

Written evidence submitted by ukactive

Submission of evidence to the Digital, Culture and Media and Sport Select Committee's Inquiry into Sport in Our Communities

About ukactive

ukactive is the leading not-for-profit membership body for the physical activity sector. We work with over four thousand members and partners who share a common ambition to improve the health and wellbeing of the nation by getting more people, more active, more often. These include all stakeholders, businesses and corporations who bring physical activity to the public. Operating across over 7,000 facilities and employing over 400,000 professionals, the physical activity sector delivers activity to over 10 million people and generates over £85 billion in social and economic value every year. A recent piece of research by Sport England and Sheffield Hallam University showed that for every £1 spent on community sport and physical activity generates £4 for the English economy¹.

Chaired by Baroness Tanni Grey-Thompson DBE, ukactive views physical activity as a golden thread in the fight against many of our national challenges. It has the potential to address a myriad of public health issues, including improving the health and wellbeing of our children, supporting our physical health (including prevention and recovery from COVID-19) and mental health and wellbeing, tackling loneliness and supporting an ageing society, and providing deeper connections within communities.

About this submission

We welcome the Select Committee's investigation into the future of sport in our communities, and are grateful for the opportunity to submit evidence to this inquiry. This submission focuses on the impact of COVID-19 on the viability of a critical asset within our communities, our fitness and leisure facilities, and outlines key areas for support.

Earlier this month, leaders from across the sport and physical activity sector joined forces to start a petition to save community sports clubs and leisure facilities. The petition calls on Government to instigate emergency funding in the form of a Sports Recovery Fund to ensure sports clubs, fitness and leisure facilities - the lifeblood of communities across the nation - can remain open and survive the coming months. Without urgent Government support, sport and leisure facilities face imminent permanent closure, causing irreparable damage for those people who rely on their services the most, from community groups who find connection within their walls to patients who rely on activity prescriptions to manage long-term illness or recovery. The petition can be found [here](#).

This petition was in direct response to a piece of research conducted by ukactive and Community Leisure UK in June 2020, which showed that without further Government support, 48% of public leisure facilities are at

¹ <https://www.sportengland.org/news/why-investing-physical-activity-great-our-health-and-our-nation>

risk of permanent closure². Whilst we welcome the announcement in October by the Government of £100m of ringfenced funding for public leisure facilities, the impact of a second lockdown (especially should this be extended beyond December 2) will likely have huge impacts on the viability of the sector, should no additional support, outside of the previous funding announcement and the existing job support schemes.

We would also like to highlight the key role that Sport England played in supporting the sector and ukactive through this challenging period. This financial support would not have been possible without the funding it receives from the Government, and we would urge the Committee to prevent any budget retraction from Sport England in the upcoming Comprehensive Spending Review.

ukactive Chair, Baroness Tanni Grey-Thompson DBE, and ukactive CEO, Huw Edwards, are available to meet with the Select Committee Chair and his team should he wish to discuss our response in further detail.

For further information on this submission or any queries regarding points raised, please contact:

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Introduction: Leveraging the value of physical activity for the nation's recovery from COVID-19

The COVID-19 crisis has highlighted just how significant community sport and physical activity can be for the nation's health and wellbeing. Sport, exercise and sunlight all became crucial forms of preventative care during lockdown, bringing families and communities together to escape from the pressures of the crisis.

Research shows that national restrictions on movement as well as the Government's emphasis on the importance of exercise during the March lockdown forged new habits at the individual level, increasing the population's awareness of the beneficial role of sport and physical activity in supporting physical and mental health outcomes³. These are encouraging behaviours which, as we progress through the stages of this crisis and beyond, must be nurtured by a Government which places health and wellbeing at the heart of its recovery strategy. However, the impact of two prolonged lockdown periods on the population's activity levels has been stark. Closing community assets has had a major impact on physical activity levels given the number of people who rely on these vital facilities to take care of their physical and mental health. In October 2020, Sport England reported that 3 million adults in England were less physically active between mid-March and mid-May 2020 than the same period in 2019⁴.

²<https://www.ukactive.com/news/ukactive-and-community-leisure-uk-call-for-urgent-support-to-stop-half-of-all-public-facilities-disappearing-by-christmas/#:~:text=Following%20consultation%20with%20members%2C%20ukactive,with%20more%20than%2058%2C000%20jobs>

³ Sport England. 'New exercise habits forming during Coronavirus crisis'. April 2020.

⁴ <https://www.sportengland.org/news/activity-habits-early-weeks-lockdown-revealed>

Physical activity, health and wellbeing can be leveraged to tackle some of our nation's greatest challenges, including bridging the health inequality gap, reviving our high streets and town centres, and improving the productivity of the workforce. With the right investment and support, the sport and physical activity sector can improve the public's physical and mental health, stimulate consumer expenditure, improve educational attainment, reduce crime and improve social cohesion.

The unique value of this sector - and its workforce - to our national economy must not be underestimated. Before COVID-19, the sport and physical activity sector was a thriving, innovative industry. Data from PriceWaterhouseCoopers shows that the sport and physical activity sector was one of two sectors which showed net growth on the high street in 2019, contributing £16 billion to the UK economy, and generating £72 billion in social value⁵. According to Sport England's latest report, employment in sport and physical activity has increased by 9% since 2010, and consumer spending on sport and physical activity is up 7% since 2010⁶. The sport and physical activity sector has huge potential to support the nation's future economic growth, driving footfall to the high street and engaging an ever-growing number of people in healthy, meaningful activities.

The COVID-19 crisis presents a unique opportunity for the Government to shift its focus and prioritise the nation's health and wellbeing. The sport and physical activity sector is willing and ready to play a bigger role in this strategy, easing pressures off the NHS and engaging an ever-growing number of people in healthy, meaningful activities. Great examples, like GM Active's [Prehab4Cancer](#), across Greater Manchester, built into the pathway of treatment and recovery for cancer patients in the region, show the ability for community sport and physical activity to form innovative partnerships with healthcare. The NHS's long-term strategy of building social prescription pathways provides a clear opportunity for our sector to show how it can play a central role in the nation's healthcare system. We would firstly recommend a targeted launch of the Government's anti-obesity Better Health campaign aimed at encouraging people to be more active (as yet it has mainly focussed on diet and healthy eating), and providing opportunities for the public to get back into leisure facilities. A study across Europe has shown that inactivity is twice the killer than obesity⁷. ukactive would be delighted to help coordinate this with our members where we could offer hundreds of thousands of free opportunities for the public to be more active across public and private leisure facilities in every corner of the country. This will, in turn, stimulate further long-term demand into our members' facilities and generate a return on investment for them. This model has worked successfully on campaigns such as Change4Life, Every Mind Matters and National Fitness Day. It is now time for the Government to follow through on its promises around Better Health to inspire our nation to be more active for better health and wellbeing.

This is a sector that has the potential to be at the forefront of Government plans to improve the health and wellbeing of all communities, and contribute to solving current societal issues, including reducing health inequalities, tackling obesity, cutting crime, easing loneliness, and enhancing social cohesion. By placing sport and physical activity at the heart of our nation's renewal, Westminster can create a strong, prosperous, resilient and healthy nation for generations to come.

⁵ PwC and The Local Data Company. *Store closures hit record levels as restructurings drive largest net decline in testing retail climate*. 2019.

⁶ Sport England. *Social and economic value of sport and physical activity*. September 2020.

⁷ <https://www.bbc.co.uk/news/health-30812439#:~:text=A%20lack%20of%20exercise%20could,from%20carrying%20too%20much%20weigh> .

Background: The impact of COVID-19 on the sport and physical activity sector

The sport and physical activity sector is essential to the fight against COVID-19, directly supporting the nation's health, wellbeing and resilience. Local community health services including gyms and leisure centres should be accessible, even with tightened restrictions. Loss of access to these facilities will lead to a significant decrease in activity levels, as shown by Sport England data from the first national lockdown, particularly as outdoor activities become significantly less appealing during the winter months.

Analysis from SAGE warns that health inequalities among vulnerable and BAME groups is likely to increase during a winter lockdown period⁸. Closing the gap of health inequality will require a multi-faceted solution, but the sport and physical activity sector is able and willing to be a part of the solution. Fitness professionals in public facilities are already running accessible and affordable programmes to support the health and wellbeing of local communities outside the NHS environment. These include weight management courses, pre- and post- natal exercise classes, musculoskeletal and dementia-friendly classes, exercise clubs for over 55s and swimming lessons for children and young people. Without urgent support, these vital programmes are at risk of disappearing forever, engendering dire consequences for our society.

The COVID-19 crisis has severely compromised the sport and physical activity sector's ability to fulfil its full potential. The first national lockdown saw thousands of facilities shut their doors and prevent their contribution to the national effort against coronavirus, generating a crippling combination of zero income, outstanding rent payments, failed insurance claims and delayed furloughing funds. Leisure operators lost 25% of their annual income and 20% of their members during the first national lockdown. Even after reopening in England on 25 July, many continued to lose members due to public nervousness to attend gyms and leisure centres. Lost visits to gyms and leisure facilities are projected to reach 746 million by April 2021 due to the impact of lockdown and social distancing restrictions, hampering the sector's ability to ensure business continuity and secure long-term financial sustainability⁹. This second national lockdown poses a grave threat for further business failure and significant job losses.

The sport and physical activity sector has demonstrated its ability to make its facilities COVID-secure. Data from week commencing 5th October shows that out of five million visits to 1,900 facilities, just 156 customers reported attending a facility before being confirmed positive with COVID-19. This indicates an incidence rate of 2.88 cases per 100,000 visits, whereas the UK case rate in the general population stood at 150.83 cases per 100,000 week commencing 5th October¹⁰. Furthermore, the data collated for the UK across the whole period since reopening - measured from 25 July to 11 October - shows sites have seen more than 45 million visits, with an overall rate of 0.99 cases per 100,000 visits¹¹.

Data shows the sport and physical activity sector's facilities are both safe and essential in leading the nation's recovery from COVID-19. ukactive has been consulting CEOs across the industry to determine the key

⁸ HM Government. *Quarterly report on progress to address COVID-19 health inequalities*. October 2020.

⁹ ukactive and DataHub. *COVID-19 Impact Report: the fitness and leisure sector's path to recovery*. 2020.

¹⁰ ukactive. *Fitness and leisure sector continues close monitoring of COVID-19 rates in UK gyms and leisure facilities*. October 2020.

¹¹ Ibid.

measures and policies that can help to protect businesses, jobs and local communities. Our recommendations can be found below.

1 | Introduce a Sports Recovery Fund

ukactive urges Government to instigate emergency funding in the form of a Sports Recovery Fund to ensure sports clubs, fitness and leisure facilities can survive and remain open to their communities over the coming months.

Without emergency Government support similar to the one given to the arts sector, community sport and physical activity faces a bleak future that will be difficult to recover from, impacting the nation's physical and mental health and compromising the nation's ability to build back better.

The Sports Recovery Fund must combine investment, tax incentives and regulatory reform to protect existing jobs and facilities in a way that would:

- Support programmes and facilities that address the health inequalities highlighted by COVID-19 especially in women, lower socio-economic groups, disability and BAME participation;
- Expand the innovations that took place throughout the pandemic across the sector, making opportunities for physical activity accessible through digital

2 | Introduce Regulatory and Taxation Reform

A. VAT Relief

ukactive urges the Government to offer a VAT tax rebate in the fitness and leisure sector, resulting in an effective output tax of 10%, to support the sector's recovery and improve accessibility to the public.

Given the physical activity sector's role in the prevention and recovery from COVID-19, the Government must ensure the industry is able to recover from the financial hardships it currently faces and that its facilities become accessible to more members of the public once allowed to reopen.

The sector would hugely benefit from some form of VAT relief support, as has been offered to other sectors including hospitality, hotel and holiday accommodation.

B. Business Rates Relief

ukactive urges HM Treasury to extend the business rate holiday for physical activity and leisure providers beyond March 2021, in order to support the sector as well as the nation's recovery from COVID-19.

Though we welcome the Government's current business rates relief measures, the sector will need support beyond March 2021. As mentioned in the introduction above, projected site visits are estimated to reach 746 million in April 2021, placing a significant strain on the sector's finances¹².

High business rates in the physical activity sector - particularly within the current economic climate - can lead to:

- Decreased financial capacity to invest in facilities
- Compromised ability for the industry invest in service models
- Limited options in terms of new site selections

All of the above have implications on participation in active sports and member experience. Despite the significant benefits of physical activity on physiological, social and mental health, the high fixed cost associated with business rates limits consumer accessibility particularly in towns and areas lacking adequate fitness provision.

Providing further business rates relief would enable the sport and physical activity sector to recover financially and become accessible to a wider range of people.

C. Extend the Cycle to Work Scheme

ukactive urges the Government to extend the Cycle to Work scheme to include a wider array of physical activity opportunities and accessories including home fitness equipment and gym memberships in order to better support the health and wellbeing of the population.

Workers can spend up to three-quarters of their day sat down, which contributes to a range of preventable health conditions, including the two leading causes of workplace absence: back injuries and stress¹³.

In 2017, 1.3 million workers suffered from work-related ill-health, which equated to 25.7 million working days lost. This has been estimated to cost up to £29 billion per year for UK business¹⁴.

We know that regular physical activity has been shown to treat, manage and prevent up to twenty different lifestyle-related conditions, including heart disease, cancers, stroke and diabetes¹⁵. However, many employees struggle to fit physical activity into their busy working days despite the fact that just one hour can offset the potential harm of being inactive.

According to the ONS, homeworking has become a way of life for almost 50% of the UK's working population¹⁶. Despite easing lockdown restrictions, many businesses announced they would continue to encourage

¹² ukactive and DataHub. *COVID-19 Impact Report: the fitness and leisure sector's path to recovery*. 2020.

¹³ukactive. *ukactive urges Government shake-up of sedentary office culture*. 2017

¹⁴ Ibid.

¹⁵ Public Health England. *Health matters: getting every adult active every day*. 2016.

¹⁶ Office For National Statistics. *Coronavirus and Homeworking in the UK*. April 2020.

employees to work from home. COVID-19 has accelerated changes in working practices, increasing the convenience and flexibility of homeworking over office life.

As these changes come into effect, the cycle to work scheme may no longer be beneficial for a large proportion of the nation's workforce. Without a commute, employees working from home will need other incentives to stay active and healthy during the working day.

An independent cost-benefit analysis of extending the cycle to work scheme to include a wider array of physical activity opportunities and accessories shows it would have the following financial impact:

- £240 million net economic benefit (with £97 million net benefit to the Exchequer);
- £210 million in NHS cost savings;
- £47 million in workplace productivity benefits;
- £115 million in economic benefits from reduced pre-mature mortality;
- £14 million in additional Exchequer revenue (from VAT and other taxes)
- £2.6 million in benefits for every £1 million invested by Government and employers¹⁷

3 | Champion the importance of sport and physical activity

A. Open schools as community hubs

ukactive urges the Government to allocate part of its £170 million COVID winter grant scheme budget to open school sports facilities for children and young people over the school holidays, supporting them to access local, affordable and healthy activities.

The coronavirus pandemic placed increased pressure on existing issues facing the health and wellbeing of children and young people. Before lockdown, approximately one in three children were registering less than 30 minutes of physical activity per day. During lockdown, this figure [grew by more than 10 per cent](#), with 44% children doing less than 30 minutes physical activity per day¹⁸.

Children lose up to 75% of their fitness levels during the six-week summer holiday period due to the lack of local, accessible and affordable activity offerings. In disadvantaged areas, the decline in fitness levels among children and young people is 18 times greater than in more affluent areas¹⁹. The closure of schools over the Spring and Summer has exacerbated this issue, as children faced up to 23 weeks without the opportunity to engage in structured and enriching activity outside their home.

39% sports facilities in England sit behind school gates, but the majority of these are inaccessible outside the school term²⁰. With minimal investment, these sports grounds could be converted into accessible and ready-to-use community hubs to engage children and their families in affordable and health activities and improve community health and wellbeing.

¹⁷ Safferty Champness. *Workout from Work scheme: a cost benefit analysis*. March 2017. .

¹⁸ The Telegraph. *Lockdown is worsening inactivity among children, fears Sport England*. May 2020.

¹⁹ ukactive. *Generation Inactive 2: Nothing About Us, Without Us*. 2018.

²⁰ Sport England. [How can we increase community use of school sports facilities?](#) 2018.

ukactive pioneered a model to open school facilities as accessible and ready-to-use community hubs to engage children and families in affordable and healthy activities. This model, which proposes subsidised children's clubs with nutritious food and physical activities led and delivered by experts from across the physical activity sector, represents an opportunity to reshape summer holidays, improve children's health outcomes, and achieve the vision outlined in the School Sport Action Plan.

Case Study: The Open Doors Programme

The Open Doors Programme, backed by the Greater London Authority and delivered by ukactive and Sported, aims to ensure that school sports facilities can be utilised outside of term time to engage vulnerable children and young people in physical activity and provide healthy food during school holidays.

The programme follows a series of successful pilots over the past year and the repeated calls of Baroness Tanni Grey-Thompson, Chair of ukactive, and former England rugby player Lawrence Dallaglio to better utilise school facilities outside of usual teaching hours.

The new initiative focuses on providing the most vulnerable children and young people with safe and accessible spaces by unlocking school sports facilities and providing activities facilitated by positive role models, mentors and coaches. The young people who attend are also provided with healthy snacks and lunch.

"You [Open Doors programme] didn't have to do this, but you did. You know you helped us [young participants] with a lot of things. We are going to remember this for our whole lives, so thank you for these opportunities", 15 year old Open Doors participant, Croydon, South London.

B. Include gyms and leisure centres in the new 'Local Community' F2 Use Class

ukactive urges the Government to include gyms and leisure centres in the new 'Local Community' F2 Use Class to protect these vital facilities and support the health and wellbeing of local neighbourhoods.

Until the Government passed the amendment to the Town and Country Planning Use Classes order in September 2020, the sport and physical activity sector's potential to regenerate town centres and improve community cohesion was stifled by archaic town planning regulations which made it difficult for gyms and leisure providers to open new facilities on the high street.

The physical activity sector welcomes the creation of a new 'Commercial, Business and Service' E Use Class which enables gyms, restaurants and cafés, nurseries, health centres and offices to move into retail units without requiring a planning application. Our industry is also hugely supportive of the Government's creation of a new 'Local Community' F2 Use Class which will protect essential community services and facilities such as public swimming pools and areas for outdoor sports.

These reforms represent a welcome step in the right direction, which will give the physical activity sector more flexibility to open new facilities on the high street. Demand for the sector's services has never been greater - insight reports show gyms and leisure centres top the list of consumer priorities, ahead of non-essential services such as cinemas and shopping²¹.

However, the timing of these reforms means many operators are not in the position to capitalise immediately. The sport and physical activity sector continues to face significant financial pressures and uncertainty, which is likely to hamper its ability to invest in new facilities and take full advantage of the reforms to the Use Classes Order. It is crucial that the sector receives the financial support it needs from the Government to recover fully and grow its potential to play a vital role in supporting the nation's public and economic health.

In order to ensure the survival of gyms and leisure centres on our high streets during this uncertain time, we urge the Government to include gyms and leisure centres in the new 'Local Community' F2 Use Class, thereby protecting these vital facilities from being taken over by other sectors or industries.

The physical activity sector also supports the Government's ambition to deliver beautiful homes which place communities at the heart of new developments. ukactive encourages Government to consider how health and wellbeing can be embedded into this ambition, so that new developments also prioritise healthy living and active travel in their project plans. We would also encourage the Government to examine how businesses that support health and wellbeing can be better supported by the Future High Streets Fund.

C. Investing in the renovation of leisure facilities across the country

ukactive supports to the Local Government Association's call on Government to introduce a £500 million funding pot for councils to redesign, upgrade and renovate facilities to the standard needed to support healthy, active communities and transform the nation's health.

There is a unique opportunity to leverage the power of physical activity to support our recovery from the COVID-19 crisis and ensure the long-term sustainability of the NHS. Experts at the Academy of Royal Medical Colleges estimated that more than £18 billion headroom in the NHS national budget could be created if we made improvements in the way that physical activity is offered in England²².

The wellness hub model, pioneered by Sport England, combines swimming pools, gyms and sports halls with GP drop-in centres, libraries and police services to create a one-stop-shop for public services. These hubs are well-placed to support the Government's ambitions for a healthy, connected society supported by sustainable infrastructure.

²¹ PwC. *Consumer Sentiment Survey*. June/July 2020.

²² ukactive. *Empowering communities: an assessment of capital investment into community wellness hubs*. 2018.

The interest of private financiers has been attracted through the success of the Sport England Investment Programme. They can provide alternative sources of investment for community leisure facilities and relieve pressure on local authority borrowing.

The significant sums that can be unlocked by these private financiers and pension funds require government guarantees to local authorities to encourage activation.

unactive and Sport England research shows that wellness hubs can achieve a 30% reduction in capital build cost and 40% improvement in efficiency averaging circa £750,000. Findings also highlight that the wellness hub funding model can leverage a 10:1 ratio of private sector funding for public investment²³.

Conclusion

COVID-19 has demonstrated the resilience of our people and institutions. But the crisis has also exacerbated pressures on an already overstretched National Health Service. Our healthcare workforce and infrastructure will need substantial support to recover from the impacts of the COVID-19 outbreak, particularly in the context of renewed economic austerity after the crisis. One in six people die prematurely because they do not sustain an active enough lifestyle; it is the fourth leading global cause of mortality. Inactivity is costing the NHS around £1bn directly each year²⁴. The physical activity sector is equipped to support, acting on the frontline of the preventative agenda, easing pressures on both our healthcare system and the economy. Our industry is eager to collaborate more closely with Government to achieve an understanding of how our facilities and workforce can support the national effort to recover from coronavirus and build future resilience. But in order for this to occur, the sport and physical activity needs greater financial, taxation and regulatory support to recover and drive transformative change.

²³ Ibid.

²⁴ http://www.ncsem-em.org.uk/wp-content/uploads/2019/01/economic_costs.pdf