, in particular reporting on progress against increased quality and quantity of participation.


Recommendation 8.1

To ensure monitoring of progress on implementation, DCMS should publish an annual progress report on the report's recommendations, as part of its annual report on sport.

Lead	Partner	Report to	By
DCMS	SPAB	DCMS Ministers	Spring 2003 ongoing


Summary of recommendations

Recommendation		Lead	Partner	Report to	By
Ch 4	Developing our sports and physical activity culture				
4.1	<p>To begin raising mass participation for young people and adults, particularly women and the elderly:</p> <p>(a) a cross departmental sport and physical activity board (SPAB) should be created.</p> <p>(b) SPAB will produce an implementation plan for priority pilots which will improve:</p> <ul style="list-style-type: none"> ● asset utilisation by having many more school (including those from the independent sector), FE and HE facilities available for community use; ● priority group targeting through voucher and other direct funding schemes; and ● information dissemination through a co-ordinated training programme for health, education and local government. <p>(c) SPAB will:</p> <ul style="list-style-type: none"> ● identify and co-ordinate LEAP, NOF and other existing pilot projects; with DCMS, ● jointly plan and commission further pilots and establish an innovation fund for external proposals. Pilots might include more use of rewards and certificates for young people; voucher schemes for workplace activity; or experimenting with mobile facilities; and 	DCMS/DoH	<p>DfES, ODPM, Cabinet HO, DfT, Committee DWP, Sport England, NOF</p> <p>As above, with DCMS, DoH, LGA</p>	As above	<p>April 2003</p> <p>April 2003</p>
		SPAB		As 4.1(a)	April 2003
		SPAB Committee DoH			Sept 2003




Recommendation	Lead	Partner	Report to	By
<ul style="list-style-type: none"> consult on, develop and publish proposals for further investment to address long-term mass participation targets for input into SR2004. 				Feb 2004
4.2 To ensure better evidence and data on which to base policy better information should be acquired on: <p>(a) <i>facilities</i> by tendering for the compilation of a facilities database;</p> <p>(b) <i>participation</i> by:</p> <ul style="list-style-type: none"> commissioning the development of a national methodology for collecting participation and fitness data building on the many local methods currently; and commencing a series of bi-annual surveys based on this approach; and <p>(c) <i>long term behaviour</i> in sport and physical activity by:</p> <ul style="list-style-type: none"> commissioning academic research specifically to address issues requiring a longer-term approach. Research might consider the impact of success on sustained participation, or the relationship between sport and physical activity and crime reduction, social inclusion or the environment; and 	<p>DCMS</p> <p>SPAB</p> <p>SPAB</p>	<p>DfES, ODPM DoH,DfT, NOF, SE</p> <p>DfES, ODPM NOF, SE</p> <p>As above with DoH, DfT</p>	<p>DCMS Ministers</p> <p>Cabinet Committee</p> <p>As above</p>	<p>Tender, Feb 2003 Operational, Oct 2003</p> <p>Spring 2003</p> <p>April 2003</p>

Recommendation		Lead	Partner	Report to	By
<ul style="list-style-type: none"> ensuring that all pilot projects and new initiatives should include from the beginning a description of the research and evaluation methodology to be used, the data required to be collected and a budget for this process as a requirement of funding. 					ongoing
Ch5	Enhancing international success				
5.1	<p>To improve the targeting of high-performance funding more transparent criteria should be published, which:</p> <ul style="list-style-type: none"> consider the use of financial rewards for performance; take into account the extent to which sports should receive public funding for high-performance sport, in relation to their income; adopt a portfolio approach to high-performance funding. This will involve a spread of investment that targets “high value” sports as well as the “quantity” of results; and take account of sustained public sporting preferences through regular surveys. 	Sport England and UK Sport	DCMS Ministers/ Sports Cabinet		April 2005
5.2	<p>To improve talent identification and development, so that young athletes are better able to maximise their potential:</p> <ul style="list-style-type: none"> a DCMS working group should be established to build on the work of the school sports co-ordinators and create proposals for a more systematic approach to talent identification and development beyond schools; and 	DCMS	DfES, Sports Councils, NGBs, BOA, athletes	DCMS Ministers	Summer 2003




Recommendation	Lead	Partner	Report to	By
<ul style="list-style-type: none"> the DfES pilot framework for the development of young sports people should be agreed, and made available to support talent development in every LEA. It should be extended to cover FE and HE institutions. 	DfES and DCMS	CCPR, YST, QCA, Sports-coach UK, CLOA, ILAM	DfES/DCMS Ministers	Spring 2006
<p>5.3 To clarify high performance funding in a devolved context, and to build a new partnership with NGBs which focuses funding on the needs of athletes, there should be:</p> <p>(a) Simplification of which sports are funded at a devolved and which at a UK level:</p> <ul style="list-style-type: none"> each sport to decide the extent to which they should be funded by UK Sport for talent development and high-performance sport; and a panel (of HCSCs and BOA / BPA) to lead a consultation process with relevant NGBs to achieve agreement on high-performance funding arrangements for 23 overlap sports. This group should report on the preferences of these sports, and present costed proposals for fund reallocation (on 2002 basis). In particular all high performance and talent development funding for 7 "category A" sports should transfer from HCSCs to UK Sport. <p>(b) The implementation of a one-stop plan approach to NGB funding:</p> <ul style="list-style-type: none"> those sports which compete at a UK level to produce single plans covering grassroots, talent development and performance; and 	UK Sport	UK and HC NGBs, athletes, BOA, BPA, HCSCs and the DAs	Sports Cabinet	Summer 2003
<p>(b) The implementation of a one-stop plan approach to NGB funding:</p> <ul style="list-style-type: none"> those sports which compete at a UK level to produce single plans covering grassroots, talent development and performance; and 	NGBs	UK and HC NGBs, athletes, BOA, BPA, HCSCs and the DAs	Sports Cabinet	October 2004

Recommendation	Lead	Partner	Report to	By
<ul style="list-style-type: none"> the high performance panel of the sports councils and the BOA / BPA to scrutinise and agree these sport-specific plans, in order to ensure a collective approach to funding above the grassroots level. 	UK Sport	As above	As above	April 2005
<p>(c) Continuation of the NGB modernisation programme. This will include:</p> <ul style="list-style-type: none"> funding agreements with NGBs which: <ul style="list-style-type: none"> – as far as possible cover a four year period (given government's spending cycle); – are linked to performance in terms of mass participation and international success targets; – include efficiency targets; and – are reviewed on at least an annual basis to monitor performance. a review into alternative sources of support for NGBs. In particular it should consider what steps could be taken to facilitate matched funding, sponsorship and other forms of partnership working; and a rationalisation of the number of funded NGBs with the continued aim of funding one per sport (taking account of home country representation). the high performance panel of the Sports Councils and the BOA/BPA to scrutinise and agree these sport-specific plans, in order to ensure a collective approach to funding; and 	UK Sport	HCSCs, BOA, BPA, NGBs CCPR, DAs, Institute of Sport Sponsorship, Sportsmatch	Sports Cabinet	Summer 2003




Recommendation	Lead	Partner	Report to	By
(d) Improved co-ordination of high performance sport at UK level:				
<ul style="list-style-type: none"> The Sports Cabinet to publish terms of reference and have formal secretariat support. Consideration of whether it should become part of the official Joint Ministerial Committee (JMC) machinery for co-ordinating policy issues between Westminster and the Devolved Administrations. Publishing a clearer statement of responsibilities, expected deliverables and the relationship between BOA and UK Sport. 	DCMS	ODPM, DAs	DCMS, DA, and ODPM Ministers	Spring 2003
	DCMS	BOA and UK Sport	DCMS Ministers	Spring 2003
5.4 To create service delivery more focused on the needs of NGBs and athletes there should be,				
For EIS:				
<ul style="list-style-type: none"> In the short term, quality control mechanisms (such as clear performance indicators, and NGB advisory panels, for EIS to be enhanced. In the medium term, NGBs to be audited to see whether they have “earned autonomy” to receive funding for services direct from SE, rather than it being directed to EIS. There will need to be clear criteria for this. The modernisation programme will need to ensure that NGBs have the capacity to be funded in this way. Also, in the medium term, EIS should become independent of SE, although the latter will need appropriate mechanisms to guard its capital investment. 	Sport England	DCMS, OGC, HMT	DCMS Ministers	Report following Athens 2004 Olympics; implement by 2007

Recommendation		Lead	Partner	Report to	By
<ul style="list-style-type: none"> In the long term, the majority of NGBs should be funded directly as they meet the earned autonomy criteria. <p>For UKSI central services team:</p> <ul style="list-style-type: none"> A review of UKSI central services team, to consider transferring its functions to the four HC institutes or independent delivery partners, such as the BOA. Savings from this process (of up to £4m) to go to NGBs and athletes. 		DCMS	UK Sport, DAs BOA, HCSIs	Sports Cabinet	Report by Summer 2003; implement by 2005
Ch 6	Improved approach to mega events				
6.1	To co-ordinate better international activity on sport, the existing International Sports Committee should report to a Cabinet Committee as appropriate.	DCMS	FCO, UK Sport, BOA, British Council	Cabinet Committee	Ongoing
6.2	<p>To improve government's approach to mega events and projects:</p> <p>(a) a "Mega Events Centre of Expertise" (MECE) should be created with appropriate investment appraisal, negotiation and project management skills;</p> <p>(b) the Prime Minister should appoint, if required, a specific Minister for a specific mega event.</p>	DCMS	HMT, OCG, UK Sport	Secretary of State for Culture, Media and Sport and the Chief Secretary to the Treasury	June 2003



Recommendation				
	(c) a 20 year forecast should be developed, identifying those mega events which may involve government investment, and building on the outline in this report;	DCMS	UK Sport, SE, NGBs	Secretary of State for Culture, Media and Sport and the Chief Secretary to the Treasury
	(d) operational guidance and protocols for bidding, delivery and evaluation of mega events should be produced to ensure consistency of approach.	MECE	HMT, OGC	June 2003
Ch 7 Improving the organisation and delivery of sport and physical activity				
7.1	To improve the delivery of sport and physical activity by central government:			
	<ul style="list-style-type: none"> a Director for Sport should be appointed, and lead responsibilities identified on “grassroots participation”, and “talent development and high-performance sport” in DCMS; writing new, more rigorous, funding agreements with UK Sport and SE, with financial incentives and penalties and output/outcome-focused targets linked to DoH, DfES and DCMS PSAs, among others; sport and physical activity issues to be co-ordinated by a Cabinet Committee, supported by a Cabinet Office chaired senior officials group as necessary. This will replace all other Ministerial committees on sport; and more use to be made of joint appointments and secondments, including a joint DCMS-DoH official on sport, physical activity and health. 	DCMS	DCMS Ministers	Spring 2003
		DCMS	HMT, OGC	Start of 2003-04 financial year
		Cabinet Office	Prime Minister	March 2003
		DCMS / DoH	DCMS / DoH Ministers	March 2003

Recommendation	Lead	Partner	Report to	By
<p>7.2 To reduce bureaucracy and increase funding direct to the sports user, Sport England and UK Sport:</p> <ul style="list-style-type: none"> ● should be primarily fund distributors, not service providers. When investing they should monitor and evaluate outcomes against clear targets; ● should replace their current boards with smaller non-executive bodies and more traditional business skills; ● should become more customer focused by: <ul style="list-style-type: none"> – moving the organisations away from programme-based funding to customer focused funding. For example, English NGBs should receive funding for grassroots according to a single national plan; – revising SE's overall strategy to focus more on grassroots participation; – ensuring that SE Regional Offices submit annual plans for the application of delegated funds, taking advice from RSBs; and – making more formal use of customer advisory groups in the corporate planning process. ● should instigate an immediate programme, with a series of regular audits, to encourage continuous improvement and ensure that change progresses. There needs to be a significant shift in staff skills, and a substantial reduction in operational costs. An independent assessment of progress will need to be undertaken after three years. 	DCMS	SE, UK Sport	DCMS/SE project board; Sports Cabinet	Summer 2003



Recommendation	Lead	Partner	Report to	By
<p>7.3 To improve the delivery of sport and physical activity by non-governmental bodies all funding contracts should be reviewed. Funding by SE and UK Sport should only be on the basis of clear deliverables and a strong framework of accountability on behalf of funding recipients. Where performance criteria are not met, funding should be withheld.</p>	UK Sport and SE	DCMS Ministers		Summer 2003
<p>7.4 To improve the delivery of sport and physical activity by local government and the NHS:</p> <ul style="list-style-type: none"> ● The following should be developed: <ul style="list-style-type: none"> – Best Value Performance Indicators relating to sport and physical activity; – health focused local PSA targets relating to sport and physical activity (ideally these should be included on future national lists); – adoption of the framework “towards excellence in sport and recreation” as part of the CPA, for publication; and – a strategy for improvement planning in response to poor Comprehensive Performance Assessment judgements (by March 2003). ● An action plan should be produced for the development and training of key workers in sport with clear qualifications and career paths. 	<p>DCMS and ODPM</p> <p>Sector Skills Council</p>	<p>DoH, SE, LGA, ILAM, CLOA and the Audit Commission</p> <p>DCMS, DAs DfES, SE, CLOA, ILAM, LGA, NASD, Sportscoach UK, CCPR, and ISRM</p> <p>Cabinet Committee</p>		<p>Summer 2003</p> <p>Spring 2004</p>

Recommendation		Lead	Partner	Report to	By
Ch 8	Implementation				
8.1	To ensure monitoring of progress on implementation, DCMS should publish an annual progress report on the report's recommendations, as part of its annual report on sport.	DCMS	SPAB	DCMS Ministers	Spring 2003 ongoing

ANNEX A – PROJECT STRUCTURE AND METHODOLOGY

The role of the Strategy Unit

1. The Strategy Unit exists to provide the Prime Minister and Government departments with a project-based capacity to look creatively at strategic long-term issues. The Strategy Unit is an important part of the drive for better, more joined-up, government as set out in the Modernising Government White Paper of March 1999. The Unit acts as a resource for the whole of Government and tackles issues on a project basis, focusing on medium/long-term issues that cross public sector institutional boundaries.

Project objectives and scope

2. The project focused on addressing gaps in the Government's existing sports policy.¹ Specifically, we aimed to:
 - develop an overall strategic framework for guiding decisions on sports policy, and provide a list of sporting priorities for the Government;
 - review the existing institutional and financial arrangements, and recommend any changes needed to ensure that decisions can be implemented effectively; and
 - develop a new, strategic approach for deciding which mega events to bid for, how to bid for them, and how to manage the projects to deliver those bids that succeed.

Review Team

3. A multi-disciplinary team, comprising a mix of DCMS and other civil servants, and secondees from the private sector, began work in January 2002:
 - John Clark – Team Leader – Independent Consultant
 - Rangan Chatterjee – Independent Consultant
 - Simon Cooper – Seconded from DCMS
 - Richard Moseley – Independent Consultant
 - Audrey MacDougall – Seconded from KPMG
 - Christian Turner – Cabinet Office
 - Nick Bodle – SU Core Team
 - Allan Brereton – SU Core Team
 - Dominic Cookson – SU Core Team
 - Phillip Ling – SU Core Team
4. All SU project work is overseen by a sponsor Minister with an interest in the subject area. The sponsor Minister for this project was Rt Hon Tessa Jowell MP, Secretary of State for Culture, Media and Sport.

Review Process

5. There were 3 key phases to the project:
 - **Defining the problem.** This phase established the scope of the project.
 - **Analysis.** This involved describing and analysing the current state of sport in England by reviewing available data and evidence. This looked at sport's successes and failures, why sport matters, the roles and

¹ The full scoping note is available at <http://www.strategy.gov.uk/2001/sport/scope.shtml>.



responsibilities of the public, private and voluntary sectors, and identified the main problem areas.

- **Policy formulation.** This phase involved developing an overall strategy for guiding the Government's decisions on sports policy (including major events), and reforming the institutional and financial arrangements, to meet the Government's wider objectives. Key actions for the Government and related bodies in the delivery of sport in England are set out in the report.
6. The project team adopted an open and consultative approach. We met with a wide range of Whitehall departments, outside experts and stakeholders (as listed below).
 7. We also held several workshops and commissioned a series of research papers. We are grateful to all those who have spent time talking to us, taken part in the workshops, prepared research for us, and referred us to relevant literature and research findings.



Organisations and Individuals Consulted

Organisations

Activate UK
 Amateur Rowing Association
 Amateur Swimming Association
 Amateur Swimming Federation of Great Britain
 Aquaterra Leisure
 Arup
 Australian Sports Commission
 Badminton Association of England
 BBC
 Braunstone Sport Action Zone
 British Amateur Boxing Association
 British and Irish Basketball Federation
 British Canoe Union
 British Council
 British Cycling Federation
 British Equestrian Federation
 British Olympic Association
 British Paralympic Association
 BskyB
 Business in Sport and Leisure
 Cabinet Office
 Central Council for Physical Recreation
 Centre for Management and Policy Studies
 Channel Four
 Chief Leisure Officers Association
 Coca-Cola Great Britain and Ireland
 Confederation of British Sport, The
 Council for the Advancement of Arts, Recreation
 and Education
 Deloitte & Touche
 Department for Culture, Media and Sport
 Department for Education and Skills
 Department for International Development
 Department for Transport, Local Government
 and the Regions
 Department of Health
 Department of Trade and Industry
 English Basketball Association
 English Bowling Association
 England and Wales Cricket Board
 English Federation of Disability Sport
 English Institute of Sport
 English Hockey Association
 Fastrack
 Financial Services Authority
 Flora London Marathon
 Football Association
 Football Foundation
 Football League
 Foreign and Commonwealth Office
 Greater London Authority
 Hertfordshire Local Council
 HM Treasury
 Home Office
 IdeA (The Improvement and Development
 Agency)
 Institute of Sports Sponsorship
 Institute of Leisure and Amenity Management
 Kagan World Media Limited
 Lawn Tennis Association
 Leisure Database Company, The
 Liverpool Football Club Academy
 Local Government Association
 London Economics
 Loughborough Local Council
 Manchester City Council
 Merseyside Local Authority
 Motorsport Industry Association
 National Alliance for Physical Activity
 National Assembly for Wales
 National Association of Clubs for Young People
 National Playing Fields Association
 Nike
 Northern Ireland Assembly – Department for
 Culture, Arts and Leisure
 Office of the Deputy Prime Minister
 Portsmouth Council
 Premier League
 Royal Yachting Association
 Rugby Football League
 Rugby Football Union
 Scottish Executive
 Sport and Recreation Industry Training
 Organisation
 Sport England
 Sportcal



Sporting Equals (Commission for Racial
Equality)
Sports Council for Northern Ireland
Sports Council for Wales
Sports Industries Federation
SportsAid
Sportscoach UK
SportScotland
Stafford Local Council
Trade Partners UK
UK Athletics
UK Sport
UK Sports Institute
Women's Sport Foundation
Wright Robinson Sports College
Youth Sport Trust

Individuals

Billingham, Baroness Angela
Burnham, Andrew MP
Coalter, Fred (University of Edinburgh)
Collier, David
Collins, Michael (University of Loughborough)
Cunningham, Rt. Hon. Jack MP
Gratton, Chris (University of Sheffield)
Greenaway, John MP
Henry, Ian (University of Loughborough)
Hill, Professor Jeffrey (De Montford University)
Hoey, Kate MP
Houlihan, Barrie (University of Loughborough)
HRH Prince Philip
Kaufman, Rt. Hon. Gerald MP
Mason, Professor Tony (De Montford University)
Parsons, Geoff
Purnell, James MP
Ramwell, Andy (Manchester Metropolitan
University)
Simmons, Rob (University of Salford)
Slack, Trevor (University of Alberta)
Smith, Rt. Hon. Chris MP
Taylor, Peter (University of Sheffield)
Waddington, Ivan (University of Leicester)

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ANNEX C –GLOSSARY

BBC	British Broadcasting Corporation
BOA	British Olympic Association
BPA	British Paralympic Association
CCPR	Central Council of Physical Recreation
CEO	Chief Executive Officer
CIPFA	Chartered Institute of Public Finance and Accountancy
CLOA	Chief Cultural and Leisure Officers Association
CONI	Italian National Olympic Committee
DA	Devolved Administration
DCMS	Department for Culture, Media and Sport
DfES	Department for Education and Skills
DfT	Department for Transport
DHB	District Health Board (New Zealand)
DoH	Department of Health
DTI	Department of Trade and Industry
ECB	England and Wales Cricket Board
EIS	English Institute of Sport
EPCS	Environmental Protection and Cultural Services
FA	The Football Association
FCO	Foreign and Commonwealth Office
FE	Further Education
GB	Great Britain
GDP	Gross Domestic Product
GHS	General Household Survey
GP	General Practitioner
HCSC	Home Country Sports Council
HCSI	Home Country Sports Institute
HE	Higher Education
HMT	Her Majesty's Treasury
HR	Human Resources
ILAM	Institute of Leisure and Amenity Management
IOC	International Olympic Committee
ISRM	Institute of Sport and Recreation Management



IT	Information Technology
ITT	Initial Teacher Training
JMC	Joint Ministerial Committee
LA	Local Authority
LEA	Local Education Authority
LGA	Local Government Association
LIRC	Leisure Industries Research Centre
LSP	Local Strategic Partnership
LTAD	Long Term Athlete Development
MOD	Ministry of Defence
NAO	National Audit Office
NGB	National Governing Body
NHS	National Health Service
NOF	New Opportunities Fund
NSO	National Sporting Organisation
ODPM	Office of the Deputy Prime Minister
PCT	Primary Care Trust
PE	Physical Education
PSA	Public Service Agreement
QCA	Qualifications and Curriculum Authority
QUEST	The Quality, Efficiency and Standards Team
RDA	Regional Development Agency
RPI	Retail Policy Index
RSB	Regional Sports Board
SARD	Sport and Recreation Division (of DCMS)
SE	Sport England
SERO	Sport England Regional Office
SR	Spending Review
SU	Strategy Unit (formerly known as the Performance and Innovation Unit)
UK	United Kingdom
UKSI	United Kingdom Sports Institute
USA	United States of America
VIP	Volunteer Investment Programme
WCPP	World Class Performance Programme
YST	Youth Sport Trust
PIU	Performance and Innovation Unit (now known as the Strategy Unit)
ONS	Office of National Statistics

ANNEX D – HIGH PERFORMANCE SPORT: CURRENT FUNCTIONS OF KEY BODIES

	UK Sport	Sport England	Other HCSCs	UKSI central services	HCSIs	NGBs	BOA
A. FUNDING							
Distribution of Exchequer funding to: UK NGBs DA NGBs	X	X X	X				X ¹
Distribution of Lottery World Class Performance funding to: ² UK NGBs/athletes DA NGBs/athletes	X	X					
Distribution of Lottery funding to support talented athletes below World Class Performance, to: ³ UK NGBs/athletes DA NGBs/athletes		X X	X				
B. PROVISION OF HIGH PERFORMANCE SERVICES							
Provision of performance services to athletes on a day-to-day basis: • Nutrition, physiology, physiotherapy, sports psychology • Strength and conditioning, biomechanics • Podiatry; ACE UK					X X X	X X	X X ⁴
World Class Performance Planning (WCPP) • Advising on development of WCPP; assessing/funding WCPP; monitoring delivery • Delivering/implementing WCPP • Advising on Performance Planning best practice • Olympic Games preparation & performance planning • Supporting individual athlete performance planning (to feed into NGB WCPP)	X X	X X		 X X X	 X X X	 X X X	 X X X
Co-ordination of High Performance Services ⁵				X			X
Provision of training facilities (inc. national centres)		X	X		X		X ⁶

¹ BOA administers the Olympic Sports Development Fund (£75k p/a); and Olympic Scholarships aimed at athletes with Olympic potential but outside the WCPP. NB that all BOA services are delivered without Government funding.

² Note that WCPP is an England and UK concept only.

³ Note that where UK Sport and Sport England predominantly fund NGBs, the other HCSCs predominantly fund athletes

⁴ Includes Olympic and Paralympic Employment Network, and "Planning for Success" Time Management Course programme.

⁵ UKSI services focus on applying knowledge to enhance success and the beneficiaries are primarily sports designated as UK Sport priority 1-4. Performance services co-ordinated by UKSI central services are as follows: Quality assurance for ACE UK; World Class Guarantee for service delivery; Sports Science and Sports Medicine; Provision of Athlete Medical Scheme (administered by BOA), Professional development of performance directors and World Class Coaches, Sports Scientists and Sports Medicine practitioners; Technology and innovation; Applied research; web-based service delivery and communications.

⁶ The BOA has the British Olympic Medical Centre, a service centre which could be designated as part of the EIS, the Winter Sport training camp in Lofer, Austria, a warm weather training base in Florida and an Olympic Training Centre at Upper Heyford. The BOA focuses on managing the pre Olympic holding camp(s) for Team GB and negotiating preferential access to overseas training facilities in the build up to the Games e.g. the Gold Coast arrangement; partnership with Calgary and the new partnership with Cyprus. It also has the BOA accreditation scheme, which 'kitemarks' facilities.



	UK Sport	Sport England	Other HCSCs	UKSI central services	HCSIs	NGBs	BOA
C. OTHER							
Talent Development: <ul style="list-style-type: none"> Setting and enabling talent development strategy Delivering talent development; support for clubs, establishing competitions 		X	X			X	
Major Events: <ul style="list-style-type: none"> Setting and enabling major events strategy⁷ Supporting events of World Class significance Supporting events of home country significance 	X X	X	X				
Co-ordinating international influence	X						
Setting policy on ethics and anti-doping	X						
Governing bodies support (business development, modernisation projects): <ul style="list-style-type: none"> to UK NGBs to DA NGBs 	X ⁸ X	X	X				

⁷ Does not include “mega” events.

⁸ UK Sport leads overall NGB modernisation programme and decision making process.

ANNEX E – KEY STRATEGIC OBJECTIVES FOR SPORT

Figure 1: Core policy areas of *A Sporting Future For All*

Sport in Education: Increasing participation by young people. Proposals cover rebuilding facilities, specialist sports colleges, after school activities, school sports co-ordinators, and access to elite coaching.

Sport in the Community: lifelong participation for all groups. Proposals to prevent the sale of playing fields; investment in community sports facilities (inc. audit of sports facilities); for sports bodies to match government investment in local facilities; a national training scheme for development officers; and a drive to develop more effective club culture.

Sporting Excellence: Talent Development. Proposals to develop a national talent development plan; UKSI network centres; and coaching development.

Modernisation: A partnership with Sport. Proposals for the government to devolve more responsibility to sports bodies; if they involve professional sportsmen/women in school/community schemes; if minimum of 5% and ideally 10% of broadcast revenue is fed back into grassroots; if they put in place proactive strategies to tackle under-representation; and if they modernise administrative structures and procedures.

Figure 2: DCMS 14 goals for sport set out in funding agreements between DCMS and Sport England

1. Encourage Excellence at every level
2. Encourage Innovation at every level
3. Better training, sports science and medicine facilities
4. More participation in sport by more people, particularly women, ethnic minority groups and people with disabilities
5. Enable athletes to participate equally in drug-free sport
6. Ensure role of sport in education in schools and lifelong learning is enhanced
7. Better training and education in sports coaching and for officials
8. Remove obstacles to success for British sport
9. Promote UK sport overseas
10. Bring more major international sport events to the UK
11. Promote the UK as a venue for International Sports Federations
12. Ensure the right infrastructure exists to boost support for the use of the Lottery money given to sport
13. Use sport to improve the lives of the socially excluded
14. Use sport-based activity/development as a means of regeneration



Figure 3: Sport England's strategic role

- A. Its statutory role, as set out by Royal Charter, is "to foster, support and encourage the development of sport and physical recreation and the achievement of excellence therein among the public at large in England and the provision of facilities therefore".
- B. Its funding agreement with DCMS is "to lead the development of sport in England by influencing and serving the public, private and voluntary sectors. Our aim is more people involved in sport, more places to play sport, more medals through higher standards of performance in sport". The agreement sets 13 objectives, spread across the 6 areas of DCMS's spending review priorities.
- C. It has 16 performance indicators (as set out in annual report 2000/01) in 7 categories (achieving excellence, increasing participation, increasing sport in schools, removing obstacles for success, maximising lottery money, sport for regeneration, SE corporate governance).
- D. It has three corporate aims (into which all activity fits): more people involved in sport, more places to play sport, and more medals through higher standards of performance in sport. Its corporate plan is framed by three different sets of criteria:
- DCMS Funding Agreement objectives: increasing the market, broadening access, promoting social inclusion, developing educational potential, promoting the opportunity for excellence and ensuring efficiency and effectiveness;
 - Sport Strategy framework: Sport in Education, Sport in the Community, Sporting Excellence, Modernisation of Sport;
 - Shared outcomes: fairness in Sport, sport providing for individuals needs, sport contributing to wider objectives, progressive practice, partnership working.
- E. It delivers programmes (a total of 75) in the following four categories:
- Active Schools: Integrated range of services and products to help schools reach national accreditation in provision of sport.
 - Active Sports: 5 year programme to encourage 10 "most popular" sports – Athletics, Basketball, Cricket, Football, Netball, Hockey, Rugby League, Rugby Union, Swimming, Tennis among 8-16 year olds.
 - Active Communities: programmes aiming to increase lifelong participation and community facilities.
 - World Class: helping NGBs to identify and develop top level performers. Includes English Institute of Sport and National Centres.
- F. Its Lottery Strategy sets 9 strategic principles for fund distribution:
- Priority for programmes targeting young people, the recreationally deprived and those with disability.
 - Priority for programmes which promote partnerships and improve coaching.
 - At least 66% of funding to be invested in community facilities or activities.
 - At least 50% of funding for community areas targeted at areas of greatest need.
 - Decision making will be open and accessible.
 - Local involvement in decision making.
 - Equality of access for all.
 - Emphasis on facilities being of the highest quality.
 - Programmes which promote and maintain success at international level.

ANNEX F – IMPROVING DELIVERY OF THE GOVERNMENT’S SPORTING OBJECTIVES: KEY DATES

2003	January	Decision on venue for 2008 European Championship (Scotland and the Republic of Ireland have submitted a joint bid) Tender let for Database of Sports Facilities
	February	World Indoor Athletics Championship, Birmingham
	March	Fundamentals of Sport England Reform in place. Template for modernised NGB produced by UK Sport consultancy New style funding agreements with SE and UKS in place
	July	Agreement with NGBs on lead source of public funds. Submission to Sports Cabinet on future arrangements for cross-UK co-ordination and role of UKS. 20-year strategy for mega-event bids Deadline to declare candidature for 2012 Olympics.
	December	Guidance and protocols for mega-event bids and project management available. EIS network of World Class facilities and services substantially completed.
2004	April	Findings of SPAB to feed into Spending Review 2004 New style funding contracts between Sports Councils and clients in place. 50,000 young (14-19) volunteers trained to work in schools and community clubs, supported by up to 8000 trained adult mentors. Implementation of major recommendations from Cunningham Review (on athlete living costs, personal coaches, enhanced professional development for elite coaches, a scholarship programme for elite coaches and extended athlete medical scheme). Database of Sports Facilities complete. Review of UKSI initiated Decision on venue for 2009 World Athletics Championship
	Early summer	European football championship Portugal
	August/Sep	Athens Olympics
	Autumn	Decision on venue for 2010 FIFA World Cup 1000 School Sport Co-ordinator partnerships and 6000 Primary Link Teachers in place.



	December	Report of review of UKSI to Ministers Major NGBs modernised and one-stop plans agreed.
2005	April	All changes to high performance funding and one stop plans implemented.
	July	Decision on 2012 summer Olympic venue
2006	December	Decision on venue for 2011 World Athletics Championship (Spring) Winter Olympics Turin Melbourne Commonwealth Games FIFA World Cup Germany 75% of schoolchildren receiving the 2-hour PE and School Sport entitlement National Coaching Certificate fully implemented by 20 national governing bodies of sport. 3,000 Community Coaches recruited and deployed throughout the country.
2007		World Athletics Championship Osaka
2008		Olympic Games Beijing Decision on venue for 2014 FIFA World Cup
2009		World Athletics Championship
2010		Winter Olympics FIFA World Cup
2011		World Athletics Championship
2012		European Football Championship Summer Olympics
2013		World Athletics Championship
2014		FIFA World Cup
2015		
2016		Summer Olympics
2017		
2018		FIFA World Cup
2019		
2020		Summer Olympics

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FA	The Football Association
FCO	Foreign and Commonwealth Office
FE	Further Education
GB	Great Britain
GDP	Gross Domestic Product
GHS	General Household Survey
GP	General Practitioner
HCSC	Home Country Sports Council
HCSI	Home Country Sports Institute
HE	Higher Education
HMT	Her Majesty's Treasury
HR	Human Resources
ILAM	Institute of Leisure and Amenity Management
IOC	International Olympic Committee
ISRM	Institute of Sport and Recreation Management

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