



SPORTING
P E O P L E

**DEVELOPING THE PEOPLE
WHO MAKE SPORT
HAPPEN**

Context & Overview

INDIVIDUAL, WORKFORCE & ORGANISATIONAL EXCELLENCE



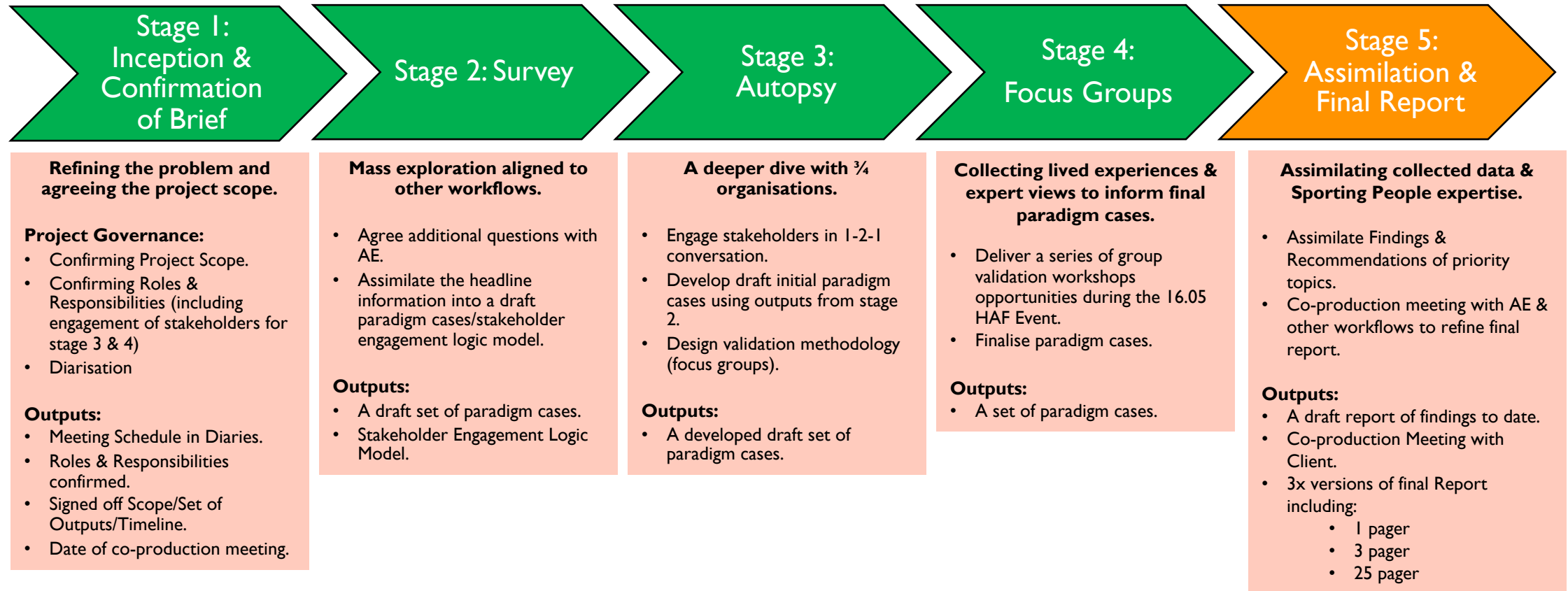
Project Context & Brief

- DfE funding for HAF provision ends in March 2025 with a question mark over ‘what comes next?’.
- There is an opportunity to influence at a local level.
- There are 3 strands to the overall project of which this piece forms 1.
 1. Economic – Substance
 2. Impact on Children & young People and Families – Internal
 3. **Organisational Impact – Sporting People**
- Workflow 3 will look to answer the following: ‘*What will happen to organisations delivering HAF?*’
 - Will they disappear?
 - Will other income step in to support?
 - Do HAF providers ‘*use HAF the way theatre uses panto*’, meaning that a cut to HAF is a cut in real-terms to term-time provision?
 - Will they continue but at a small scale?
 - What is the knock-on effect to consumers/those they employ?
- In addition, there is an interest in:
 - How much does the HAF programme facilitate collaboration, networking & wider system impact?
 - The impact this may or may not have geographically on provision across Essex (i.e. ‘cold spots’).

Project Outputs

1. A final report on workflow 3 of no more than 25 pages in length (including a set of paradigm cases).
2. A summary report on workflow 3 of no more than 3 pages in length.
3. A 1-page exec summary on workflow 3.
4. Associated insight, resources and approach for application in the future (e.g., the Question bank).

Project Overview



Project Gantt

Activity	March		Apr					May				June	
	18	25	1	8	15	22	29	6	13	20	27	3	10
Inception	█	█	█										
Survey Questions Drafted			█	█									
Survey Open					█	█							
Autopsy of ¾ orgs						█	█	█					
Drafting of Paradigm Cases								█	█				
3x Focus Groups									█				
Internal Assimilation of Findings										█	█		
Presentation of Draft Findings & Co-Production with other project streams												█	
Final Report Polished & Submitted to AE													█

Paradigm Cases

INDIVIDUAL, WORKFORCE & ORGANISATIONAL EXCELLENCE



Methodology

- This is clearly a fast moving & sensitive subject for organisations who deliver HAF. As with any evaluation of a project funded by a commissioner, there is a risk of participants only partially sharing insight if they perceive that their answer may affect future funding.
- To collect robust, honest data whilst recognising this project risk, we conducted several deep dive ‘autopsies’ with anonymous organisations who represent different sizes, maturities & types of organisation within the HAF portfolio.
- These insights were then turned into draft **paradigm cases**.
- Paradigm cases are stereotypical examples (hypothetical case studies); they allow findings to be rooted in insight & experience whilst mitigating the threat of participants not feeling able to be fully open.
- These draft cases were then validated with a larger sample of HAF organisations during the event at Prested Hall on the 16th of May 2024.
- The ‘what happens next’ elements of the cases are taken from assimilated input from this validation from HAF organisations themselves. Sporting People have reserved their professional judgement for the Findings, Observations & Curious Questions Section of this report.
- Although assigned to the paradigm case stimuli that generated the comment, many themes could cut across several, or all, of the stories.
- This report brings together these paradigm cases, as well as insights from other collection points.



Annual Turnover: £1.5m	No. of Staff: c. 18	Nature: Charity
% Income from HAF: 15%	Years with HAF: 4 (1 → 4 places)	Core Business: Young People

Scenario:

- The charity had an existing delivery model for activating a place; HAF funding allowed them to scale delivery of their model, hone their ability to articulate their impact and grow in confidence.
- The charity use multiple funding sources to activate a place by identifying & upskilling local leaders to deliver the actual services but these local leaders as supported by a core team.
- The organisation has invested a small amount of HAF Funding in physical equipment, but the the bulk invested in the staff pathway (i.e., identifying & training local leaders, CPD for the core team, transitioning staff from local leader to full time members of the core team...).

What happens next should HAF Funding discontinue...

- The organisation would continue although HAF specific roles would probably disappear.
- Their model has in built resilience (i.e. not relying on a single source of income/evidence) but HAF funding is the easiest 'first move' when it comes to opening up an area, so the removal of funding has wider impact that just its monetary value.
- There would be a reduction in geographic ambition, pulling back to existing areas of strength.
- HAF has been a great source of recruiting, upskilling & retaining staff – funding would mean a big loss to the eco system.
- The security of the HAF funding (in terms of knowing a specific amount & when that amount would land) has allowed the organisation to take managed risks and grow from a scrappy start up to an SME with >20 staff on the payroll and an extended workforce freelancing. Growth would be hampered without it.
- There would be a loss of employment opportunities, especially for young people.

2

Annual Turnover: £270,000	No. of Staff: 1	Nature: Sole Trader
% Income from HAF: 50%	Years with HAF: 4 (1 → 4 places)	Core Business: Schools Clubs

Scenario:

- They have invested the funding in growing the number of associates (other sole traders) that they work with regularly to deliver, which has freed up the original sole trader to focus on administrating & growing the business rather than delivering themselves. These associates invoice each month and are responsible for their own CPD, although everyone receives basic safeguarding training at the start of the year.
- They have also invested significantly in capital with significant amounts of new equipment (* although this does come with an ongoing storage cost).

What happens next should HAF Funding discontinue...

- Growth would cease and the lack of funding would make the organisation risk averse.
- Would have to lose staff. Founder would have to take on delivery hours which would limit their time to work 'on' the business. The founder may even need to take on work elsewhere to support themselves which would pose an existential threat to the business.
- Negative impact on the lifestyles, wellbeing & career pathways of the Sole Trader themselves. Added stress & pressure for those reliant on coaching hours.
- In places where HAF provision has allowed them to grow a stable private income they would look to continue term time delivery, however they would be inclined to 'pull back' to their geographic base. Extra resource would have to be spent on marketing.
- HAF funding has been a 'gateway' to growing the business via schools, losing this would have a long-term business development impact. HAF provision also grows the number of 'private' places sold with children influencing their friends and parents influencing their peer groups.
- HAF Funding increases quality of provision across delivery, an end to the funding would mean a dip in quality which may lead to a negative consumer reaction having had their expectations raised.
- HAF funding allows guaranteed hours, losing these would impact how attractive they are to other sole traders.
- Several consultees (including those with comparable business) thought there was a significant risk that this business would fold.

3

Annual Turnover: £80,000	No. of Staff: 1	Nature: Sole Trader
% Income from HAF: 50%	Years with HAF: 4 (1 place but have grown no. of HAF places)	Core Business: Schools Clubs

Scenario:

- They have invested the funding in paying for the original sole trader to work full time during HAF periods, occasionally bringing in limited additional delivery support on busy days (other sole traders) and paying for delivery costs themselves (venues, enrichment activities...).
- The original sole trader is lead deliverer as well as running the business, they attend mandatory HAF training but are too busy to take advantage of anything additional.
- They have also invested in capital, with new physical equipment although this does come with an ongoing storage cost.

What happens next should HAF Funding discontinue...

- HAF is a 'small' project but has large logistics implications for a small business, there are also hidden costs with business often spending more per head on a HAF eligible child than they generate from funding.
- However, this outlay is worthwhile as it facilitates 'free' promotion (i.e. word of mouth) and opens up new markets.
- This type of business (who have limited time, money & expertise to spend on marketing) lean into the benefits of their HAF sessions appearing on 'Find Your Active'. No longer appearing here would be a big blow to income.
- The way HAF income is paid (i.e. a lump sum on a specific date) allows organisations to 'bulk buy' ahead of a delivery period (e.g., craft activities...) allowing them to drive down their operating costs across the whole business (not just HAF provision). Losing HAF income removes this opportunity and would drive costs up elsewhere (Researcher Note: There was a feeling from HAF organisations that they couldn't pass on additional costs to consumers or people would not engage them, this would have to come out of their margins instead).
- This organisation would have to streamline where they delivered, they may also need to turn this into a 'side hustle'.
- If this organisation was started as a 'passion project' aligned to the aims of HAF, the withdrawal of the funding may cause it to shut completely.
- Several consultees (including those with comparable business) thought there was a significant risk that this business would fold.

Annual Turnover: £700,00

No. of Staff: c. 160

Nature: Limited Company

% Income from HAF: 35%

Years with HAF: 4 (1 → 4 places)

Core Business: Schools Clubs

Scenario:

- HAF funding was the catalyst to 'growing up' with their business: They have invested the funding in growing the number of staff members they have (employees on zero-hour contracts) & developing their organisational structure, which has freed up the founders to focus on administrating & growing the business rather than delivering.
- They take advantage of the HAF training provided to upskill & retain staff.
- They use evidence from their HAF outcomes to positively influence schools to give them access/to expend into new areas with both HAF & private business.

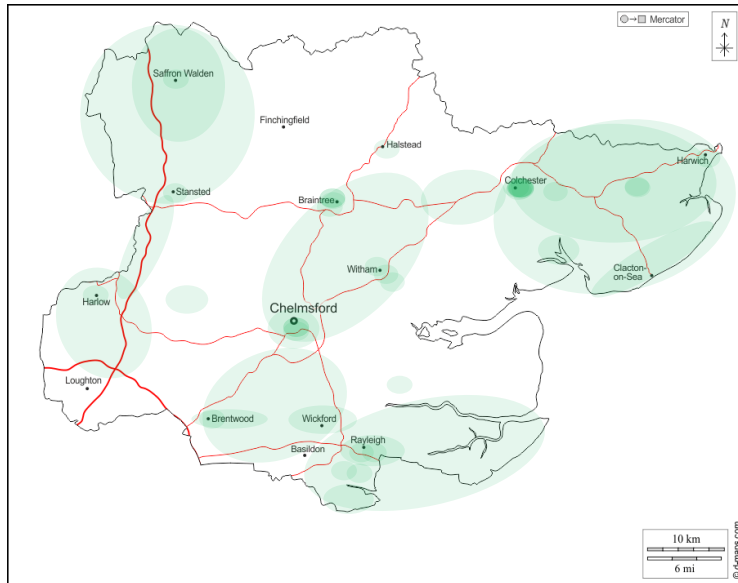
What happens next should HAF Funding discontinue...

- The way HAF funding works (i.e. a guaranteed lump sum) makes a big difference to small limited companies. Removal of the funding would impact on their 'freedom'.
- Being forced to change tack may be a good thing in the long term for the business if the leader is capable of rising to the challenge, but it will put significant strain on the leadership. The business will probably survive but that isn't a certainty (Researcher note – Consultees felt that a company who relied on HAF for only 10-20% of its income was much more likely to survive). Loss of HAF funding will add to the compounding effect that inflation, minimum living wage and the new holiday pay rules are already having on organisations.
- For a limited time, the funding gap could be bridged from reserves, but this wouldn't be long term solution. Even a gap in cash flow from HAF Funding (e.g., no funding for Spring 2025 but returning for Summer 2025) would cause significant people & financial challenges, some which could be mitigated with sufficient preparation time.
- The founder may well have to go back to full time work elsewhere which presents a risk to the business. Growth will be stifled as it is riskier to take on staff and there is limited time & resource to bring in & upskill them.
- Their approach to EED&I within the organisation would be affected as it would be harder to identify & nurture talent from local communities.
- It would become hard to retain staff, with HAF funding zero-hour contracts work well for businesses & staff as there are guaranteed hours whilst remaining flexible. Without the HAF funding this balance shifts.
- Quality & quantity of broader provision would be impacted as HAF creates new environments for the organisation to work in, generates trade and funded elements (e.g., staff & equipment) positively impact non-HAF provision.

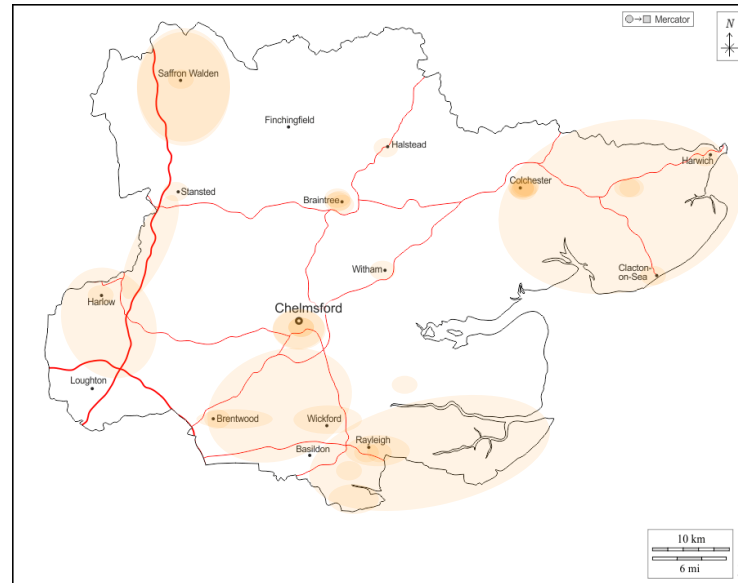
Heat Maps

- Over 20 HAF organisations of varying sizes, types & maturities completed the heat map exercise. This data has been overlaid on the maps below.
- NB - It may be possible for Active Essex to extrapolate the general trends more broadly using the mapping data currently being piloted by the HAF team.

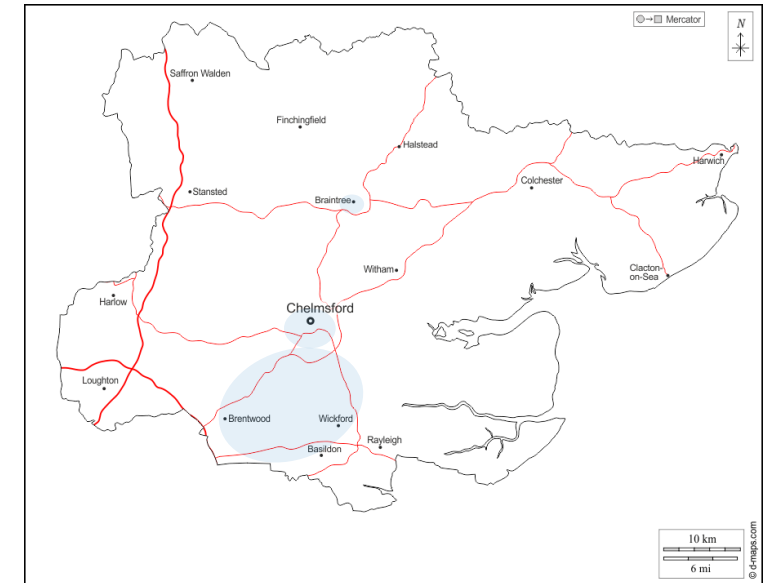
Current Provision



No HAF Funding – Term Time Provision



No HAF Funding – Holiday Provision



- The general trend is to 'pull back' to their geographic strong holds (often where they first started out) and maybe limited additional areas where they have a strong private income base.
- Holiday provision unsurprisingly is hugely affected. Term time provision will remain (although it may reduce in quantity or quality) where there is sufficient private income available.

Findings, Observations & Curious Questions

Best Practice

Watch Outs

Possible Next Steps

HAF Organisations are positive & upbeat about the work they are doing & the future.

Many organisations we spoke to were not aware there was any chance of a change/(complete) loss of HAF funding. As a result, very few organisations are actively planning for change or thinking about building organisational resilience.

Review the comms plan for informing HAF organisations about future funding scenarios.

HAF Organisations are up for the challenge of 'stepping up' to find other sources of income.

There would be a question mark over the time, evidence & capability they have to actually do this.

In the 9 months remaining of the funding cycle, explore what guidance, training & support can be offered across Active Essex to mitigate this.

Some HAF organisations are actively using their HAF work to evidence their models and leverage additional funding both within & outside of Essex.

Only a few organisations are actively doing this.

In the 9 months remaining of the funding cycle, explore what guidance, training & support can be offered to support organisations in building evidence for other funds.

Best Practice

Watch Outs

Possible Next Steps

Many organisations would be open to self-funding some holiday activity in the short term.

In order to be ready organisations need to be aware of the likelihood of this situation so they can effectively plan cash flow.

Review the comms plan for informing HAF organisations about future funding scenarios.

HAF Funding does allow organisations to grow in size (staff, delivery areas, turnover).

At present the system does not seem to be supporting sustainable growth of resilient business.

Should funding continue, explore the opportunity to restructure the approach so that the system itself assures a stable base.

Some organisations have used their HAF growth to drive organisational development (e.g. transitioning between business types to better suit their current status).

Many organisations may not be the correct business type either for their own delivery, or for Active Essex from a due diligence perspective.

Within Active Essex work is being undertaken to support organisations in this area (e.g. work being undertaken by Mark Garbaldi).

Best Practice

Watch Outs

Possible Next Steps

Lots of data & knowledge sits within the HAF team.

Great having data is brilliant but it needs to be turned into insight and then used as intelligence for action.

Explore with the HAF team what they would have done differently if they knew 4 years ago what they know now.

There is a sense from HAF organisations (and the HAF team) that this year is the first year 'people have really got it'.

It takes time to develop organisations who are capable of leaning into a big ambitious initiative like HAF. If the 'bus' stops, even for a short while, it may be like starting back at the beginning.

HAF funding has led organisations to have better relationships with local stakeholders (e.g. schools) which has broader benefits to their business.

HAF organisations are spending time convincing 'gatekeepers' (i.e. caretakers) and paying to hire school facilities (for HAF & beyond) when it they could be benefiting from the 'free hit' of the 'Opening Schools Facilities Fund'.

Begin a conversation with APNO to explore how Active Essex could support organisations to realise the benefits of the fund.

Best Practice

Watch Outs

Possible Next Steps

HAF organisations didn't find it hard to articulate what would have to change geographically if a funding change occurred suggesting that they would have a level of agility. Often their solution is to pull back to 'where they started'.

The growth pattern of HAF over the last few years has leant on successful organisations expanding into new areas rather than new organisations in areas of need being identified. As a result a loss of funding could create 'cold spots'.

With the remain funding windows, explore whether investment could be awarded to new organisations in 'high risk' areas to kick start them.

Some organisations have clearly benefited from the organisational development work being undertaken by the HAF & broader Active Essex team which is making them more able to meet this challenge.

Not all organisations are seizing the opportunities that are currently available. Some organisations are not yet ready for the opportunities in place (e.g. Organisational Development Diagnostic) and may need additional support to get there.

Explore what work is already being undertaken by Active Essex and how it could optimally support HAF organisations.

There seems to be a lack of interdependency/interconnectivity with other organisational development priorities driven by Active Essex (e.g., People Culture & Skills plan, apprenticeships...)

Build connectivity.

HAF organisations think carefully about how to spend their HAF investment.

Purchasing going on across HAF organisations doesn't not seem efficient when seen at a regional scale.

Should funding be reduced, Active Essex could mitigate considerably by exploring what economies of scale they could leverage (e.g. training, equipment...) by bulking buying on behalf of all/many HAF organisations at once.

Best Practice

Watch Outs

Possible Next Steps

In some case HAF organisations are spending more per head on HAF children than they receive in grants as 'it is the right thing to do' and it makes financial sense across the breadth of their business (e.g., the lump sum of HAF funding allows them to bulk buy for all their provision at a competitive price).

The % of an organisation's turnover that is HAF related in not the full picture as the impact of the funding could have a different impact on their actual margins.

Due diligence, Safeguarding & Harm Prevention - what due diligence/support has been/is being offer pre/post HAF grant making?

Should funding continue, explore the opportunity to build in more robust due diligence, safeguarding & Harm prevention processes.

HAF has grown businesses & in turn created more jobs/employment opportunities,

If HAF funding ceased or is reduced there will be a loss of job opportunities that may disproportionately affect young people.

HAF Funding has allowed organisations to build relationships & trust with Active Essex that they wouldn't otherwise have had, also allowing them to access broader opportunities.

Some organisations would be taken unawares if funding was cut or stopped completely. The more suddenly this news comes the greater impact it could have on their relationship/trust with Active Essex.

Review the comms plan for informing HAF organisations about future funding scenarios.

SUMMARY

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Possible Next Steps

HAF Organisations are positive & upbeat about the work they are doing & the future.	Many organisations we spoke to were not aware there was any chance of a change/(complete) loss of HAF funding. As a result, very few organisations are actively planning for change or thinking about building organisational resilience.	Review the comms plan for informing HAF organisations about future funding scenarios.
HAF Organisations are up for the challenge of 'stepping up' to find other sources of income.	There would be a question mark over the time, evidence & capability they have to actually do this.	In the 9 months remaining of the funding cycle, explore what guidance, training & support can be offered across Active Essex to mitigate this.
Some HAF organisations are actively using their HAF work to evidence their models and leverage additional funding both within & outside of Essex.	Only a few organisations are actively doing this.	In the 9 months remaining of the funding cycle, explore what guidance, training & support can be offered to support organisations in building evidence for other funds.
Many organisations would be open to self-funding some holiday activity in the short term.	In order to be ready organisations need to be aware of the likelihood of this situation so they can effectively plan cash flow.	Review the comms plan for informing HAF organisations about future funding scenarios.
HAF Funding does allow organisations to grow in size (staff, delivery areas, turnover).	At present the system does not seem to be supporting sustainable growth of resilient business.	Should funding continue, explore the opportunity to restructure the approach so that the system itself assures a stable base.
Some organisations have used their HAF growth to drive organisational development (e.g. transitioning between business types to better suit their current status).	Many organisations may not be the correct business type either for their own delivery, or for Active Essex from a due diligence perspective.	Within Active Essex work is being undertaken to support organisations in this area (e.g. work being undertaken by Mark Garbaldi).
Lots of data & knowledge sits within the HAF team.	Great having data is brilliant but it needs to be turned into insight and then used as intelligence for action.	Explore with the HAF team what they would have done differently if they knew 4 years ago what they know now.
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