

**APSE National Sports and Leisure  
Management Advisory Group -  
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## Introduction to Sporta

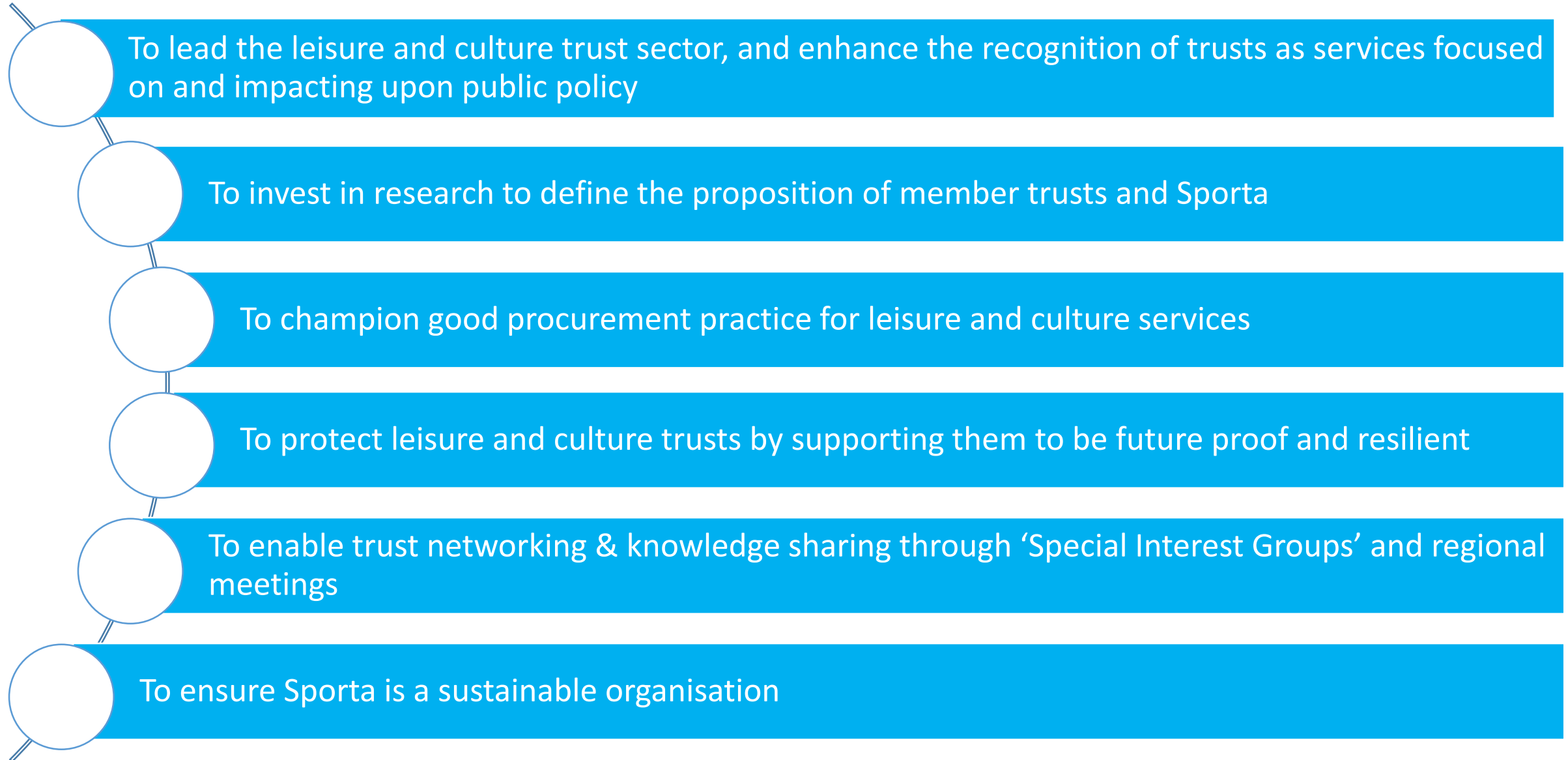
- Sports and Recreation Trusts Association – the UK association for charities and societies in public leisure
- Tight membership criteria
- Small central team
- London and Edinburgh
- 12 years old, member led, member Executive Board
- Leisure in broadest sense

## Introduction to Sporta - continued

c. 110 members

- 3,700 services & facilities
  - 233m customer visits
  - Combined turnover £1.5bn
  - 67,000 staff
- 
- 45% public leisure in England, in trust
  - 85% public leisure in Scotland, in trust

# Strategic Objectives

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- To lead the leisure and culture trust sector, and enhance the recognition of trusts as services focused on and impacting upon public policy
  - To invest in research to define the proposition of member trusts and Sporta
  - To champion good procurement practice for leisure and culture services
  - To protect leisure and culture trusts by supporting them to be future proof and resilient
  - To enable trust networking & knowledge sharing through 'Special Interest Groups' and regional meetings
  - To ensure Sporta is a sustainable organisation

## What do we mean by “Trust” model?

- In the main, the Council retains ownership of facilities, which are leased to the Trust.
- Virtually all the savings come from rate reductions and VAT savings, but Charitable status allows access to external funding otherwise not available to Councils.
- Many Trusts retain Council representation on their Board. Typically this is limited to less than 20% of the board and Company law requires that Board members must put the interests of the leisure trust before those of the local authority.
- Most Trusts work towards independence and will usually cease to use council services and will be responsible for their own procurement and contracting or corporate and other services
- Some are Mutuels, others are Industrial & Provident Societies, but most are Companies Ltd by Guarantee. Not all are registered Charities. Almost all are charitable.
- Genuine charitable trusts reinvest ALL their surpluses back into their communities

## “The best of both worlds”

- Strategic aim is typically around getting as many people living healthier or more enriched lives (many trusts operate cultural services in addition to physical activity)
- Trusts are driven by this purpose and so generate social value, rather than profit and shareholder value
- Decision-making and innovation is fast and customer focussed – it has to be!
- Boards (mostly locals and always voluntary) bring mixed skills and a unique perspective not tarnished by politics or overly commercial motivation
- Because of the wider aims, they offer added value in addition to management of a facilities contract
- Charitable status and collaborative ethos brings wider benefits
- Exciting places to work; “doing good” is attractive to staff who bring a range of skills from different sectors

## Not all Trusts are as they seem...

- As well as in-house provision, Private Contractors and Leisure Trusts, there is an “in-between” model – a Charitable arm of a private sector organisation structured to maximise profit for shareholder value
- ...Beware of Charitable status claims!!
- Regional Director LinkedIn profile:

*“Over the last decade have been at the forefront of the commercialisation of the local authority leisure sector. I advocate a wholly commercial approach, believing that local authorities must recognise the importance of a profit-driven operational style or risk closure”*

## Examples of “added value” from the Trust model:

- Investing in customer facing improvements
- Community based activities
- Health programmes, built on strong partnerships
- Support to community organisations, charities and clubs
- Mass participation events
- Flexibility with non-specified changes
- Collaborative approach with neighbours
- Supporting work experience and local employment initiatives
- Generating volunteering opportunities and networks
- Local economic benefit (staff and suppliers)
- Support for wider Council outcomes including commitment to Strategic Partnerships



## The evolving face of leisure and the need to innovate

But why do we need to evolve and innovate?

What do we want our public leisure services to be in 2, 5, 25 years time?

What do we want our public leisure services to do?

The left side of the page features several overlapping circles in shades of gray and light blue, arranged in a vertical column.

# **RACE TO THE BOTTOM**

## What does a race to the bottom do.....

*“Many council services are universal and this is often used to justify standardisation. However, ‘universal’ is not equivalent to ‘standardised’. Inherent in the area of a ‘universal’ service is its ability to adapt itself to the requirements of all the different people, cultures and contexts it serves.”*

*“A key challenge for local government is to maintain its commitment to a universalism that respects diversity, rather than standardisation.”*

Colin Mair, CEO Improvement Service (Scotland)  
Holyrood.com (March 2015)

## How Sporta is supporting members

- Recognition in charity / social enterprise space = strategic alliances
- Public services for public benefit
- Articulating the ability & significance of the trust model (myth busting)
- Future proofing and resilience = moving from procurement to partnership
- Thorough implementation of the Social Value Act
- Discussions on diversification of services
- Protecting:
  - Public leisure provision for everyone
  - Genuine charities - private leisure operators “non profit” structures
- Strong proposition to the customer = “*what’s in it for me?*”

# How does innovation fit with procurement of leisure services?

- Prof Mariana Mazzucato, UCL, Insti. Innovation & Public Purpose @MazzucatoM
- *'The art of the possible in public procurement'* – BWB, E3M and hct group
- E3M, BatesWellsBraithwaite and Social Business International, Social Enterprise UK.....
  - moving from procurement to partnership
  - communication and discussion
  - co-production
  - transparency
  - long term thinking / outcome based
  - collaboration
  - risk taking
  - (Not the 'off the shelf' Sport England leisure procurement toolkit)

= will deliver greater public value = what public leisure services are about

## The Case for Trusts in the future

- The “Fairtrade” generation is here – provenance and “feelgood” businesses will prosper (Trusts need to shout about this more!!)
- Genuine commitment to customers is essential – the bar rises daily!
- It is the only vehicle that will undertake loss-making activity in genuine pursuit of a strategic vision – reinvestment of surpluses allows this to happen
- Councils work well in a genuine partnership that is flexible – we share reputational glory and risk; Councillor representation on the Board reinforces that
- Trusts are invested in the communities they serve – from Board level through every touch-point of the organisation
- Only a genuinely charitable organisation can maximise external funding opportunities
- Our headline aims and core purpose reflect what Councils (and the Health Sector) needs from its provider without conflict from Shareholder value and profit dividends

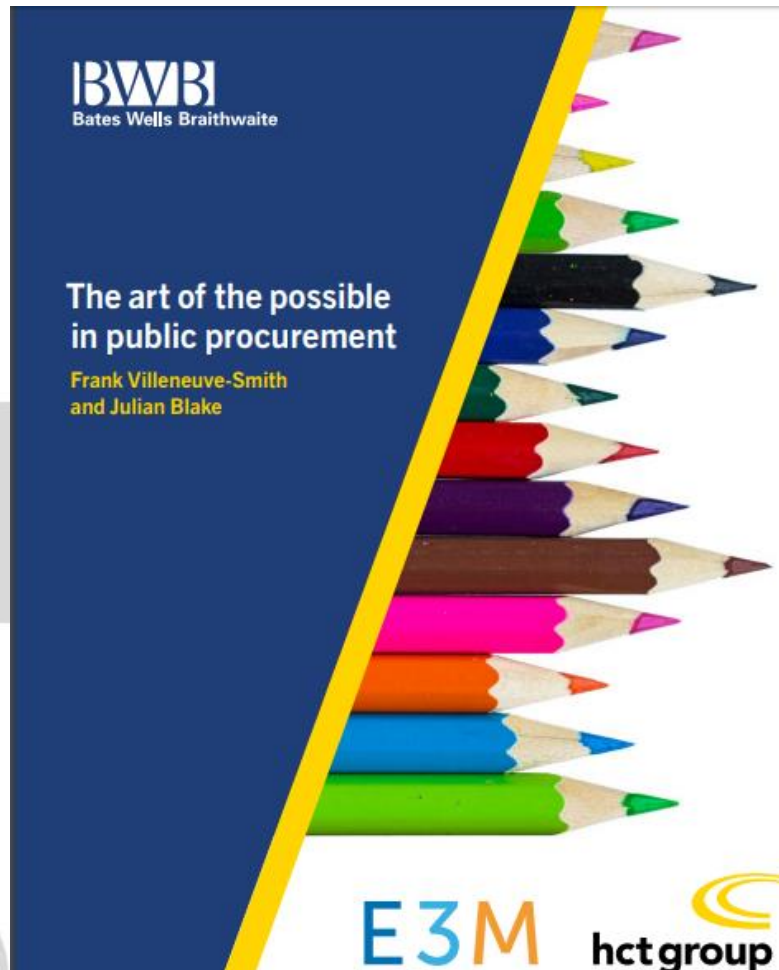
# Welcome your thoughts and views





## Further links

*'The art of the possible in public procurement'*  
BWB, E3M and hct group



*'Active people, healthy places'*  
LGA, Sporta and cCLOA



### Active people, healthy places

Councils and their partners leading sport  
and physical activity in their place



Case studies