

The economic importance of volunteering and local authority contribution to sport and the potential for local economic growth.

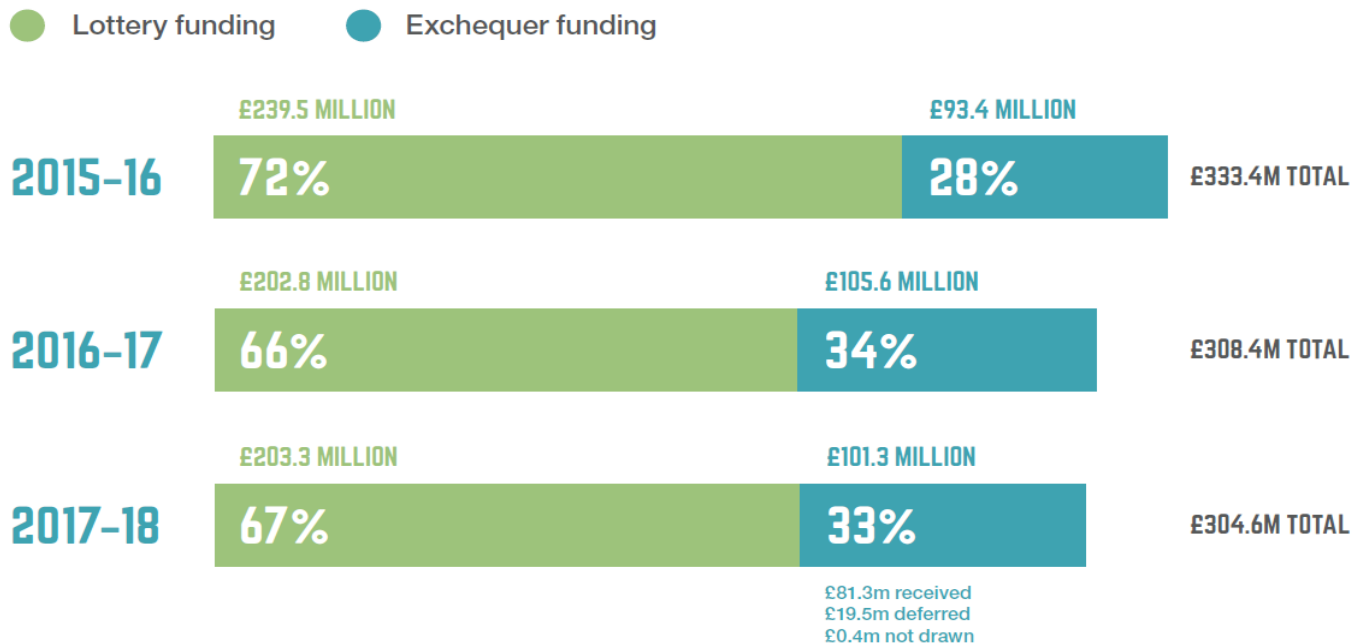
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Introduction

- Local Authorities sport spending mainly on facilities parks and community sport
 - Home events
 - No element of funding for elite sport
 - Elite sport is financed through UK Sport
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- Sport through Local Authorities involves: Grassroots sport, home events (of small scale- not mega events), volunteering, mass sport participation, sport clubs and facilities.
 - LAs own playing fields. At a time when pressures to develop land are high, playing fields are inevitably vulnerable.

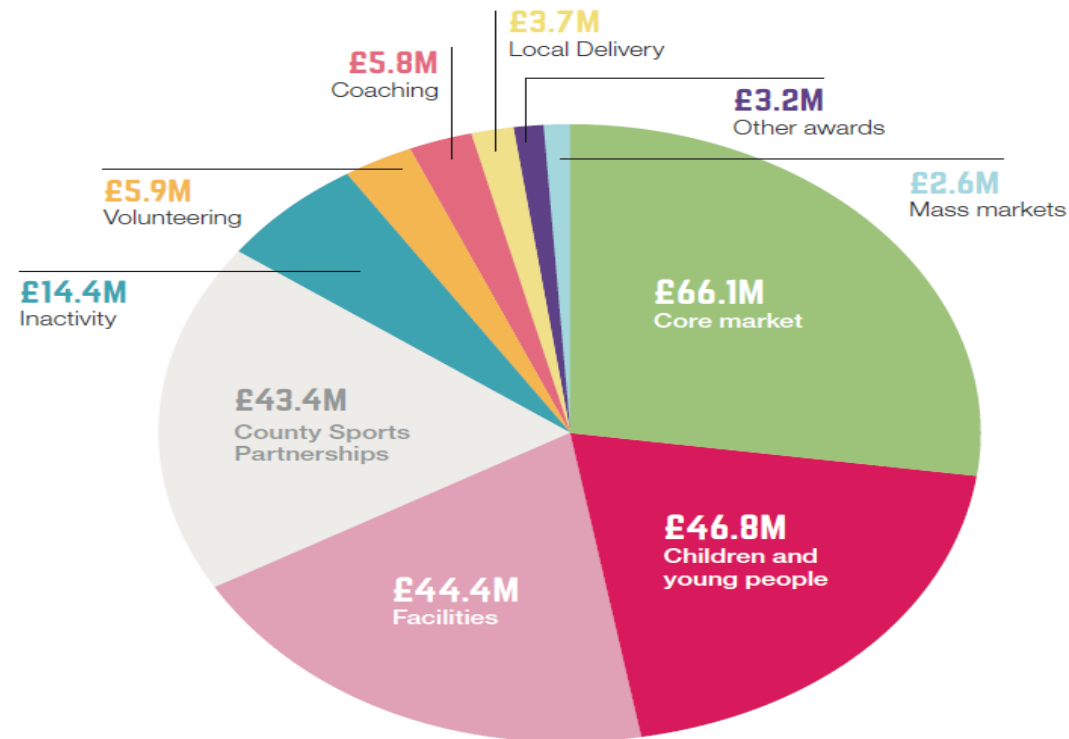
Central funding through Sport England

NATIONAL LOTTERY AND EXCHEQUER INCOME



Distribution of funding through Sport England

AWARDS BREAKDOWN 2017-18



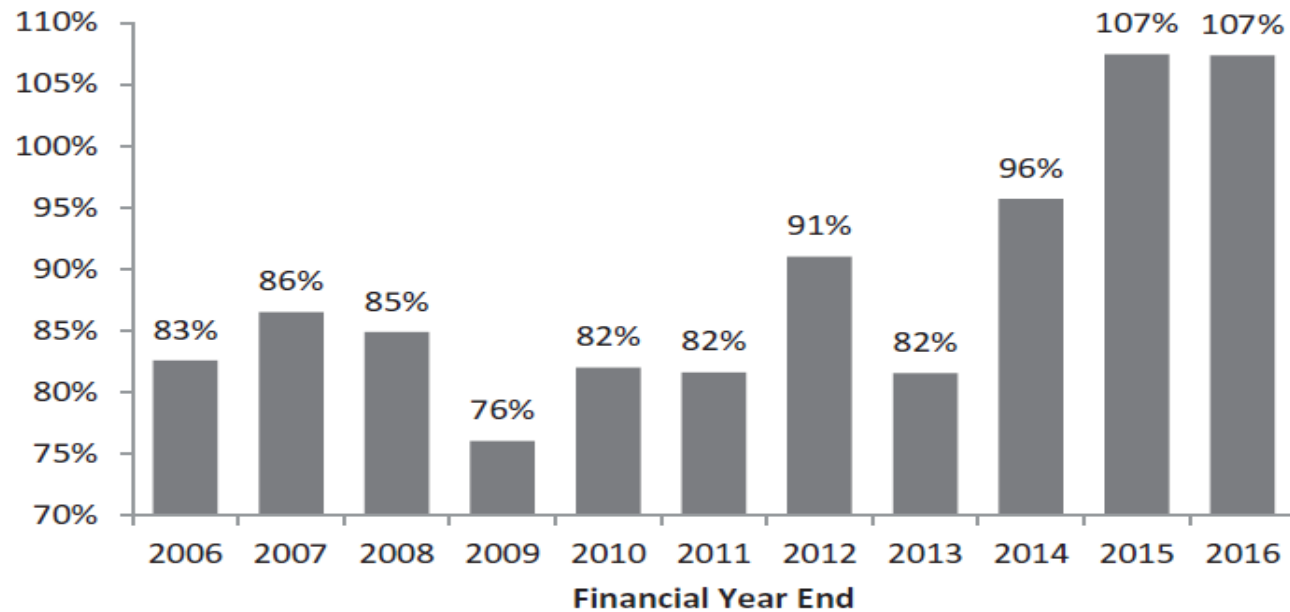
Economic development-Multiplier effects

- Local areas are very affected by local investment in sport and the multiplier effects:
- Indirect GVA multipliers in Scotland for example can be as high as 1.4 for sport services and 1.6 for sport related construction.
- This means that if sport GVA increases by £1m then overall GVA in the economy would increase by £1.4-£1.6m.

LA sport facilities and recession

- Using Sport England's National Benchmarking Service, we track the changes in a series of key operational performance measures (Ramchandani et al 2018, International Journal of Sport Policy and Politics)
- Access, Finance, Utilisation, and Customer satisfaction.
- 1116 sports centres
- The financial efficiency of English public sport facilities has improved significantly in the face of a reduction in local authority expenditure on sport and leisure services.
- Business model: outsourcing management and raising activity charges
- Disadvantage: diminished focus on social inclusion objectives

LA sport facilities and recession-2008/10



LA Sport facilities and recession-before and after

Table 4. Median scores for efficiency indicators 2015/6 vs. 2007/8.

	Financial year end			Median test
	2008	2016	Change	Sig.
<i>Income indicators</i>				
Total income per square metre (£)	303.13	387.18	84.05	0.013
Total income per visit (£)	3.23	3.76	0.53	0.002
Direct income per visit (£)	2.82	3.40	0.58	0.002
Secondary income per visit (£)	0.22	0.16	(0.06)	0.139
<i>Cost indicators</i>				
Total operating cost per visit (£)	3.94	3.71	(0.23)	0.527
Maintenance & repair costs per square metre (£)	18.03	18.42	0.39	0.887
Energy costs per square metre (£)	30.07	39.76	9.69	0.001
Staff expenditure as % of total income	71.37	55.45	(15.92)	0.000
Central charges as % of total costs	6.46	6.42	(0.04)	1.000
<i>Utilisation indicators</i>				
Annual visits per square metre	89.69	103.28	13.59	0.265
Weekly number of people visiting	10.31	11.76	1.45	0.025

NB. Bold denotes significant differences ($p < 0.05$).

LA Sport facilities and recession-before and after- The Guardian

Olympic legacy failure: sports centres under assault by thousand council cuts

Leisure centres and swimming pools are shutting across the country while prices for football pitches have soared as a result of huge cuts to local authority budgets

● [Owen Gibson: inspiring London 2012 message has become a millstone](#)



▲ A football pitch in Hastings, East Sussex, is one of many across Britain that lies unused and overgrown as the domestic football season begins this weekend. Photograph: Parkerphotography/Alamy

▲ [Newcastle's historic city swimming pool closed in August 2013 with](#)

Physical activity empowers social change

- Case study: Active Burngreave community initiative, which aims to encourage more people from Sheffield's most culturally diverse district – one of the most deprived wards in the UK – to take part in weekly physical activities.
- Key Target: empower local people to create social change and have a positive impact on social issues.
- Target Outcomes:
 - Reducing isolation
 - Increasing understanding of the importance of physical activity
 - Creating opportunities for training or education
 - Increasing aspirations of young people.

Affecting sport participation- inequalities

- More than a quarter of England's population is inactive, meaning they do less than 30 minutes' physical activity in a week. Some groups, including those in lower-paid jobs, women and disabled people are disproportionately affected.
- Targeting of the most inactive people.
- Sport participation is now stable, but in the past it increased through a vast programme of LA sport facilities.
- LAs can influence sport participation through local facilities (supply) and home events (demand)

LAs and Parks

Heritage Lottery Fund's (2016) *State of the UK public parks 2016* report found that:

57% of the UK population visit their local parks at least once a month or more often

90% of families with children under 5 visit their local park at least once a month

70% of people aged 25-34 use their local park

Outdoor recreation in a LA context

Outdoor recreation also brings benefits to the local economy. Sheffield Hallam's Sports Industry Research Centre (2014) found that:

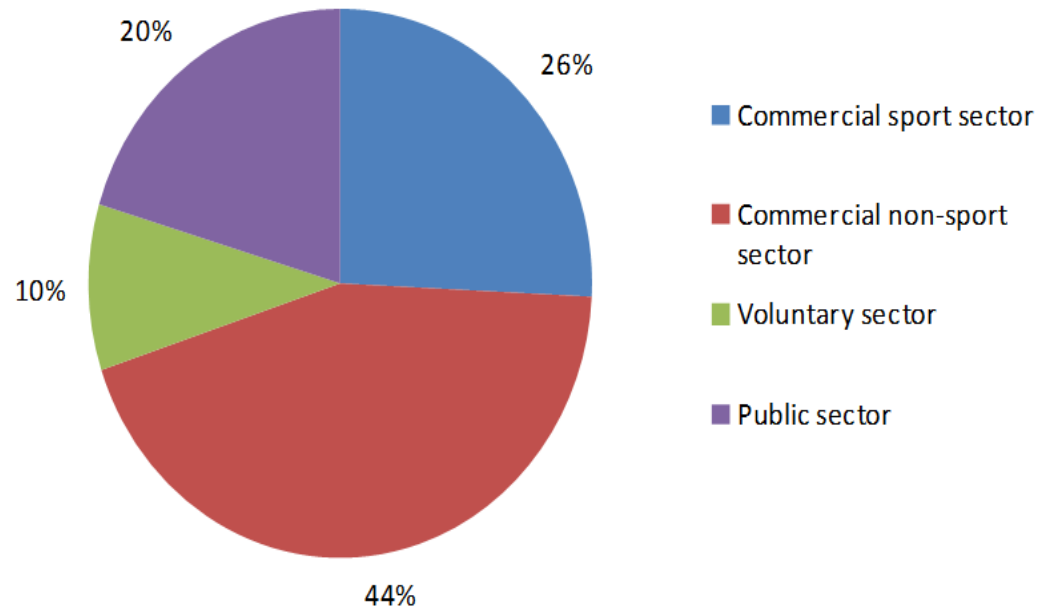
The estimated employment generated by the outdoor economy in Sheffield is 1,597 Full-time Equivalent jobs (FTEs)

There are approximately 2,647 outdoor volunteers in Sheffield, equivalent to 700 FTEs

The estimated economic value of outdoor-related volunteering is an additional £14-18 million

Employment in Scotland- local contribution

Sport Employment in Scotland, 2016



Sport in Scottish LAs

Councils are responsible for almost 60 per cent (or 6,675) of Scotland's 11,528 sport and recreation facilities. The remaining 40 per cent (4,853) of facilities are the responsibility of the private sector, community sports clubs or other providers such as the Ministry of Defence and universities.

Most sport economy is on grassroots

Sport-related income and expenditure flows, 2016 (£million)¹

	Income	Expenditure
Consumer	1,356	2,669
Commercial sport	1,751	1,585
of which:		
.....Spectator sports	193	168
.....Participation sports	72	68
.....Retailing	825	716
.....Other	661	633
Voluntary	604	290
Commercial non-sport	1,865	1,697
Central government	1,098	497
Local government	493	639
Outside the area	856	569

| sport economy is driven from grassroots

In the period 2014-2016, in Scotland:

Sport related consumer spending increased by 7%

Sport related GVA increased by 8%

Sport membership increased by 8.7% from 706,764 to 768,212

Local Government sport income- Scotland 2016

£	£-million
Local authority sports facilities:	
fees-and-charges	77.6
sales-of-equipment	39.4
ground-hire	10.9
Grants from central government:	
to fund net expenditure on sport	138.7
sport education	115.5
via <u>Sportscotland</u>	12.8
Rates:	
voluntary-sector	17.0
commercial-sport	19.5
commercial-non-sport	40.4
Payments for policing	2.1
Lottery awards	11.6
Lottery partnerships	7.6
Total income	493.0

Local Government sport expenditure- Scotland 2016

£	£-million
Current expenditure	£
Direct-gross-expenditure:£	£
Wages£	176.8£
Other-current-expenditure£	150.6£
£	£
Education:£	£
Wages£	142.0£
Research£	5.1£
£	£
Local-transport-and-policing:£	£
Wages-and-other-inputs£	35.4£
£	£
Grants-to-voluntary-clubs£	27.0£
£	£
Capital expenditure	£
Investment£	101.8£
£	£
Total expenditure	638.7£

Effect of home events on sport membership

There are evidence from Germany and the UK that link causally home events and sports membership.

This is important for the local authorities as this is a major tool to increase demand (local authorities are not involved otherwise with elite sport).

Germany: 'Membership in Nonprofit Sport Clubs: A Dynamic Panel Analysis of External Organizational Factors' by: Daniel Weimar, Pamela Wicker, and Joachim Prinz (Nonprofit and Voluntary Sector Quarterly, 2015)

Effect of home events on sport membership-2

Results:

Home events increase sport membership in the current year of the event. This is mostly in the sport under consideration and is mostly true within the local population.

Case study Scottish gymnastics.

In the UK this effect is even stronger, with home events affecting sport membership even two years after the event.

This creates a lot of possibilities for affecting participation and the sport economy through LA policy.

Thank you for listening

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