

ukactive – Supplementary written evidence (NPS0124)

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 House of Lord's National Sport and Recreation Committee's work in this area, and are grateful for the opportunity to submit written evidence to this inquiry. This follows our CEO Huw Edward's oral evidence to the Committee on 9th December 2020.

This submission focuses on the need for a long-term strategy to embed physical activity within the nation's health and wellbeing 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. It mirrors our submission to the Commons DCMS Committee for its inquiry into Sport in our Communities.

We would also like to point towards ukactive's Budget 2021 submission, the financial asks of which are included within this submission. These stress the need for a three -pronged approach for securing the long-term future of the sector:

- **Survival:** Measures that will prevent mass-scale insolvency and job loss across the sector.
- **Recovery:** Measures designed to ensure continued cashflow for businesses in the face of substantial accrued debt.

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

- **Development:** Measures to accelerate revenues through the Exchequer to ensure the long-term prosperity of the sector over the next 18 months. These are expanded on later in the submission.

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 outcomes². 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 2019³.

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 value⁴. 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 2010⁵. The sport and physical activity sector has huge potential to support the nation's future

² Sport England. 'New exercise habits forming during Coronavirus crisis'. April 2020.

³ <https://www.sportengland.org/news/activity-habits-early-weeks-lockdown-revealed>

⁴ PwC and The Local Data Company. *Store closures hit record levels as restructurings drive largest net decline in testing retail climate*. 2019.

⁵ Sport England. *Social and economic value of sport and physical activity*. September 2020.

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 obesity⁶. 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. Aside from providing people with the opportunity to stay active, any increase in the use of facilities will support buoyant businesses and enterprises. 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.

1. How can young people be encouraged to participate in sport and recreation both at school and outside school, and lead an active lifestyle?

For the long-term health and wellbeing of the nation, it is crucial young people develop positive habits around physical activity. This not only impacts on health and wellbeing in later life, but also on numerous aspects of young people's lives.

⁶ <https://www.bbc.co.uk/news/health-30812439#:~:text=A%20lack%20of%20exercise%20could,from%20carrying%20too%20much%20weight> .

Today's children are the least active generation ever. Sport England research shows that just one in four boys and one in five girls in England achieve the recommended 60 minutes of physical activity every day⁷.

We believe this can be achieved, but requires a long-term commitment across Government. This is why we're calling for the Department for Education, Department for Digital, Culture, Media and Sport, and the Department of Health and Social Care, to commit to a joined-up and long-term strategy that:

- Enables school communities to plan for long-term, based on a Government commitment to maintain a ring-fenced PE, Sport and Physical Activity premium as part of a whole school approach to children's health and physical activity until at least 2031
- Established Physical Education as a core subject on the national curriculum – underpinned by physical literacy principles
- Targets and supports the most disadvantaged and least active children, both inside and outside of school term time.

Alongside improving provision at a local level for young people, particularly within the public leisure sector, ukactive has pioneered a model for opening schools as community hubs. This would make use of the 39% of sports facilities in England which sit behind school gates.

There are approximately 22,536 school sites in England, not including special schools. ukactive proposes to open 7,000 school sites during the holiday periods, which equates to approximately 31% of all school sites, and provides an opportunity to engage up to 75% of all children and young people eligible for free school meals.

A case study on ukactive's programme can be found below.

2. *Sporting Futures: A New Strategy for an Active Nation*, the Government's 2015 sports strategy, outlines five outcome priorities: physical health, mental health, individual development, social and community development and economic development. Are these the right priorities and how successful has the government been in measuring and delivering these outcomes to date?

While the priorities as set out in the 2015 sports strategy are the right ones, five and a half years down the line we have seen little real progress in the position of physical activity within the Government's approach to health and wellbeing. We have seen this in the disconnect between the sports strategy and subsequent childhood obesity strategies, which have made little mention of the importance of physical activity.

Without joined up thinking within Government of the ability of sport and physical activity to cut across policy areas. If there is to be real success in achieving the

⁷ Sport England. *Active Lives Children and Young People Survey Academic Year 2017/18*. 2018.

aims of the *Sporting Futures* strategy, sport and physical activity needs to no longer be treated in isolation but included within Government's long-term policy aims, such as the "levelling up" and "prevention" agendas.

3. Should there be a national plan for sport and recreation? Why/why not?

It is essential the Government develops a national long-term plan for sport and recreation, recognising the critical role the sector has in supporting the nation's recovery from Covid-19.

Physical activity has a crucial role to play in combatting obesity and many other lifestyle-related conditions and diseases, including those that affect cardiorespiratory fitness, which leads to increased mortality rates from COVID-19. It is also crucial in alleviating health inequalities, particularly through the provision of public leisure to low-income groups.

Community sport and physical activity can save up to £450 million by preventing 30 million additional GP visits. It could also help prevent 900,000 cases of Type-II diabetes and 1.5 million back pain cases every year, with a combined saving of £4.1 billion.

Investing in the sector now, and securing its survival for the long-term, is essential in ensuring a strong recovery from Covid-19. A strong physical activity sector will allow Government to deliver on its many priorities, from improving public health, tackling obesity, revitalising high streets, and the 'levelling-up' agenda.

Professor Chris Whitty, CMO for England, highlighted importance of physical activity for long-term health at a Downing Street press conference, acknowledging that **"there is no situation, [...] age and [...] condition where exercise is not a good thing"**;

COVID-19 has exacerbated pressures on an already overstretched NHS, physical activity sector equipped to support, acting on the frontline of preventative agenda. Needs to be a comprehensive plan from government to encourage people to exercise more regularly, with a scheme similar to 'eat out to help out'.

If we are to make the 2020s the 'decade of prevention', as was the stated ambition of the SoS for Health and Social Care, the Government must work with our sector to ensure people can take control of their health and reduce the burden on the NHS.

Recommendations

The below recommendations are featured in ukactive's Budget 2021 submission, following the three stages of survival, recovery, and development.

- **Survival:** Measures that will prevent mass-scale insolvency and job loss across the sector.
- **Recovery:** Measures designed to ensure continued cashflow for businesses in the face of substantial accrued debt.
- **Development:** Measures to accelerate revenues through the Exchequer to ensure the long-term prosperity of the sector over the next 18 months.

1 | Survival

A. Extending the business rates holiday beyond March 2021

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. A significant bill for business rates , placing a significant strain on the sector's finances⁸.

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.

By 31st March, the sector will have been unable to trade for a cumulative nine months out of the 2020/21 financial year. This includes the busy post-Christmas period, as well as 121 days of suppressed trading. The reintroduction of business rates on 1st April would cripple many businesses within the sector.

B. Changes to rent legislation and arrears

ukactive requests a long-term solution to the relationship between commercial landlords and tenants, preventing unnecessary time spent on legal action, and encouraging pragmatism in negotiations in the spirit of the pandemic.

⁸ ukactive and DataHub. *COVID-19 Impact Report: the fitness and leisure sector's path to recovery.* 2020.

The Government should act urgently to take advantage of the window of opportunity before the end of March and put a permanent solution in place. Specifically, the Government needs to address pressing issues at the nexus of landlord-tenant relationships. By addressing these issues there is a much higher probability that the UK gym and fitness industry can play a full role in supporting a multi-dimensional recovery covering elements of health, wellbeing, economy and society.

If these issues are not addressed appropriately then as a minimum the actions of landlords are likely to cause closures and further weakening of this sector – and indeed many other sectors - which will struggle to bounce back after the ‘battering’ that has been had at the hands of the pandemic.

C. Remove prohibition of group exercise from Tier 3 restrictions

ukactive requests that the Government remove the restrictions on group exercise from Tier 3 legislation.

2 | Recovery

A. VAT Relief

ukactive requests the Government provide a reduction in VAT for the leisure sector, comparable to that already provided to other sectors in the last financial year as part of emergency Covid measures, running to March 2022.

B. Job Retention Bonus

ukactive requests the Government confirm the monies pledged as part of the Coronavirus Job Retention Bonus.

C. Extension of Coronavirus Business Interruption Loan Scheme terms

*ukactive requests the debt from the CBILS be made independent of existing debt, rather than the current *para passu* categorisation.*

D. 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.

3 | Development

A. Deferral of Corporation Tax payments

ukactive requests the Government defer Corporation Tax payments for the physical activity sector for one year (until March 2022).

4 | Long-term

A. Public leisure

An extension of the £100m public leisure relief fund, covering additional periods of closure beyond that originally covered.

B. 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.

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.

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 year⁹. 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.

29 January 2021

⁹ http://www.ncsem-em.org.uk/wp-content/uploads/2019/01/economic_costs.pdf