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**REPORT BY THE
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Increasing participation in sport

Summary

1 The Department for Culture, Media and Sport (the Department) is the lead Government Department for the London 2012 Olympic and Paralympic Games, and as part of the Olympic legacy has a target to get two million people more active by March 2013.

2 Sport England, a non-departmental public body the Department funds and oversees, is responsible for delivering the Department's policy goal of developing a world-leading community sport system to get more people taking up sport simply for the love of sport, and for developing sporting talent at all levels. UK Sport, a separate non-departmental public body, is responsible for elite sport.

For the purposes of its current participation target Sport England defines as 'sport' moderate intensity activity of at least 30 minutes duration in a sport recognised by UK Sport, Sport England and the other home country sports councils.

3 As part of the Olympic legacy target, the Department requires Sport England to deliver an additional one million people doing at least 30 minutes of sport three times a week by March 2013. Sport England expects to deliver the majority of its target through funding 46 National Governing Bodies of sport, such as England Athletics. National Governing Bodies are responsible for managing, developing and promoting participation and competition in a particular sporting activity at a national level.

4 Sport England spends significant sums of public money to sustain and increase the number of people participating in sport but does not have control over all of the factors which may lead to participation, for example, the impact of sporting triumphs. This report examines the extent to which the funding provided by the Department through Sport England has resulted in increased participation in the past and how the Department and Sport England have planned to increase participation by March 2013.

Key findings

For the period 2005-06 to 2007-08

5 The Department had a target to increase participation in cultural and sporting opportunities by 3 per cent amongst 'priority groups' – women; people from black and minority ethnic communities; people with a limiting disability; and those in lower socio-economic groups. The Department did not meet its overall target for participation in culture or sport or the two sub-targets for sport: weekly participation in 'moderate intensity sport' amongst priority groups increased by between 0.1 per cent and 1.8 per cent; monthly participation in 'active sport' decreased in all but one of the priority groups, and participation by women, the largest group, fell by 1.6 per cent.

6 Sport England's expenditure to promote sport and physical activity during the period was £660 million. While increasing priority group participation was a key aim of its funding, it did not distinguish between the funds applied to increase such participation and participation in the wider population. Sport England did, however, fund a range of measures expected to benefit community sport, such as sports coaches and sports clubs, and overall adult participation in sport increased by 520,000 people. External factors, such as reactions to national sporting triumphs or the weather, may well have had an impact on participation levels, although there are inherent difficulties in demonstrating causation.

7 During the period the Department lacked basic performance management information on, and effective oversight of, Sport England. In addition, Sport England did not set organisations it funded targets to increase participation by priority groups.

For the period 2008-09 to 2012-13

8 In June 2008, in response to a review instigated by the Department, Sport England published a new strategy which included its target to increase by one million the number of people doing moderate intensity sport for at least 30 minutes three times a week. The Department itself now has a Public Service Agreement target to increase the number of adults who participate in two or more different cultural or sport sectors by 2 per cent by March 2011. It expects Sport England (through the one million target) to contribute to the Public Service Agreement target and to the Department's Olympic Legacy target to increase by two million the number of people taking part in sport and physical activity by 2013.

9 The one million participation target is based on broad assumptions rather than a quantified assessment of past achievements and of what Sport England can deliver in future. Nevertheless, having a specific target gives Sport England a clear objective. In setting the one million target, the Department sought to stretch Sport England and to maximise the interest in sport arising from hosting the 2012 Olympics.

10 Given the inherent uncertainties in increasing participation levels, Sport England aims to exceed its target by getting 1.25 million people doing more sport, to mitigate the risk of non-delivery. This is a reasonable first step and Sport England expects to review progress against its delivery plans at least annually. One year into Sport England's five-year delivery period an additional 115,000 people were participating in sport, against the 2008 initial delivery plan forecast of 160,000 additional participants for the first year. The Department and Sport England are currently revising estimates to reflect actual delivery plans but have not yet agreed new milestones.

11 Sport England relies more on sporting National Governing Bodies to deliver its target than was previously the case. It expects them to deliver up to 700,000 of the 1.25 million people doing more sport. Sport England has provisionally committed £480 million to Governing Bodies up to March 2013 and expects around three quarters to be used to sustain and increase participation, with the balance funding the pathways through which talented participants are identified to progress to elite level.

12 Sport England's process for allocating funding and targets to individual National Governing Bodies was well-developed in that it took into account a range of evidence and drew on expertise from within Sport England and across the sport sector. Sport England challenged Governing Bodies' assessments of what they should deliver. For seven sports we examined in detail, Sport England funded 75 per cent of the £143 million sought by Governing Bodies to maintain and increase participation, ranging from 60 per cent for cricket to 92 per cent for netball.

13 To decide funding allocations, Sport England evaluated the likely cost-effectiveness of interventions proposed by individual National Governing Bodies, and then benchmarked similar groups of sports, for example water- or hall-based sports. To reflect the need for diversity within the one million target, Sport England accepted a range of costs for participants, reflecting the differing coaching and infrastructure needs of different sports. The average cost per participant it funded ranged from £9 for Athletics and Cycling to £153 for Rugby League and £216 for Judo. The acceptance of a range of participant costs by Sport England also reflected a shared understanding with the Department of the value of improving participation across a diverse range of 46 sports rather than concentrating on a few mass participation sports such as football and swimming. However, while Sport England has decided to fund interventions in sports at a range of costs, it does not have criteria against which it can assess the trade-offs involved in funding participation in different sports.

14 Sport England's new approach has a number of known risks to delivery. It is heavily dependent on six National Governing Bodies to deliver 60 per cent of the increase in participation expected through Governing Bodies and on key assumptions about how the activities it funds should translate into additional participants. It also anticipates delivering the bulk of the additional participants towards the end of the target period in 2013.

15 In addition to its funding of National Governing Bodies, Sport England plans to deliver 550,000 participants through a combination of grant funding, partnership working and attracting external investment into sport. Sport England expects its work with higher education and the third and commercial sectors to deliver participants from 2010-11 onwards. Its plans to deliver participants through working with further education are less well-developed and delivery of additional participants is back-loaded towards the target delivery date of 2013. In line with the cross-government public spending cycle, Sport England has no committed Exchequer funding beyond March 2011.

16 The Department has set clear objectives for Sport England that are aligned with its own aims and Sport England's performance reports address these objectives. This is a clear improvement on the Department's relationship with English Heritage examined in our 2009 report *Promoting Participation with the Historic Environment*.

17 The current performance measurement arrangements between the Department and Sport England and between Sport England and its funded bodies are a marked improvement on those for the previous strategy period up to 2008-09. The Department now has greater confidence in Sport England's organisation, capacity and funding processes to deliver than has previously been the case.

Conclusion on Value for Money

18 Setting targets for improving sports participation provides a clear focus for Sport England's activities, and a basis for holding Sport England and the Department to account for the use of public money in this area. Understanding the causes of performance, however, is inherently problematic when increasing participation depends fundamentally on changing public behaviour.

19 Whilst overall adult participation in sport increased by 520,000 from 2005-06 to 2007-08, the Department did not meet its targets to increase participation in sport and physical activity amongst priority groups. The Department lacked adequate oversight of progress towards its targets and did not require Sport England to report on the outcomes of its activities. Sport England lacked a focus on, and transparency of funding towards, increasing participation amongst the priority groups by the targeted amount. In light of all this, a positive conclusion on value for money is not possible despite the overall increase in participation figures during that period.

20 However, Sport England now has a new strategy and a well-developed and improved funding assessment process for individual sports which we regard as positive developments that offer the prospect of improved value for money. Sport England has also developed improved processes for managing the performance of individual National Governing Bodies. In pursuing its target of securing an additional one million participants whilst increasing the range of sports it funds, Sport England's ability to make judgements on funding priorities between sports – and so to maximise value for money – would be strengthened if it had clear criteria for evaluating funding allocations between sports.

Recommendations

- a** **Without up-to-date delivery milestones for Sport England, the Department does not have a firm basis for getting timely assurance that Sport England is on track to achieve the 2013 one million target and to deliver its contribution to the Department's wider 2011 participation target.** The Department and Sport England should agree performance baselines and milestones.
- b** **The Department's target for Sport England to increase sports participation by one million people by 2013 was based on broad assumptions. Unless a target is demonstrably achievable, efforts to achieve it can be undermined.** When setting targets for Sport England and its other sponsored bodies, the Department should be able to demonstrate that targets are realistic and evidence-based.
- c** **To cater for delivery uncertainty, Sport England is initially aiming for 1.25 million additional participants, 25 per cent more than the one million required.** While this is a reasonable starting point for a five-year target where elements of its approach rest on assumptions, Sport England will need to set out whether and how it will reduce or re-target its funding for individual sports if it is likely to exceed its one million target.

- d Funding allocations to individual sports may represent value for money but this is less clear when comparing sports.** As Sport England does not have criteria against which it can assess the trade-offs involved in funding participation in different sports, it needs to set out a clear rationale for how it evaluates the trade-offs between the costs and benefits of funding different sports so that it will be able to target limited funds effectively at a time when public finances are under strain.
- e Sport England's delivery of its one million participation target by 2013 is heavily reliant on successful partnerships with higher and further education institutions and commercial and third sector organisations. While plans for the higher education sector are well-developed, its plans to deliver participants through some of the other areas are less well-developed.** Given the time lag between investment and resulting changes in participation levels, Sport England should make detailed plans by the end of 2010 on how these areas of work will deliver additional participants, and reflect these in performance milestones.
- f Sport England faces a challenge in securing £50 million in commercial investment to support sports participation, particularly given the economic climate and the competing sponsorship demands of the Olympics. Some 150,000 additional participants are expected to come through this source of funding and commitment in kind.** The Department should require Sport England to demonstrate its plans are achievable.
- g The Committee of Public Accounts recently concluded in its report on heritage participation that the Department has not developed any effective means to measure the contribution it or its sponsored bodies make towards its participation objectives. The Taking Part survey measures progress against the Department's targets but cannot show a causal link between actions taken and what is achieved.** This remains the case for sports participation and, while acknowledging the inherent challenges of identifying causal links and the value of the steps that Sport England is taking to understand participation, the Department should identify more direct and cost-effective ways of measuring its impact, and that of its sponsored bodies.
- h The funding, strategy and delivery timetables for sports participation are not joined up.** Sport England's delivery plans for increasing sports participation are on a four-year Olympic cycle and are compatible with, but not the same as, the Department's targets and its funding is only assured for the first two years. Without clarity on funding for the critical later years of its delivery programme Sport England will lack assurance when dealing with current and prospective delivery partners. The Department should, wherever possible, when planning and approving delivery plans, align funding, strategies and interdependent targets for its Non-Departmental Public Bodies and itself.