



Sports Clubs: their economic and social impact

An analysis of the economic and social impact of voluntary sports clubs in England, the benefits provided by volunteers working within those clubs and the key factors impacting on them

prepared for

CCPR

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The Economics of Sports Clubs

Following research that has been undertaken for CCPR by the Carnegie Research Institute at Leeds Metropolitan University into:

- Financial Capital and turnover of National Governing Bodies of Sport (NGBs), and
- Social, Intellectual & Technical Capital inherent in NGBs (and their regional and county components) and other National Sports Organisations (NSOs)

the CCPR requested that some follow-up work be done to investigate the contribution made by sports clubs to the economic and social benefit provided by sport to the wider community.

Two research questionnaires were formulated in collaboration with Sport Leeds, the Community Sports Network for the Unitary authority of the City of Leeds¹. The questionnaires were distributed as follows:

- A questionnaire was sent (in November/December 2005) to a key voluntary administrator in each of the 850 voluntary sports clubs and every sports league or association (approx 50) operating within Leeds. This questionnaire sought to ascertain the contribution and viewpoint of that individual on a wide range of issues related to the organisation of voluntary sports clubs.
- A few weeks later (in January 2006), a questionnaire was sent to every sports club in Leeds (approx 850). This questionnaire sought information regarding the annual expenditure of the club, including a breakdown of that expenditure into certain key headings, together with an estimate of the expenditure incurred by a typical club member in the course of a year to take part in their sport (including, but not limited to, the membership or match fees that they pay to the club).

¹ Leeds was chosen partly on the grounds of expedience and cost (eg. the mailout was undertaken and postage met by the Local Authority Sport & Recreation Division). However, Leeds was extremely suitable for a number of other reasons:

- Leeds is the largest Metropolitan Authority (by area) and the second largest Local Authority (by population - over 700,000) in England. It therefore provides an extremely wide range of sports clubs, and includes urban, small town and rural areas, making the research wide ranging
- The demographic profile of the population of the local authority area of Leeds almost exactly matches the average demographic profile of Great Britain in terms of gender, ethnicity and socio-economics
- The University has close ties with sport in Leeds (eg. sponsorship of Leeds Sports Federation, Leeds Rugby and Yorkshire Cricket) and sports clubs in Leeds are generally well-disposed towards the University and therefore more likely to respond
- Carnegie Research Institute maintains an up-to-date database of all sports clubs and associations within the Leeds City Council area (over 850 in total), covering 67 different sports and recreations

Responses

Response rates to postal questionnaires of this nature are almost always quite low (typically in the range of ~7%), and although the number of responses is less than 10% in both cases, there is every reason to conclude that the findings are broadly representative of voluntary sports clubs throughout England.

Responses were received from the following sports:

Sport	Volunteers	Club Economics
Aikido	-	1
Association Football	21	8
Athletics	3	2
Badminton	2	3
Baseball / Softball	1	-
Basketball	1	-
Bowls	1	2
Boxing	-	2
Cricket	8	12
Cycling	2	3
Golf	2	-
Fencing	-	1
Gymnastics	-	2
Hockey	-	2
Martial Arts	-	2
Netball	2	-
Rugby League	3	2
Rugby Union	3	2
Squash	-	1
Swimming	3	1
Table Tennis	3	2
Tennis	4	3
Multi-Sport Clubs	-	3
Undisclosed	3	-
TOTAL	62	54

Club Economics

Headline Findings

- Responses were received from 51 single-sport clubs from 18 different sports, and 3 multi-sport clubs representing a range of sports, including 3 sports not otherwise included (archery, lacrosse and snooker), making a total of 21 sports.
- Governing bodies are presiding over a growing business – as is evidenced by the increases in membership. This growth, however, does come at a cost, as expenditure must be increased to keep pace with it, as are the levels of commitment and responsibility imposed upon those who lead the organisation. Elected officers and Board members are invariably unpaid and carry an extensive burden, both in terms of time and responsibility. This applies at all levels throughout the governing body - national, regional, county, league and club.
- The value of volunteer support is not included in any of the financial assessments. The most recent assessment places this at £1,400,000,000 per annum. It represents an enormous additional resource provided to sport and in many organisations far outweighs the total level of direct funding from all sources
- If we take the average turnover (£13,270) of the clubs responding (excluding the multi-sport clubs) and use the estimate of the number of clubs in England from previous research of 106,423², this indicates that expenditure by sports clubs per annum is £1,412,000,000³ (in excess of £1.4 billion). However, this is likely to be an underestimate of the true expenditure for the reasons explained above.
- The returns from the 51 single-sport clubs indicated an average playing membership of a club to be 108 (non-playing members have not been included in these calculations), spending an estimated £1,556,000⁴ per annum (an average of £30,512 per club) to take part in sport at their club. If this were replicated in the estimated 106,423⁴ sports clubs in the U.K., it gives an estimated spend by (playing) members of sports clubs per annum of £3,247,000,000 (over £3.2 billion).
- The club membership fees paid by members of these 51 clubs amounted to £4,120 per annum on average 27.9% of their total annual spend to take part in their sport was paid in fees to their club). Based on the previous estimates this represents £906,000,000 per annum for all sports clubs in England. Therefore the total net input to the economy from sports clubs may be considered to be £3,747,000,000⁵
- If the external spend is subject to no taxation⁶ other than Value Added Tax, then the tax return to the Exchequer would be £558,000,000 per annum.

² Taylor et al, 2003, pps 160-163

³ All figures over £10,000,000 are rounded to the nearest £1,000,000

⁴ All figures over £200,000 are rounded to the nearest £1,000

⁵ This reflects the fact that the total external expenditure is the spend by the clubs plus the spend by the players, minus the fees paid by the players to the club (which have already been reflected in the spend by the clubs)

⁶ This does not take into account Corporation Tax (both of the clubs and the other companies providing services), or Fuel Tax. These taxes are likely to more than offset any reduction in the figure by virtue of VAT zero-rated or exempt supplies

Table 1 shows the total number of members of sports clubs responding to the questionnaire, broken down by age and gender. The average per club is 149, but this includes multi-sport clubs, which have much higher membership than single-sport clubs. When the multi-sport clubs are excluded from the calculation, the average membership is 107.6, of which 51% are adult and 49% junior; 72% are male and 28% female.

Table 1

	Total number of members for all returns (54 Clubs)	Average number of members per club	Total number of members excluding multisport clubs (51 Clubs)	Average number of members per club excluding multisport clubs	
					%
Men	3340	61.9	2050	40.2	37%
Women	1206	22.3	746	14.6	14%
Junior Men	2526	46.8	1946	38.2	35%
Junior Women	976	18.1	746	14.6	14%
Total	8048	149.0	5488	107.6	

However, this form of analysis gives extra emphasis to the larger clubs when assessing the categories of membership. Table 2 shows the proportion of members in each category, when each club is given equal weighting.

Table 2

	Average Club Membership, based on % of members of each club	
	All Clubs	Excluding multi-sport clubs
Men	43.9%	43.5%
Women	14.8%	15.0%
Junior Men	31.9%	31.9%
Junior Women	9.4%	9.6%

Expenditure by Clubs

The average turnover per club (including multi-sport clubs) was £17,044 (see *Table 3*). After excluding multi-sport clubs, this reduces to £13,270 per club, although it is clear that some clubs do not fully record the total cost of running the club in their own accounts, preferring members to meet some of the costs directly (eg refreshments, facility hire, cost of match officials) rather than passing the money through the club accounts.

Table 3

	Total expenditure	Affiliation fees	Facilities	Equipment	Salaries & fees ⁷	Insurance & security	Travel	Admin & Misc
	£	£	£	£	£	£	£	£
TOTALS	920,381	28,536	284,804	78,641	186,692	57,374	17,200	267,134
Average per club	17,044	528	5,274	1,456	3,457	1,062	319	4,947
TOTALS excluding multi-sport clubs	676,755	26,536	222,704	57,641	118,692	45,834	17,200	188,148
Average per club excluding multi-sport clubs	13,270	520	4,367	1,130	2,327	899	337	3,689

The club expenditure can be broken down into the key items (see *Table 4*), and as before the percentages of each of the main headings may be calculated either by reference to the grand total expenditure by all the clubs (which will give a more accurate calculation of the total expenditure of all clubs), or may be based on the average percentage spend of each club, thereby giving every club that responded to the survey equal weighting, irrespective of their turnover. This gives a more accurate indication of the expenditure profile of a typical sports club.

Table 4

	Affiliation fees	Facilities	Equipment	Salaries & fees	Insurance & security	Travel	Admin & Misc
Based on total expenditure of all clubs	3.1%	30.9%	8.5%	20.3%	6.2%	1.9%	29.0%
Based on total expenditure of all clubs excluding multi-sport clubs	3.9%	32.9%	8.5%	17.5%	6.8%	2.5%	27.8%
Based on percentage expenditure by each club	10.6%	33.0%	14.8%	12.2%	7.3%	1.6%	20.4%
Based on percentage expenditure by each club excluding multi-sport clubs	11.2%	33.2%	15.2%	11.3%	7.3%	1.7%	20.0%

Affiliation fees to the National Governing Body and/or County and/or League account for 11.2% of a typical single-sport club budget (but only 3.9% based on the total expenditure of all clubs⁸).

⁷ includes fees paid to match officials

Facility fees are the highest single cost in most clubs, irrespective of whether their facilities are owned or rented. The facility cost of a typical club accounted for 33.2% of their total expenditure.

Insurance and security, which represents expense that makes no direct contribution to the running of the club is now some 7% of the total expense of clubs, and many reported a serious increase in vandalism, necessitating increased cost of security measures and repairs as well as higher insurance premiums. The total spend of 6.8% for all single-sport clubs represents a cost to sport of over £95 million per annum and amounts to more than the fees paid by the clubs to their national, regional and county governing bodies and leagues combined.

Most of the costs of travel are borne by individual club members themselves, and few clubs provide transport (eg to away matches or to events).

Expenditure by Club Members

The average total spend of playing members of clubs (excluding responses by multi-sport clubs, in which members often contribute separately to the central club and the sport-specific section) is £18,707, with an average spend per head by adult playing members of £367 per annum (see *Table 5*). In calculating the total expenditure by club members, it has been recognised that junior members usually have lower costs than adult members. Therefore in clubs with both senior and junior membership, the spend of junior members has been estimated in these calculations to be only 50% of the spend by adult members.

Table 5

	Club fees	NGB fees	Equipment	Travel	Subsistence	Misc	Total
	£	£	£	£	£	£	£
Total per club excluding multi-sport clubs	4,120	670	7,035	4,310	1,947	625	18,707
Average per player (adult)	81	13	138	85	38	12	367

⁸ Larger clubs have much higher running costs for administration, staffing (most small clubs have no staff) and other services that small clubs do not provide. Affiliation and membership expenses constitute a much smaller proportion of their total expenditure compared with small clubs.

The break-down of this expenditure by club members, based on the average percentage spend by individual members of each club (excluding multi-sport clubs) shows 27.9% of the annual spend by club members is paid to their club in fees (membership, match, competitions etc.). 32.0% is spent on personal equipment and 24.4% on travel expense (see *Table 6*).

Table 6

	Club fees	NGB fees	Equipment	Travel	Subsistence	Misc
Based on actual total expenditure in all clubs	22.0%	3.6%	37.6%	23.0%	10.4%	3.3%
Based on percentage expenditure in each club	28.3%	3.0%	31.9%	24.4%	8.8%	3.5%
Based on percentage expenditure in each club excluding multi-sport clubs	27.9%	3.1%	32.0%	24.4%	9.0%	3.6%

Volunteer Administrators

Headline Findings

- The age-profile is extremely distorted towards the higher age bands. No respondents were under the age of 30, and over 85% were over 40 (nearly 25% were over 60).⁹
- Over 80% of respondents were male.
- Nearly 97% of respondents were white (although a significant proportion of the population of Leeds is from ethnic minorities (~ 8%))
- A wide range of functions are undertaken by these key officers (although 71% stated that they were the Club Secretary and 26% the President or Chairperson). It is clear that most of these officers also undertake a number of other functions in addition to their key duties. The time commitment of many of these people each week is very extensive (the average figure for each of the 62 respondents, based on their replies, amounts to over 11 hours per week
- Although most (84%) function at club level, many also operate at county (27%), regional (19%), national (10%) and international (5%) level.
- The main reasons for volunteering were to contribute to the success of their organisation (77%) (this did not necessarily relate to playing success) and to put something back into their sport (71%)
- The leading reason why they feel that others do not contribute as volunteers was 'too time consuming' (79%) but also 71% felt that people was dissuaded by concern about the responsibility they would face.
- 97% believed that volunteers were crucial to the future of sport at local level. Only 13% felt that the concept of volunteering appeals to a lot of people.

⁹ It should be recognised that these questionnaires were sent to the address of the key administrator for the club or league (usually the Secretary or Chairman), and it is likely that the recipient was usually the respondent (these returns were made anonymously). However, these individuals also undertake a number of other responsibilities within the club or league (see Q7 on the attached summary sheet). It does indicate that the key officers of sports club administration are overwhelmingly over 40 years of age (although younger volunteers may exist operating at lower levels of responsibility, and therefore not accessed by this survey)

Volunteering Roles

A wide range of roles were undertaken by respondents, with a considerable time commitment given by many of these voluntary administrators (see *Table 7*). It is clear that many of these volunteers undertake more than one task in their club or organisation, with an average time commitment each of 11.7 hours per week

Table 7

Which volunteering role(s) do you undertake and approximately how many hours per week do you devote to each role? (Please tick all that apply)						
	Up to 1 hr	2-5 hrs	6-10 hrs	More than 10 hrs	Total hours per week ¹⁰	Average number of hours p/wk
Secretary	13	16	8	7	194	
Team Manager	3	8	6	1	80	
Event Organiser	10	5	3	3	79	
President/ Chair	5	7	3	1	58	
Coach/ coaching assistant	4	10	2		48	
Local association/league organiser	5	3	2	1	39	
Club Committee Member	12	5		1	38	
Maintenance/Grounds staff	2	1	1	2	34	
Referee/ Umpire	5	6	1		30	
Treasurer	11	6			29	
Social organiser	5	2	2		25	
Junior Coordinator	3	1	2		20	
Event Official	5	2	1		18	
Pavilion duties	1	1	1		11	
Equipment manager	2	2			8	
Club Welfare Officer	3	1			6	
Marshall/ Steward	2				2	
Team Captain ¹¹	2				2	
Driver	2				2	
Totals					723	11.7

¹⁰ In calculating the total hours, responses of '2-5 hours' have all been taken as 3 hours per week; responses of '6-10 hours' taken as 7 hours per week; and responses of more than 10 hours have all been taken as 11 hours per week

¹¹ This comparatively low figure is indicative of the profile of the respondents to this questionnaire (over 85% were over 40 years of age). Clearly it is likely that in most sports team captains are significantly younger than many of the other volunteer administrators.

Many of the respondents volunteer at more than one level of activity (local / county / regional / national / international), although most (83.7%) spend the majority of their time working at local level (see Table 8).

Table 8

	At which level(s) do you volunteer?	Where do you spend most of your time volunteering?
Local (within Leeds City Council area)	77.4%	83.7%
Sub-regional (within West Yorkshire)	27.4%	4.7%
Regional (within Yorkshire)	19.4%	9.3%
National (within the UK)	9.7%	2.3%
International	4.8%	0.0%

77.4% operate at club level (86.5% spend most of their time at club level) but many function at more than one level of the sport (club / league / association / NGB) or in non-sporting organisations (eg. youth or community groups) (see Table 9).

Table 9

	With whom do you volunteer ?	With whom do you volunteer most?
Club	83.9%	86.5%
League	22.6%	2.7%
Association	17.7%	8.1%
Governing Body	11.3%	0.0%
Community Group	3.2%	0.0%
Youth agency (e.g. scouts)	1.6%	0.0%
School	4.8%	0.0%
Other	3.2%	2.7%

Reasons for Volunteering

The most significant reasons given for volunteering were:

- “to help make my organisation successful” (77.4%)
- “to put something back into the sport” (71.0%)
- “I enjoy seeing a worthwhile job done well” (58.1%)

Only 12.9% were actively recruited and fewer than 10% indicated that they were motivated by an urge “to feel needed”, or “to be involved with well known sports personalities” or “with high profile events” (see *Table 10*).

Table 10

For which of the following reasons do you volunteer?	
To make my organisation (e.g. club) successful	77.4%
I want to put something back into the sport	71.0%
I enjoy seeing a worthwhile job done well	58.1%
To make my sport successful	38.7%
It's a way of socialising with like-minded people	32.3%
There is no-one else to do it	32.3%
To make changes about which I feel strongly	27.4%
I think I am the best person to do the job	19.4%
To support a family member	17.7%
I was actively recruited	12.9%
I like to feel needed	6.5%
The chance of making contact with well known sports personalities	3.2%
The chance to work at high profile events	1.6%

Reasons for Not Volunteering

79.0% thought that other people were put off from volunteering because it was too time-consuming, and 71.0% felt that others were concerned about the level of responsibility that they would be incurring (see Table 11). Fewer than 50% supported any of the other reasons on offer as to why people might not volunteer.

Table 11

Which of the following reasons do you think prevent people from volunteering?	
Too time consuming	79.0%
Concern about responsibility	71.0%
Not asked	37.1%
Fear of legal action	29.0%
Feel undervalued/ Lack of recognition	25.8%
Lack of rewards	24.2%
Poor club facilities	22.6%
Inadequate training	19.4%
Lack of equipment	19.4%
Lack of support from your organisation (e.g. club)	17.7%
Lack of child care or other domestic responsibilities (e.g. looking after an elderly relative)	17.7%
Not able to afford to volunteer	14.5%
Bad previous experience	12.9%
Image of volunteering (i.e. volunteering perceived as being carried out by a particular type of person)	12.9%
Lack of transport	12.9%
Poor club management	6.5%

Views about Volunteering in Sport

Respondents were presented with a series of statements regarding volunteering in sport, and asked to indicate whether they agreed or disagreed with each of the statements. An 'Approval Rating' (AR) was calculated for each statement, by taking the percentage of respondents to the question who agreed with the statement and subtracting the percentage of respondents who disagreed with the statement. The highest possible AR is therefore +100 and the lowest possible is -100. An AR of zero shows that views are evenly balanced.

The statements with the highest AR (see Table 12) were:

- "Volunteers are essential to the development of sport at a local level" (AR = +95.1)
- "A flow of new volunteers would really make a difference" (AR = +78.7)
- "Volunteers are sports greatest asset" (AR = +76.7)

The statements registering the highest levels of disapproval (indicated by a negative AR) were:

- “Volunteering appeals to a lot of people” (AR = -60.7)
- “Awards and initiatives recognise the work of volunteers” (AR = -7.0)

Table 12

Do you agree or disagree with the following statements?	Agree	Dis-agree	Don't know	AR
Volunteers are essential to the development of sport at a local level	96.7%	1.6%	1.6%	+95.1
A flow of new volunteers would really make a difference	85.2%	6.6%	8.2%	+78.7
Volunteers are sport's greatest asset	85.0%	8.3%	6.7%	+76.7
Volunteers are harder to attract than in previous years	70.2%	10.5%	19.3%	+59.6
Volunteers are able to commit less time than in previous years	62.1%	6.9%	31.0%	+55.2
Parents are one of the best sources of potential new volunteers	66.1%	20.3%	13.6%	+45.8
Volunteering needs a higher profile	62.5%	21.4%	16.1%	+41.1
In recent years the number of volunteers has decreased	59.0%	18.0%	23.0%	+41.0
The average age of volunteers has got older in recent years	56.7%	16.7%	26.7%	+40.0
All volunteers should be 'screened' through the Criminal Records Bureau	62.7%	25.4%	11.9%	+37.3
Young people make great volunteers	41.4%	25.9%	32.8%	+15.5
Awards and initiatives recognise the work of volunteers	29.8%	36.8%	33.3%	-7.0
Volunteering appeals to a lot of people	14.3%	75.0%	10.7%	-60.7

View of Own Organisation

A number of statements were presented for the respondents to consider in relation to their own club or organisation(s). An 'Approval Rating' (AR) was then calculated for each statement as per Table 12. Statements with the highest AR (see Table 13) included:

- "Our organisation is short of volunteers" (AR = +44.8)
- "We don't really know where to look for volunteers" (AR = +31.6)
- "We have difficulty recruiting and retaining volunteers" (AR = +44.8)
- "we should provide more support for volunteers" (AR = +33.9)

The only statement with a negative AR was:

- "We develop and reward our volunteers" (AR = -15.8)

Table 13

13. Please state whether you would agree or disagree with the following statements regarding your organisation:	Agree	Dis-agree	Don't know	AR
We have difficulty recruiting and retaining volunteers	67.2%	22.4%	10.3%	+44.8
Our organisation is short of volunteers	70.7%	25.9%	3.4%	+44.8
We should take a lead role in volunteer management	55.9%	22.0%	22.0%	+33.9
We should provide more support for volunteers	57.6%	23.7%	18.6%	+33.9
We don't really know where to look for volunteers outside of our own organisation	61.4%	29.8%	8.8%	+31.6
We are good at showing that it values its volunteers	44.8%	29.3%	25.9%	+15.5
We have a lot to offer new volunteers	41.4%	34.5%	24.1%	+6.9
We develop and reward our volunteers	31.6%	47.4%	21.1%	-15.8

Volunteer Support Strategies

Respondents were asked to indicate what volunteer support strategies their organisation had (see Table 14). Only one of the strategies suggested was in place in more than 40% of the organisations surveyed (40.4% had some form of mentoring scheme to help and support new volunteers). Only 15.6% had a volunteer co-ordinator.

Table 14

Are you aware of your organisation having the following in place?	Yes
A mentoring scheme to help and support volunteers	40.4%
Volunteer training courses	34.5%
Task sheets stating what is involved for new volunteers	33.9%
A strategy for recognising volunteers	25.4%
A volunteer support plan	20.3%
A strategy for retaining volunteers	19.6%
An Awards scheme for volunteers	17.5%
A strategy for recruiting volunteers	17.5%
A strategy for rewarding volunteers	17.2%
A volunteer co-ordinator	15.6%

Only 30.4% were aware of the Sport England Volunteer Investment Programme (VIP) and only 24.1% knew about the Running Sport programme (see Table 15).

Table 15

Are you aware of the following programmes?	Yes
Sport England's Volunteer Investment Programme	30.4%
Sport England's Running Sport programme	24.1%
Some volunteer training and qualification costs can be covered from grants	35.8%

Help for the Future

There was widespread support for a range of initiatives to help volunteers (see Table 16). The highest Approval Rating (AR) was for ongoing support, information and advice (AR = +80.0). Good practice guidelines (AR = +74.5) and information/support packs (AR = +72.7) were also well supported, but all proposed initiatives recorded a positive AR of more than +15.0. These replies clearly indicate the serious concern that the present volunteer administrators have regarding the urgent need to provide support, advice and encouragement to themselves, and especially to future generations.

Table 16

Do you think any of the following would help to support the work of volunteers?	Yes	No	Don't know	AR
Ongoing support, information and advice	83.6%	3.6%	12.7%	+80.0
Good practice guidelines	78.2%	3.6%	18.2%	+74.5
A volunteer information/support pack	76.4%	3.6%	20.0%	+72.7
Clearly defined roles and responsibilities	78.6%	12.5%	8.9%	+66.1
Succession planning for replacement volunteers	74.5%	10.9%	14.5%	+63.6
Raising the profile of volunteering	73.2%	10.7%	16.1%	+62.5
Employer support	68.0%	6.0%	26.0%	+62.0
Volunteer training courses	72.7%	10.9%	16.4%	+61.8
A Development handbook for Club Officials	68.6%	9.8%	21.6%	+58.8
Raised media profile / recognition	70.9%	12.7%	16.4%	+58.2
A mentoring scheme for volunteers	69.8%	15.1%	15.1%	+54.7
Clearly presented opportunities	62.3%	13.2%	24.5%	+49.1
Appointment of a volunteer co-ordinator at a local level	60.8%	17.6%	21.6%	+43.1
More effective club management	60.0%	18.2%	21.8%	+41.8
A local Award Scheme for volunteers	50.9%	28.1%	21.1%	+22.8
A nationally co-ordinated programme	43.4%	28.3%	28.3%	+15.1