

# Unlocking the potential:

How sport, recreation and physical activity can help improve the health and wellbeing of the nation





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# 1 Foreword

## Sport, recreation and physical activity is woven into the fabric of our communities, positively impacting the lives of millions of people across the whole of the UK.

It creates memories we cherish across our whole lives, providing us with sanctuary in the most challenging of times, such as during the COVID-19 pandemic. Millions enjoyed watching the Men's EURO 2020 tournament and the Olympics and Paralympics, and the boost that this gave us in terms of national pride.

We know many local schools, sports clubs and voluntary and community organisations enrich our social fabric, providing a diversity of sports and recreation for many, irrespective of age or ability. This strengthens community and supports social cohesion in an increasingly digital world where many feel disconnected.

Well maintained, accessible and affordable sporting facilities, parks, playing fields, gyms and leisure centres contribute to a pride in place, fostering activities and experiences across generations. Local teams competing on the national or international stage also provide a key focus for community pride and engagement.

And our rich and diverse natural environment provides the places and spaces for millions of people to be active in the outdoors and connect with nature.

The evidence base for the positive impact of play, physical activity and sport on young people's education and development is uncontested.

Finally, we know sport and physical activity can help improve the nation's physical and mental health, preventing many avoidable conditions and easing pressure on our NHS.

With all this in mind, is the full power of sport, recreation, and physical activity currently being fully harnessed in our nation? **Sadly, no.**

Can it be? **100% yes.**

That is why we, as leading voices across the sport, recreation and physical activity sector, are united in calling for fundamental change that will transform the role this essential sector can play in our national renewal.

*Ours is a sector that needs to be empowered, supported and protected so that it can grow and realise its full societal potential.*

We firmly believe that, by working more collaboratively with all arms of Government, sport, recreation and physical activity can make a far greater contribution to the key public policy challenges the Government now faces, notably:

- **Deep-rooted inequalities in health and in access to wider social and economic opportunity.** Many of these pre-date COVID-19 but have widened as a result and require urgent action. Helping to level up communities by tackling these inequalities and getting the best social return on investment requires a proportionately stronger focus on those in lower socio-economic groups and more deprived communities.
- **Consistent upward pressure on health spending and associated public services** due to increasingly complex, long-term needs which are often the result of preventable conditions. The UK is currently set to spend 44% of all

day-to-day public service spending on health by 2024-25, up from 27% in 1999-2000.<sup>1</sup> This is a clearly unsustainable path and much greater emphasis – and associated resource – must be placed on prevention, including through getting more people more active.



- **Sharp declines in levels of activity and associated physical and mental wellbeing** – particularly amongst children and young people – driven by the COVID-19 pandemic and which require a rapid response to mitigate the risk of negative long-term impacts.
- **A shortage of labour and skills in key sectors, high levels of economic inactivity among young people and historically poor labour productivity** which acts as a drag on long-run growth and ultimately constrains government’s tax and spending options.
- **Long term demographic changes including a substantial increase in the proportion of older people**, with over-65s making up 25% of the population by 2066 and rapid growth in the numbers of people over the age of 85.<sup>2</sup>
- **Achieving net zero by 2050 and tackling broader environmental challenges** – notably air pollution and biodiversity loss – which will require a much more coordinated approach across different sectors and policy fields, particularly transport, planning and the built and natural environment.
- **Strengthening the UK’s place in the world** and ensuring we remain a leading global nation as a place to visit and do business.

For sport, recreation and physical activity to play its fullest role in this way requires two things.

**First**, there needs to be greater recognition of the enormous potential of sport, recreation and physical activity across Whitehall and for this to be connected explicitly to the delivery of key cross-Government priorities including Levelling Up, strengthening public services, Global Britain and Net Zero.

**Second**, the sector needs the right tools and operating environment to succeed. This means recognising we are a dynamic, interconnected economic sector which requires the same vision, investment and policy reform as any other.

## We are ambitious about what we think our sector can achieve given the right conditions.

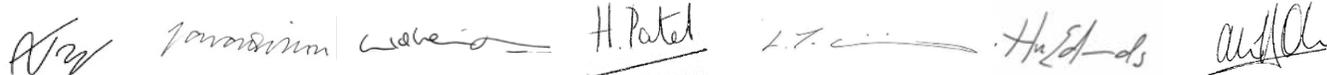
These are undoubtedly difficult times: as a nation we are still recovering from COVID-19 and in the midst of a cost of living crisis. But the scale of the challenges we collectively face is why we believe now is the time to do things differently, rather than more of the same, to unlock the full potential of sport, recreation and physical activity.

Indeed, the proposed refresh of both the Government’s *Sporting Future* strategy and *School Sport and Activity Action Plan* provides the perfect opportunity to lay new foundations.

We know that as a sector we still have work to do but we are committed to making the changes needed to become more inclusive, more diverse and more innovative to deliver even greater impact through what we do.

Other countries and sectors are already showing the way, demonstrating what can be done when there is political will, clarity of purpose and long-term commitment – now it’s time for the Government to capitalise on the key role that sport, recreation and physical activity can play in building a healthier, more equitable and sustainable future. It really is an ‘open goal’.

We want Government to share this ambition for our sector and to work with us and our members on delivering the changes we seek to benefit millions of people across the country.



**Andy Taylor**  
Chief Executive,  
Active Partnerships

**Tara Dillon**  
Chief Executive,  
CIMSPA

**Councillor Gerald Vernon-Jackson**  
Chair, Local Government  
Association Culture,  
Tourism and  
Sport Board

**Hitesh Patel**  
Executive Director,  
Sport for Development  
Coalition

**Lisa Wainwright MBE**  
Chief Executive,  
Sport and Recreation  
Alliance

**Huw Edwards**  
Chief Executive,  
ukactive

**Ali Oliver MBE**  
Chief Executive,  
Youth Sport Trust

1 Institute for Fiscal Studies: <https://ifs.org.uk/publications/15599>.

2 Government Office for Science, *Trend Deck 2021*: <https://www.gov.uk/government/publications/trend-deck-2021-demographics/trend-deck-2021-demographics>.

# 2 Background to the National Sector Partners Group (NSPG)



The National Sector Partners Group (NSPG) consists of organisations that play a lead representative role across the sport, recreation and physical activity sector.

It is composed of the following organisations and networks:

**Active Partnerships**

**The Chartered Institute for the Management of Sport and Physical Activity**

**Local Government Association**

**Sport and Recreation Alliance**

**Sport for Development Coalition**

**Youth Sport Trust**

**ukactive**

These organisations have historically worked together to raise awareness of issues and opportunities across the sector, joining forces on a periodic basis to provide a united voice.

However, the COVID-19 pandemic has had a transformative impact on society and our sector, testing and challenging the sector's resilience but also highlighting the crucial role it plays in the physical, mental, social and economic wellbeing of the nation.

The decisions made and support provided by governments in this period – in Westminster, across the Devolved Administrations and locally – will define the health and influence of the sector for generations to come.

*The next 12-18 months will be crucial in determining how our sector is able to survive, recover and grow again following the pandemic.*

Against this background, the NSPG has become more strategically aligned to ensure the sector plays its fullest role in our national renewal.

Through our collaborative work as sector partners, we aim to engage decision makers to improve the operating landscape for the sector and embed sport, recreation and physical activity as a key contributor to wider public policy objectives.



# 3 The size, scale and value of the sport, recreation and physical activity sector



## The sport, recreation and physical activity sector supports every community across the country.

### It comprises:

- An estimated **100,000 grassroots sports clubs** delivering organised sport, recreation and physical activity opportunities to millions of people across the country every week.
- **Sport and outdoor recreation providers** which engage millions of people in the natural environment through outdoor and water pursuits.
- **Over 7000 gyms, pools, and leisure centres.**
- Schools in every community, including **20,000 schools in England** which participate in the School Games and other programmes run by the Youth Sport Trust.
- A huge **paid and volunteer workforce** which supports millions of adults of all ages, children and young people to be active including:
  - An estimated **585,000 roles within the sector** in the UK.<sup>3</sup> This comprises **250,000 front-line professionals** involved in delivering sport and physical activity:
    - 47%** sports coaches, instructors and officials.
    - 36%** sport and leisure assistants.
    - 17%** fitness instructors.
  - A substantial number of jobs and career opportunities for young people:
    - 45%** of the paid workforce are 16-24.
    - 21%** are 25-34.

- More than **6.6m volunteers** who regularly give up their time to support sport, recreation and physical activity.
- A UK-wide movement of **more than 230 charities** and **civil society organisations, leagues, clubs** and **networks** which oversees thousands of projects and programmes intentionally using targeted interventions to tackle key health and societal inequalities.

**Collectively our members and their networks contribute tremendous economic and social benefits to our society:**  
(Note: figures for England only)

- **£85.5bn per annum** in social and economic benefits.<sup>4</sup> Investing in community sport and physical activity generates almost £4 in value for every £1 spent.<sup>5</sup>

### This comprises:

- **£72bn** in social value provided by a healthier population, improved mental wellbeing, improved educational attainment and social and community development. This is made up of:
  - **£9.5bn** in savings from preventing serious physical and mental health conditions.
  - **£42bn** worth of value created from improved mental wellbeing of participants and volunteers.

- **£20bn** in value from stronger and safer communities: 10,000 fewer crime incidents; replacement value of work done by sports volunteers (£5.7bn); improved levels of social trust, belonging and community engagement (£14.2bn).
- **£13.8bn** in economic value generated through sports-related goods and services.

### In addition:

- Sport and recreation tourism is a significant contributor to inbound tourism and visitor spend and is growing.<sup>6</sup> For football alone, visitors who went to a football match spent **£1.4bn** across the UK in total during their trip in 2019, up 84% on the £742m spent in 2011 when the research was last conducted. There were 1.5 million visits to the UK in 2019 that included watching a live football match, up 66% compared to 2011 when there were 909,000 visits.<sup>7</sup>

<sup>3</sup> Chartered Institute for the Management of Sport and Physical Activity data.

<sup>4</sup> Sport England/Sheffield Hallam University, *Social and economic value of community sport and physical activity in England*: <https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2020-09/Social%20and%20economic%20value%20of%20sport%20and%20physical%20activity%20-%20summary.pdf?VersionId=1fr7FqnmAz.8U3LLQu14rb1yIKL4SUJ7>.

<sup>5</sup> Ibid.

<sup>6</sup> Visit Britain, *Activities undertaken in Britain*: <https://www.visitbritain.org/activities-undertaken-britain>.

<sup>7</sup> Visit Britain, *Inbound football tourism research*: <https://www.visitbritain.org/inbound-football-tourism-research>.

# 4 The current state of the nation: physical activity in 2022



Despite the evident economic and social benefits of physical activity, the reality remains that physical activity levels are significantly below where they should be and there are substantial inequalities across different groups which have been exacerbated by the COVID-19 pandemic.

(Note: figures are for England only)

- **Over 27% of adults are inactive.** In simple terms this means 12.4 million people do less than 30 minutes of activity a week.<sup>8</sup>
- **There are now 1.3 million more inactive adults** compared to pre-pandemic levels.<sup>9</sup>
- **Some groups have seen bigger drops in activity than others.** Compared to pre-pandemic levels, people with a disability or long-term health condition, people in

lower socio-economic groups and people from diverse communities have experienced larger falls in activity levels.<sup>10</sup>

- **Almost a third of children and young people are inactive.** This means 2.3 million children and young people do less than an average of 30 minutes of activity a day.<sup>11</sup> Only 36% of UK parents are aware their children should be active for an average of 60 minutes every day.<sup>12</sup>

- **Inequalities have widened since the start of the COVID-19 pandemic.** Children and young people from the least affluent families remain the least active and are falling further behind. Children and young people from diverse communities are least likely to be active.<sup>13</sup>
- **42,000 hours of Physical Education (PE) have been lost from the curriculum in the last decade.** State secondary schools in England taught 284,000 hours of PE in 2021, down 13% from 326,000 hours in 2011.<sup>14</sup>



8 Sport England, *Active Lives Adult Survey November 2020-21 Report*: [https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2022-04/Active%20Lives%20Adult%20Survey%20November%2020-21%20Report.pdf?VersionId=nPU\\_v3JFjwG8o\\_xnv62FcKOdEIVmRWCb](https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2022-04/Active%20Lives%20Adult%20Survey%20November%2020-21%20Report.pdf?VersionId=nPU_v3JFjwG8o_xnv62FcKOdEIVmRWCb).

9 Ibid.

10 Ibid.

11 Sport England, *Active Lives Children and Young People Survey Academic Year 2020-21*: <https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2021-12/Active%20Lives%20Children%20and%20Young%20People%20Survey%20Academic%20Year%202020-21%20Report.pdf?VersionId=3jpdwfbWB4PNtKJGxwbyu5Y2nuRFMBV>.

12 Youth Sport Trust research.

13 Sport England, *Active Lives Children and Young People Survey Academic Year 2020-21*: <https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2021-12/Active%20Lives%20Children%20and%20Young%20People%20Survey%20Academic%20Year%202020-21%20Report.pdf?VersionId=3jpdwfbWB4PNtKJGxwbyu5Y2nuRFMBV>.

14 Youth Sport Trust research.

# 5 Supporting the sector helps achieve Government priorities

**The evidence of the size, scale and value of the sector have been shown, yet levels of physical activity remain either static or in decline with sport, recreation and physical activity still seeking the required support to play its fullest role.**



**So why should this matter to the Government?**

*Put simply, if we don't make fundamental changes to enable more people to benefit from sport, recreation and physical activity, we will see existing trends and their consequences for physical, mental and social wellbeing last for generations.*

**This cannot be right.**

We believe now is the point of maximum opportunity, where Government should seize upon the chance to unlock the potential of sport, recreation and physical activity to help achieve its national priorities:

## **1. Levelling up the country**

**Sport, recreation and physical activity can help if we:**

- Create pride in place through a well maintained, accessible network of sporting facilities, playing fields and leisure centres.
- Embed sport, physical education and physical activity as a pillar of a quality education system, elevating physical education in the curriculum, to ensure every child and young person recovers lost learning and achieves their full potential.

- Deploy sport, recreation and physical activity to engage disadvantaged pupils and to upskill young people currently outside of mainstream education, employment or training.
- Make investment in sport, recreation and physical activity infrastructure and outdoor space a pillar of growth and regeneration in towns and rural and coastal communities.
- Realise the potential of well-designed sport, recreation and physical activity programmes to connect communities, build social cohesion and reduce crime and antisocial behaviour.
- Work with communities to ensure sport, recreation and physical activity supports local priorities for social and economic regeneration.



## 2. Strengthening public services by reducing the burden on the NHS and social care system

### Sport, recreation and physical activity can help if we:

- Strengthen capacity to scale social prescribing and delivery of sport and physical activity to improve health and wellbeing.
- Realise the potential of ‘movement as medicine’ in reducing the burden of non-communicable disease and poor mental health.
- Leverage school rebuilding and reforms to education policy, PE and school sport to build active schools and education institutions across the country.
- Empower local networks to adopt new approaches to integrating sport, recreation and physical activity with health and wellbeing services to tackle health inequalities at community level.
- Enhance the role that sport and physical activity professionals can play as part of an integrated health and wellbeing system.

## 3. Driving economic growth

### Sport, recreation and physical activity can help if we:

- Boost the lifetime skills guarantee, get people back into work and kickstart skilled jobs and professional careers for young people in and through sport, recreation and physical activity. Analysis of seven sport-based employability interventions showed that 59% of the more than 8,500 participants progressed into education, training or employment opportunities over a 12-month period.

Of these participants, 35% were from ethnically diverse backgrounds<sup>103</sup> and 59% were from the 30% most deprived areas of England.<sup>15</sup>

- Maximise productivity growth through a more active workforce, workplaces and communities. It is estimated that if each inactive worker in the UK became active, this would deliver a boost of up to £16.5bn pa in terms of healthcare savings and GDP growth.<sup>16</sup>
- Reorientate the UK’s towns and cities towards movement by building active environments and investing in high quality community sports facilities according to need.
- Reform the tax, legislative and regulatory environment to enhance the sector’s financial resilience, incentivise new investment and growth.

## 4. Accelerating the transition to Net Zero

### Sport, recreation and physical activity can help if we:

- Position the UK as a global leader in the hosting of environmentally sustainable major sporting events.
- Upgrade Britain’s sport, recreation and physical activity infrastructure to reduce energy consumption and emissions.
- Maximise the role of cycling and walking to reduce carbon and other harmful local pollutant emissions.
- Scale up the resilience of the sport, recreation and physical activity sector to protect against the impact of climate change and biodiversity loss.

## 5. Advancing Global Britain and strengthening the Union

### Sport, recreation and physical activity can help if we:

- Continue to bid for and host the most prestigious international sporting events, using them to unite the country and showcase the best of Britain to the world.
- Protect and enhance our world-class domestic events and competitions to ensure they can continue to grow and thrive, attract the best talent and support local and regional economies.
- Ensure British sport has the strongest legal and regulatory protections available to tackle match-fixing, doping and other threats to integrity.
- Invest in the long-term success, diversity and wider social impact of our elite sporting system.



<sup>15</sup> Sport for Development Coalition analysis of impact reporting from Coach Core, Empire Fighting Chance, Premiership Rugby HITS Programme, School of Hard Knocks, Sport 4 Life and Street League.

<sup>16</sup> IHRSAs and Global Health & Fitness Alliance: Economic Health & Societal Well-being: Quantifying the Impact of the Global Health & Fitness Sector: <https://www.ihrsa.org/publications/economic-health-societal-well-being-quantifying-the-impact-of-the-global-health-fitness-sector/>

# 6 The changes we seek

## Sport, recreation and physical activity can play a key role in achieving whole of Government priorities and supporting the national renewal. But only if there is radical and bold change.

It is the collective belief of the NSPG that there needs to be root and branch reform of the policy and operating landscape the sector currently exists within.

At a strategic level this must encompass:

- **Development of a strong and consistent evidence base** on which to make well-informed decisions and guide investment, with a particular focus on tackling inequalities and achieving the greatest social return on public investment.
- **Strong direction from the heart of Government** on the importance of sport, recreation and physical activity.
- **Better policy coordination across different Government departments and agencies** including much closer alignment of existing strategies on sport, physical activity, health and education.
- **Deeper collaboration between Government departments, agencies and the sector** involving greater co-design of policy and monitoring of implementation.
- **Targeted investment** into the sector on a long-term basis to provide certainty and stability and maximise value for money.
- **Fundamental changes to legislative, regulatory and taxation regimes** so they become greater enablers for sport, recreation and physical activity.

- **Greater advocacy** from governments at national and local level for the role the sector plays in all communities.
- **Improved coordination between national and local government**, particularly where there are shared responsibilities e.g. public sport and leisure.
- **Smarter deployment** of sport, recreation and physical as a means of achieving specific policy objectives including improvements in education, skills and employment and the prevention of crime and recidivism.
- **Improved links between the sector and related business and voluntary sectors** to create more opportunities for investment, innovation and collaboration.

In order to achieve this shift, we believe a broad-ranging package of reforms is necessary.

*We believe that now, more than ever, is the time for Government to be bold and ambitious.*

We have set out further below the systemic barriers we feel are holding the sector back and how these could be addressed through different Government policy levers to improve the operating landscape for, and wider impact of, sport, recreation and physical activity.

These barriers and the proposed measures to address them have been categorised under the following broad headings:

- **Evidence**
- **Access to investment**
- **Tax reform**
- **Legal/regulatory reform**
- **Wider policy reform**

It is recognised that in some cases there is inevitable overlap – some wider policy reforms may require specific legal or regulatory changes for example.

This is not an exhaustive list but rather a set of clear examples identifying the changes and associated benefits different Government policy levers could deliver.

We and our respective member organisations wish to work with the Government to explore the full range of opportunities to deliver our shared ambition to drive lasting improvements in participation, enhance the wider operating landscape for sport, recreation and physical activity and maximise the sector's contribution to Government priorities.



	BARRIER	DESCRIPTION AND IMPACT	PROPOSED SOLUTION
<b>Evidence</b>	Lack of consistent methodology for assessing the economic and social impact of investment in sport, recreation and physical activity.	Proving the value of public sport and leisure services in a consistent and outcome focussed way is a challenge. Focussing solely on outputs does not reflect the wider social value public sport and leisure services contribute to health outcomes, social inclusion, community safety, or the local economy and employment.	Creation of a valuation framework for sport, recreation and physical activity similar to the Valuing Culture and Heritage Capital Framework aligned to HM Treasury's Green Book. The establishment of an equivalent programme for sport, recreation and physical activity would help to develop a strong evidence base for the social and economic benefits and better inform funding and decision making, ensuring best use of public funds.
	Lack of understanding of built facility and natural environment assets at national and local level.	Limited data on the size, composition, accessibility and condition of built facility and natural environment assets makes it difficult to understand the full breadth of provision, identify opportunities and risks and ensure investment – both national and local – is targeted appropriately.	Full mapping of built facilities (public, private and voluntary sector) as well as natural environment (green and blue spaces) in each local area to enable assessment of provision according to need. Alongside this, undertake a comprehensive review of access to the outdoors with a view to enabling more people from all backgrounds to benefit from being active outdoors.
<b>Access to investment</b>	Scope and design of key levelling up funds.	Lack of dedicated revenue and capital streams for sport, recreation and physical activity within Levelling Up and UK Shared Prosperity Funds. In addition, the design of the funds – multiple, centralised funds which must be bid into – militates against a strategic approach to investment which ensures the projects selected meet needs.	Explicit sport, recreation and physical activity strands within the Levelling Up Fund and UK Shared Prosperity Fund alongside changes to fund design to facilitate more strategic investment decisions.
	Long term investment in local sport and leisure infrastructure.	The majority of the existing local sport and leisure stock is at the end of/ beyond its operational life – these facilities are typically costlier and more carbon-intensive to operate, do not provide a modern, inclusive environment and, post-COVID-19, have been slower to recover. There is currently no dedicated capital investment funding available to renew and remodel these facilities and while local government has been given additional funding through Spending Review 2021, this will not be sufficient to address existing and future infrastructure and sustainability needs.	A two-pronged approach to investing in local public sport and leisure infrastructure: First, dedicated short-term support to provide councils with the necessary resource to mitigate rising energy costs and restore public leisure provision to pre-COVID-19 levels. Second, long-term capital investment in renewal of public leisure infrastructure to provide modern, inclusive and environmentally sustainable facilities for local communities.
	Inability to navigate and access health funding and systems.	There needs to be overt leadership and direction from the Office for Health Improvement and Disparities (OHID) on the importance of physical activity as a prevention measure and the need to build this in to the development of Integrated Care Systems (ICS) at local level.  There is very limited discussion with, and recognition by, the National Academy of Social prescribing and sporting (and cultural) infrastructure delivered by councils, with Thriving Communities funding explicitly excluding councils from fulfilling their role as place leaders.	Clear emphasis on the role of physical activity added to guidance issued to those developing Integrated Care Systems, as well as to other key health organisations like health and wellbeing boards, NHS commissioners etc.

	BARRIER	DESCRIPTION AND IMPACT	PROPOSED SOLUTION
<b>Access to investment</b>	Limited recognition of the contribution of sport and physical activity-based interventions in key Government plans.	There is limited recognition of the multiple returns on investment, cost savings and distributional impact generated through sport and physical activity interventions which support health and wellbeing, employment and skills development and safer communities. Relying primarily on investment through DCMS and local government leisure investment will not fully realise the potential impact of these interventions.	Ringfenced investment for strategically-designed sport and physical activity-based interventions through the Plan for Health and Social Care, Plan for Jobs and Lifelong Skills Guarantee and Beating Crime Plan. Recognition of the contribution of sport and physical activity in any upcoming update to the Government's Tackling Obesity strategy.
<b>Tax reform</b>	VAT	The existing VAT treatment of sport, recreation and physical activity is administratively complex, resource-intensive and runs counter to the policy intent to both increase participation and maximise the contribution the sector can make to cross-Government priorities.  In addition, VAT on build costs makes many new facility projects at grassroots community level unviable.	Fundamental reform of the VAT treatment of sport, recreation and physical activity to reduce burdens and encourage participation. This should encompass consideration of: <ul style="list-style-type: none"> <li>• A reduced rate VAT for use of sports facilities and gyms (where currently standard-rated) and admission to sporting events.</li> <li>• Zero-rate VAT for new build facilities constructed by Community Amateur Sports Clubs (CASCs) and sports charities.</li> <li>• A review and where necessary simplification of VAT rules to better support schools to open up facilities to the community.</li> </ul>
	Business rates	The business rates system is overly complex and the burdensome for facility-owning sport and physical activity clubs and providers. The current system fails to deliver cohesive and uniform relief for the sector or to incentivise investment in the development of new sites and participation opportunities.	Protect existing reliefs for CASCs and charities and create a more consistent and uniform approach to reliefs for premises occupied or used for sport, recreation and physical activity which would reflect the wider value of these activities and incentivise growth.  Furthermore, wider reform of the business rates system to include a reduction in the overall burden of business rates, increased frequency of revaluations and creation of a 'greener' business rate system to support Net Zero ambitions.
	Red diesel	The current exemptions for the use of red diesel are narrow in scope with the result that for many applications in the sport, recreation and physical activity context e.g. grounds maintenance, higher duty diesel must be used. This is leading to sharply increased costs which are passed on to participants in the form of higher fees and/or a reduced sporting offer.	Reinstate the exemption for use of red diesel across the sport, recreation and physical activity sector. Alongside this, Government should work with the sector to identify opportunities to improve the efficiency and sustainability of vehicles and machinery used to support the provision of sport, recreation and physical activity.



	BARRIER	DESCRIPTION AND IMPACT	PROPOSED SOLUTION
<b>Tax reform</b>	Corporation Tax, Gift Aid and wider tax reform.	<p>The current corporation tax system could be enhanced to create sharper incentives to invest in sport and physical activity participation. The existing reliefs for grassroots sport are helpful but limited in scope and flexibility.</p> <p>At grassroots level, the existing Community Amateur Sports Club (CASC) scheme is extremely valuable but the benefits have remained broadly unchanged since its inception and the financial thresholds do not rise in line with inflation.</p> <p>Wider tax changes such as Making Tax Digital and requirements for registering trusts will introduce new burdens and costs on the grassroots and voluntary sector as well as self-employed individuals.</p> <p>More broadly, the failure to revise financial tax thresholds despite substantial increases in costs due to inflation is impacting negatively upon grassroots community sport.</p>	<p>Wide ranging reform encompassing:</p> <p>Introduction of an enhanced corporation tax relief for grassroots sport and physical activity which is on a par with those available to other DCMS sectors e.g. creative industries which benefit from dedicated reliefs for expenditure on specific areas.</p> <p>Reform of the CASC scheme including:</p> <ul style="list-style-type: none"> <li>• Lifting the financial thresholds in line with inflation annually.</li> <li>• Introducing Gift Aid on CASC and sports charity subscriptions to drive participation and provide further resource to fund additional sporting opportunities.</li> </ul> <p>Create specific exemptions for grassroots community sport from Making Tax Digital and trust registration requirements to minimise the impact on grassroots and voluntary sport organisations and the self-employed.</p> <p>Conduct a thorough review of key tax thresholds to reduce the burden on grassroots community sport, recreation and physical activity.</p> <p>Boost the resources available to HMRC to support the provision of an enhanced service to grassroots community clubs.</p>
	Salary sacrifice schemes.	<p>The Cycle to Work scheme has been a success in Government intervention to support physical activity. However, it is limited in scope, and doesn't offer sufficient opportunities for all people to engage in physical activity during the working day. Furthermore, increased home working over the course of the pandemic requires a new approach to encouraging physical activity.</p>	<p>Expand the Cycle to Work scheme to cover more aspects of physical activity, providing inclusion and choice for those using the scheme such as home equipment and gym membership</p> <p>A cost-benefit analysis of expanding the cycle to work scheme in this way shows it would lead to a surge in activity participation and savings to HM Treasury of £240 million – through reduced NHS costs, improved workplace productivity and reduced premature mortality.</p>
<b>Legal/ regulatory reform</b>	Gambling and sport.	<p>Sports do not receive a fair return for the use of their product in gambling. Sports bodies invest substantial sums into the development of the on-field product and associated infrastructure as well as the long-term development of the grassroots. In addition, sports fund the costs of policing the integrity risks arising from gambling.</p>	<p>Review the legislative relationship between gambling and sport with a view to establishing a legally enforceable fair return. This would support investment at all levels of the sporting pyramid including the grassroots.</p>

	BARRIER	DESCRIPTION AND IMPACT	PROPOSED SOLUTION
<b>Policy reform</b>	PE and school sport.	<p>Funding for PE and school sport is too often made available only on a short-term basis, with decisions coming at the last moment, leaving schools and the wider school sport workforce uncertain as to the scale of provision they are able to offer and unable to plan for the long term.</p> <p>There is a lack of co-ordination at a national level. The approach from departments has been to invest in individual programmes and pilots, without a national strategy or national targets to join this up and drive accountability. Policy across health and education does not always align to promote physical activity. For example:</p> <ul style="list-style-type: none"> <li>• In education policy PE is not a core subject. The lack of formal standardised assessment for core PE, and academic focus of school accountability measures over the last decade has contributed to a reduction in PE time on the curriculum.</li> <li>• In health policy, the Tackling Obesity strategy rightly places a strong focus on food and nutrition but lacks sufficient acknowledgement of the important role of physical activity.</li> </ul>	<p>Funding for PE, school sport and physical activity should be aligned to an ambitious national strategy which joins up policy across government and improves accountability through measurable national targets to drive up activity levels, health and wellbeing across young people of all age groups.</p> <p>Funding should ensure support for both primary and secondary-aged children and be made available in the following areas:</p> <ul style="list-style-type: none"> <li>• Continued long-term investment into the Holiday Activities and Food (HAF) programme.</li> <li>• Expanding the reach and depth of the successful School Games programme.</li> <li>• Investment in teacher training to support provision of high quality PE, sport and physical activity</li> <li>• Targeted activity to improve physical activity participation in schools, particularly lower- income areas and those most affected by the pandemic.</li> <li>• Renewed commitment to expanding Schools as Community Hubs programme.</li> </ul>
	Demand-side incentive schemes.	<p>The Government has made positive strides around using incentive schemes to increase physical activity to prioritise wellbeing in the post COVID-19 era. This movement is welcome but incentivising the fullest range of sport, recreation and physical activity must be a key part of any scheme if it is to be successful.</p>	<p>Ensure incentivisation schemes for wellbeing have sport, recreation and physical activity at their heart, working closely with sector representatives to ensure any schemes work in practice, and allow the sector to contribute effectively.</p>
	Disconnect between policy on green spaces and parks and their contribution to being active (as shown through lockdowns).	<p>Defra, DLUHC and DCMS need to engage collectively to drive the coordinated use of green space to help people to be active in a climate neutral way that also exposes them to nature. DfT may also have a role from an active travel perspective.</p>	<p>Initial discussions between departments and arms-length bodies on how policy and forthcoming funding announcements will integrate and make explicit the connection between green spaces and physical activity would be constructive. There needs to be overt communication from Government about this, to promote join-up locally and promote integration in build back better plans.</p>



	BARRIER	DESCRIPTION AND IMPACT	PROPOSED SOLUTION
<b>Policy reform</b>	Policy design, implementation, transparency and accountability.	<p>There is often insufficient emphasis given to the design of systems, structures and incentives needed to support successful policy implementation in the long run, including mechanisms to ensure:</p> <ul style="list-style-type: none"> <li>• Greater visibility and recognition of sport, recreation and physical activity as a contributor to cross-Government priorities.</li> <li>• Improved transparency and accountability for decision making and outcomes.</li> <li>• Greater policy stability and certainty i.e. reducing 'cliff-edge' decision points and the general churn of policy and initiatives.</li> <li>• Regular opportunities for the sector to input and refine policy in light of learning and evidence.</li> </ul>	<p>Consideration of new approaches which might include:</p> <ul style="list-style-type: none"> <li>• Stronger relationships and shared incentives between the centre (No. 10), DCMS, relevant departments and agencies where sport, recreation and physical activity is being used to achieve cross-Government priorities.</li> <li>• Shared departmental budgets and/or governance mechanisms to oversee spending and outcomes.</li> <li>• Greater co-creation of policy and delivery mechanisms by Government and the sector working together.</li> </ul>
	Distributional and 'levelling up' impact of investment in sport and physical activity.	<p>Government guidance on appraising the business case for public investment recommends distribution analysis should be utilised to consider costs and benefits of interventions for different population groups. There are substantial additional impacts and cost benefits from ensuring public investment actively targets individuals and communities experiencing disadvantage (with distributional effects of between two and 10 times for low socio-economic groups and ethnically diverse communities). But there is inconsistent inclusion of funding criteria related to measures and targets focused on addressing inequalities and associated disaggregated reporting and accountability mechanisms.</p>	<p>Consistently include as criteria for both capital and resource/revenue based public investment in sport and physical activity the strengthening of measures, targets and accountability mechanisms (disaggregated reporting) to ensure interventions disproportionately deliver for the most disadvantaged groups and places, and those facing the most significant inequality of opportunity.</p>

# 7 About the National Sector Partners Group



The network of 43 Active Partnerships cover the whole of England, bringing together people and organisations across their counties to increase physical activity levels.

With a particular focus on those who face the most difficulties in being active, they are driven by an understanding of the power physical activity and sport can have on people's health and the vibrancy of their communities.

The Active Partnerships connect and support a vast array of organisations, using their position to influence policies and strategies that can make it easier and more attractive for people to be active in their day to day lives.



CIMSPA is the professional development body for the UK's sport and physical activity sector, committed to supporting, developing and enabling professionals and organisations to succeed and, as a result, inspire our nation to become more active.

Together we're developing a vibrant, UK-wide sport and physical activity sector, with the highest standards of service delivery.



The Local Government Association (LGA) is the national voice of local government. We are a politically led, cross-party membership organisation, representing councils from England and Wales. Our members run nearly 3,000 leisure centres, pools and multi-sport facilities in England, and manage a significant majority of the 27,000 parks and green spaces in the UK. These facilities are designed to offer affordable and accessible opportunities for people in every community to be active, and work alongside other council services like public health, transport and education to maximise the benefits for their communities.



The Sport for Development Coalition is a UK-wide network of more than 230 charities and organisations over-arching thousands of projects and programmes that use sport and physical activity-based interventions to intentionally generate positive health and societal outcomes. The network is dedicated to tackling key health and societal inequalities in communities facing disadvantage and deprivation, and in the greatest need of levelling up. It is supported by Sport England, Comic Relief and Laureus Sport for Good.



The Sport and Recreation Alliance believes that the power of sport and recreation can change lives and bring communities together. Together with over 300 members and in partnership with the wider sector, we make the most of opportunities and tackle the areas that provide a challenge.

We deliver advice, support and guidance to our members and the sector, who represent traditional governing bodies of games and sport, active partnerships, outdoor recreation, water pursuits, and movement and dance exercise.

As the voice of the sector, we work with Government, policy makers and the media to make sure grassroots sport and recreation grows and thrives. Having an active nation is important as it delivers huge benefits to society and the millions of participants, volunteers, staff and spectators.



ukactive is the UK's leading not-for-profit membership body for the physical activity sector, bringing together more than 4,000 member organisations and partners in our shared ambition to get More People, More Active, More Often. From gyms, leisure centres, studios, health bodies, sports bodies and other activity providers, to major consumer brands, tech firms and equipment manufacturers, our community collaborates across the private, public and third sectors. ukactive facilitates high-impact partnerships, conceives and drives breakthrough campaigns, conducts critical research and lobbies the Government to recognise the power of the physical activity sector to address today's biggest issues – including 'levelling up' health, reducing the burden on the NHS and social care, reducing crime, revitalising our high streets and communities, tackling loneliness and driving our physical and mental recovery from COVID-19.



The Youth Sport Trust is a children's charity founded in 1995 to harness the power of play and sport in children's education & development. Our vision is a future where every child enjoys the life-changing benefits of play and sport and our mission is to equip educators and empower young people to build brighter futures. We work in partnership with education, health and sport and together we create opportunities for young people to belong and achieve. Our 2022 – 2035 strategy is built around three simple objectives: urgent action to build back healthier, happier and more resilient young people and level the playing field for the most disadvantaged, a generation shift to balance the demands of the digital age through the human connection of physical play and sport, and societal change by transforming society's perceptions and attitudes toward the importance of physical literacy, play and sport in the education and development of young people.



