

## **Update on Sport England Investment Programme Actions**

### **Purpose**

For information.

### **Summary**

Sport England's new strategy 'Towards An Active Nation' 2016-2021 was published earlier this year and had actions to review the current code for sports governance, developing a football facility investment strategy and volunteer strategy.

At the CTS Board meeting on 27<sup>th</sup> October 2016, Members were presented with a report which outlined proposals for the development of a local government 'asks/offer' in relation to the Sport England strategy actions **(Annex A)**.

This report updates Lead Members on the recent announcements by Sport England of the review of the Code for Sports Governance, Parklife football hubs programme, volunteer strategy and timescales for investment guides and funding opportunities.

### **Recommendation**

Members are asked to note the report.

### **Action**

Officers will take forward actions identified.

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## **Update on Sport England Investment Programme Actions**

### **Background**

#### Sport England strategy

1. The Sport England strategy [Towards an Active Nation](#) was published in May 2016 and highlighted:
  - 1.1 A much stronger focus on tackling inactivity so that everyone feels able to engage in sport or physical activity, whatever their ability.
  - 1.2 A focus on customer engagement and a customer-focused approach that draws on principles of behaviour change.
  - 1.3 Seven investment programmes: **Tackling inactivity, Children and young people, volunteering, Sport into mass market, Sports core market, Local delivery and facilities** (replacing the 30 plus current ones) amounting to some £1 billion of investment between 2017- 2021 with a much more outcomes-focused approach and with councils and local partners potentially able to access more funding.
2. Sport England will issue a series of investment guides for the different investment programmes and partners, beginning with an investment guide for NGBs published in June 2016.

#### Code for Sports Governance

3. The Government announced that a new governance code would be developed in its Sporting Future strategy, published in December 2015, set the requirement for Sport England and UK sport to agree a new Code for Sports Governance, in order to protect the value of for money the public receives from investment into sport and maximise the effectiveness of those investments. The Government called for a 'Gold standard' in domestic governance standards, and tasked Sport England and UK Sport with agreeing a new code.
4. During the Sport England strategy consultation, respondents were asked their views on the development of a code of governance and in the LGA's response, we included the following:

"Councils operate to their own governance standards which are often far higher than most sports organisations. The LGA would welcome further discussion on what Sport England would expect from councils, as the LGA feels that the governance arrangements in place for councils would meet the requirements that Sport England may want..."
5. The new Code for Sports Governance (download [here](#)) was published at the end of October 2016 and included a mandatory set of requirements for those organisations seeking public funding. Separate guidance will be provided in respect of how Sport England and UK Sport intend to apply, monitor and assess compliance with the Code.

6. The Code has five Principles of good governance:
7. **Structure** – Organisations shall have a clear and appropriate governance structure, led by a Board which is collectively responsible for the long-term success of the organisation and exclusively vested with the power to lead it. The Board shall be properly constituted, and shall operate effectively.
8. **People** – Organisations shall recruit and engage people with appropriate diversity, independence, skills, experience and knowledge to take effective decisions that further the organisation's goals.
9. **Communication** – Organisations shall be transparent and accountable, engaging effectively with stakeholders and nurturing internal democracy.
10. **Standards and Conduct** – Organisations shall uphold high standards of integrity, and engage in regular and effective evaluation to drive continuous improvement.
11. **Policies and Processes** – Organisations shall comply with all applicable laws and regulations, undertake responsible financial strategic planning, and have appropriate controls and risk management procedures.
12. Sport England and UK Sport will adopt a proportionate approach to the application of the Code by creating **three Tiers of investment**. Each Tier has a different level of mandatory governance requirements.
13. Sport England and UK Sport will, at their sole discretion, place each of their investments into the Tier they consider most appropriate, taking account of the circumstances of the investment and the organisation.
14. During the consultation on the new Code for Sports Governance, the LGA emphasised the need for the Code to take account of the governance frameworks that councils abide by and that extra demands should not be made of councils to meet the requirements of the Code.
15. Subsequently, Sport England has indicated that councils will be deemed to have automatically met Tier one of the Code and will not be required to produce any evidence to verify compliance (See Annex B for list of Tier one and three requirements).
16. Investments will be placed into Tier two where Sport England/UK Sport require organisations to go further than the requirements of Tier one, but not as far as full compliance with Tier three. This might be because of their resources, or because the investment is significant but made on a one-off (rather than longer-term) basis.
17. Organisations receiving an investment categorised as Tier two will be expected to meet all of the mandatory requirements in Tier one and some additional mandatory requirements from Tier three. Investments falling into Tier two are likely to be in the region of £250,000 - £1 million.

18. Tier three mandatory requirements list requirements which would not be appropriate for councils. For example, there is a limit of the number of years a person can serve on a Board (maximum 9-12 years) or a requirement to set targets for the diversity of Board members.
19. CTS officers are seeking clarification from Sport England as to what would happen if councils were offered funding greater than £250,000 and which Tier three mandatory requirements would have to be met or if receiving funding greater than £1 million, in which would all Tier three mandatory requirements apply to councils.
20. The outcome that the LGA would seek is that councils are deemed to have met the mandatory requirements of Tier three (where applicable).

#### Parklife football hubs programme

21. The Sport England strategy included an action on the development of a football facility investment strategy in conjunction with DCMS, the Football Association, Premier League and Football Foundation and local authorities.
22. In November 2016, the new £200m Parklife programme was launched to improve grassroots facilities across the country, which will over the next five years build up to 120 hub sites throughout England's towns and cities – providing changing facilities, clubhouses and artificial pitches.
23. Sheffield is the first city to benefit from the new investment, with two hubs already built – and there is a three-month bidding process for local authorities across the country to submit expressions of interest for Parklife investment.
24. Expressions of interest are sought up to the end of January 2017 from English towns and cities with a population of 200,000 or more Information on [how to submit](#) an expression of interest.
25. Sport England has indicated that local authorities with fewer than 200,000 population are still able to apply provided they combine with another local authority to have a combined population above 200,000.
26. The LGA will be liaising with Sport England and the FA to ensure that investment is made across the whole of England and not just localities where there is already significant football infrastructure and investment.

#### Sport England strategy for volunteering

27. On 2<sup>nd</sup> December 2016, Sport England published their strategy for volunteering 2017-21. <https://www.sportengland.org/news-and-features/news/2016/december/1/new-volunteering-strategy-published/>

28. Sport England will work with community organisations, sports clubs, **local authorities** and voluntary groups plus others to implement the strategy.
29. The strategy for volunteering has a commitment to invest:
- 29.1 £26 million into volunteering between 2016-21.
  - 29.2 £3 million into the Opportunity Fund – targeting people from disadvantaged areas.
  - 29.3 Up to £3 million into the Potential Fund.
  - 29.4 £3 million set aside for club support in 2016/17.
30. The mention within the strategy that Sport England will work with local authorities is welcomed and is one of the 'asks/offer' that the LGA has made to Sport England.

Timescales for investment guides and future funding opportunities

31. In November 2016, Sport England announced timescales and further details for some of the investment programmes within their strategy  
<https://www.sportengland.org/newfunding/>
32. The update outlines initial funding opportunities for two of the investment programmes:
- 32.1 **Tackling inactivity fund** - £10m will be made available during phase one which will target projects helping older people (55 and over) to get active. The fund will be launched in December 2016, supported by an investment guide, which will outline details of the types of projects that will be funded. Bids between £250,000 - £500,000 will be funded, although smaller bids will be considered, based on merit. Expressions of interest will be sought by 13 Feb 2017 and first awards will be made in June 2017.
  - 32.2 **Facilities fund** - £7.5m will be made available during phase one of the Community Asset Fund, which will support organisations looking to take over sports facilities or expanding their offer. The fund will be launched in December 2016, with funding of £5,000 - £150,000 available for bids after January 2017. The first awards will be made in April 2017.
  - 32.3 **Investment Guides** – The timescales for publication of investments guides accompanying the various investment programmes are:
    - 32.3.1 Core market (December 2016)
    - 32.3.2 Volunteering (January 2017)
    - 32.3.3 Children and young people (February 2017)
    - 32.3.4 Mass markets (March 2017)

32.3.5 Local delivery

(March 2017)

33. CTS Board members have agreed a set of local government 'asks' in relation to the Sport England strategy and CTS officers are working up more specific detail for each of these asks and will liaise with Sport England to ensure that these 'asks' are considered when the investment guides are published.

## **Annex A: Development of local government ‘asks’ to Sport England strategy**

1. The proposals below outline the areas of the Sport England strategy where the LGA and councils can contribute to the successful implementation of the strategy.
2. Despite hosting a very successful 2012 Olympic and Paralympic Games, the current sport and physical activity landscape is mixed. Inactivity remains a big challenge for all in the sport and physical activity sector and only by developing a more collaborative and better connected approach will real inroads be made. Whilst still being the biggest public investor in sport and physical activity, councils continue to face challenges of providing services with reduced budgets.
3. However, the new Sport England strategy offers an opportunity to tackle these challenges in a positive way and councils need to play a key role in all the strategy’s programmes and this will enable a successful outcome for both Sport England and local government.

### **4. OVERARCHING PRINCIPLES**

- 4.1 That local government remains a key investor in sport and physical activity and needs to be seen a central to any successful implementation of a national sport and physical activity strategy.
- 4.2 That there needs to be a re-balancing of funding away from national interventions to more locally led approaches, with councils being at the heart of any local partnership.

### **5. TACKLING INACTIVITY**

- 5.1 Councils able to apply to the £120 million fund to tackle inactivity.
- 5.2 The LGA and councils to work with PHE and Sport England to develop clear messages on the CMO guidelines on physical activity.

### **6. CHILDREN AND YOUNG PEOPLE**

- 6.1 Councils able to apply to the £40 million fund which develop new opportunities for families and children.
- 6.2 The LGA to liaise with DfE/DCMS/Sport England to develop improved ‘connectivity’ between the curricular/extra-curricular sports/physical activity offer.
- 6.3 Councils (where they choose) to manage and oversee funding for satellite clubs in primary schools.

## **7. VOLUNTEERING**

- 7.1 The new strategy for volunteering in sport and physical activity to recognise the role councils play in the capacity building of volunteers in order to help make the sport and physical activity landscape more sustainable. The LGA/councils to share good practice with Sport England.
- 7.2 Councils able to apply to the £30 million fund to support the implementation of the strategy.

## **8. TAKING SPORT INTO THE MASS MARKET**

- 8.1 The LGA to work with Sport England to further develop digital booking solutions for council owned facilities (whether in-house or run by Trusts).
- 8.2 Sport England to financially support councils to increase and replicate the offer of mass participation events, such as 'parkrun', go ride' within its facilities.

## **9. SUPPORTING SPORT'S CORE MARKET**

- 9.1 The LGA (via LG inform) and Sport England to provide insight, advice and funding to councils to further develop regular players via revenue funding for promoting participation in council owned facilities (whether in-house or run by Trusts).
- 9.2 The LGA and Sport England to share information on improving the joint working between Sport England funded NGBs and councils.

## **10. LOCAL DELIVERY**

- 10.1 Councils to lead and/or be involved in all ten sport and physical activity pilots and the subsequent roll out of good practice, with the LGA acting as an advisor/consultative partner during the identification of the ten pilots and subsequently assisting with the sharing of good practice.
- 10.2 Ensuring that there is a good geographical spread amongst the pilots.
- 10.3 Drawing upon our wider experience to suggest principles that underpin good partnership working.

## **11. FACILITIES**

- 11.1 The LGA/councils to provide advice on the development of a quality standard for all sports facilities.



11.2 Councils able to apply to the 'Community Asset Fund'.

11.3 Councils able to apply to the 'Strategic Facilities Fund'.

11.4 Councils consulted on the '£72 million football facility investment strategy' being developed by Sport England and others.

## **12. TRANSFORMING DELIVERY**

12.1 Councils/cCLOA to contribute to the development of a workforce strategy and subsequently work with CIMSPA to implement the strategy.

12.2 The LGA and Sport England continue developing the leadership offer for Portfolio Holders responsible for sport and physical activity.

12.3 The LGA and Sport England to explore how they can support councils to engage with the strategy.

## **Annex B: Code of Sports Governance Tier Requirements**

### **Tier one**

1. Tier one represents the minimum level of mandatory governance requirement in the Code.
2. Sport England/UK Sport will generally categorise an investment as Tier one if:
  - 2.1 It is granted on a one-off basis (for example, for a specific project which has a finite life); and
  - 2.2 The total amount of funding is less than or equal to £250,000.

### **Tier 1 Mandatory Requirements:**

3. The organisation is properly constituted, has a clear purpose and, if membership based, is inclusive and accessible.
4. The governing committee meets regularly and decision making is recorded.
5. Conflicts of interest are recognised, managed by the chair and recorded. At least three of the people on the committee are unrelated or non-cohabiting.
6. In deciding who sits on its governing committee the organisation considers the skills and diversity required of its committee members.
7. Committee members are subject to regular election and ideally should serve no more than nine years.
8. The organisation has a bank account and two independent signatories are required for payments.
9. Annual accounts are prepared, scrutinised independently of the person responsible for finance (e.g. treasurer) and are made available to members to describe how money has been spent.

### **Tier three**

#### **Some of the Tier three mandatory requirements**

##### **Structure**

##### **Boards**

10. The Board of the organisation shall:

- 10.1 Be the ultimate decision-making body and accordingly exercise all of the powers of the organisation.
- 10.2 Be responsible for setting the strategy of the organisation; and
- 10.3 Maintain and demonstrate a clear division between the Board's management and oversight role and the executive's operational role.
- 10.4 All directors must act in the best interests of the organisation, and in a manner consistent with their legal duties.

### **Councils**

- 11. A Council shall not be able to override the Board, but may have reasonable rights to consultation and constructive challenge.
- 12. Where Councils are permitted to appoint directors, such appointments shall reflect not more than one third of the directors.
- 13. A Nominated director shall not be considered an independent director and must be non-executive.
- 14. Council members may hold office for a maximum of either two, four-year terms or three, three-year terms.
- 15. In accordance with Principles 3 and 4, Councils must act with integrity and be transparent in their workings.

### **Board size and composition**

- 16. The Board shall be of an appropriate size to:
  - 16.1 Meet the Requirements of the organisation;
  - 16.2 Have the appropriate balance of skills, experience, independence and knowledge.