



Active Logan Value Statement

Summary Report

Logan City Council | KPMG Sports Advisory

June 2021

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This Summary Report provides a summary of KPMG's findings during the course of the work undertaken for Logan City Council in accordance with the terms of the Purchase Order issued 07 July 2020. The contents of this report do not represent our conclusive findings, which will only be contained in our final detailed report.

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Logan City Council (Council) recognises the important role that community sport and recreation plays within the community, supporting the social and physical activity that generates benefits for participants and the broader society.

These benefits are well understood within the community and sector more broadly. Participants feel stronger, healthier and better connected to their community through sport and physical activity. However these benefits can be difficult to categorise, and even harder to quantify.

In 2018, Sport Australia engaged KPMG to undertake a project exploring the social, health and economic value of community sport infrastructure to Australia. This study produced quantitative estimates of a number of benefits that fall within these categories. Subsequently in 2020, Sport and Recreation Victoria engaged KPMG to develop a similar assessment for the state of Victoria, with the scope expanded to include active recreation infrastructure.

In line with these previous assessments, the Active Logan Value Statement represents a unique attempt to quantify the economic, health and social benefits of sport and recreation at a Local Government Area level.

This report represents a summary of the key findings from the full Active Logan Value Statement Report.

Scope

The City of Logan has engaged KPMG to undertake an assessment of the costs and benefits of Council supported sport and recreation in Logan, referred to as the Active Logan Value Statement.

Methodology

The Active Logan Value Statement is supported by a literature review that was undertaken to explore the benefits of sport and recreation and potential quantification methods. A methodology paper was then developed to explore the approaches available to structure the assessment.

The methodology landed on exploring the following:

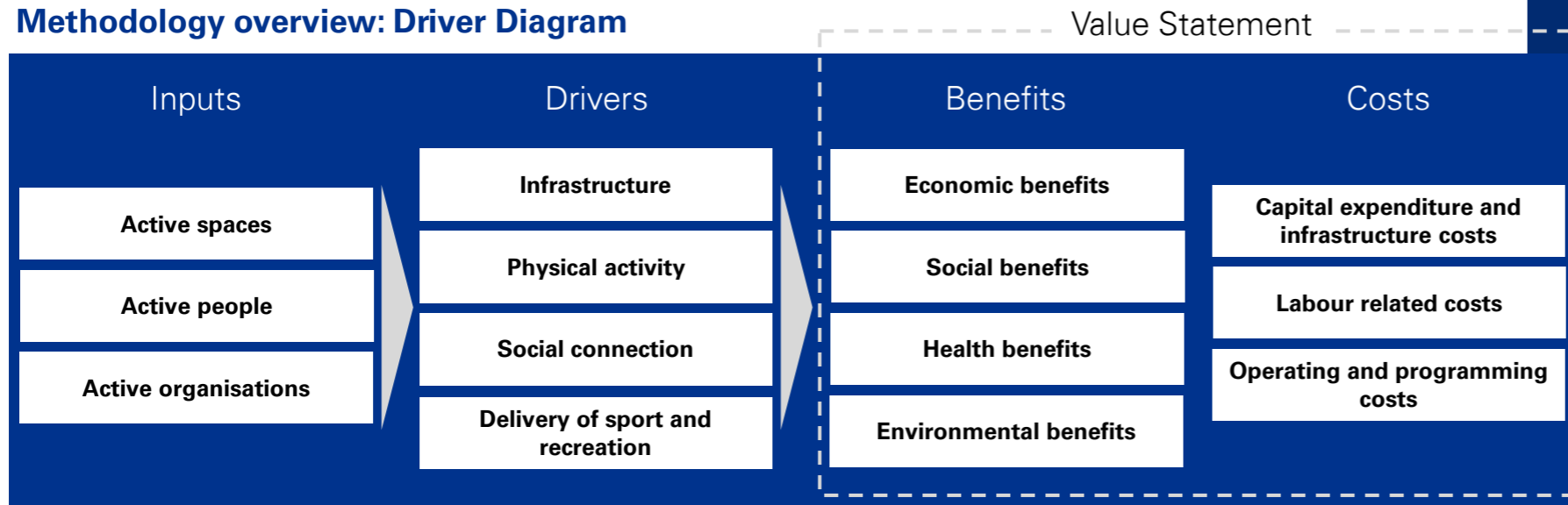
The delivery of active spaces, people and organisations, relating to Council owned or provided facilities supports an annual sport and recreation sector benefit of \$X, at an annual cost to the City of Logan of \$Y.

Importantly, the assessment has been conducted across two phases.

Phase 1: Formal outdoor sport and recreation

Phase 2: Indoor sports and aquatic centres

Methodology overview: Driver Diagram



The Driver Diagram presents a summary of the Active Logan Value Statement methodology.

The methodology was developed with a focus on identifying the drivers of the costs and benefits of sport and recreation. This ensures quantification approaches align to reality and that common issues with such studies (e.g. double counting) are avoided.

The Active Logan Value Statement is supported by a detailed literature review and methodology paper that explores the benefits of sport and recreation, the potential approaches to quantification, and the overarching methodologies available to conduct the assessment.

Quantified benefits



Economic activity

The direct economic contribution that results from the development and maintenance of sport and recreation facilities.

Employment

The benefit to labour of new jobs or increased wages that result from the increased economic activity.

Event visitation

The benefits of the attraction of visitors to Logan for sport and recreation events.

Decreased risk of chronic disease

The benefit of reducing the risk of contracting several chronic diseases through participation in sport and recreation.

Improved mental health and wellbeing

The improvements in mental health and wellbeing outcomes from participation in sport and recreation.

Health system benefits

The benefits to the health system (such as cost savings) of improved disease and health outcomes across the physically active population.

Productivity benefits

The benefits generated by active participants being more productive at work.

Reduced risk of drowning

The benefits of learn to swim programs in reducing fatal drowning incidents.

Human capital benefits

The personal development benefits to participants in sport and recreation, including the development of key skills, improved concentration and engagement, and improved cognition.

Volunteering benefits

The benefits supported by volunteer contributions to sport and recreation programs and the operation of facilities.

The annual benefit supported by formal outdoor sport and recreation and indoor sports and aquatic centres in the City of Logan is approximately

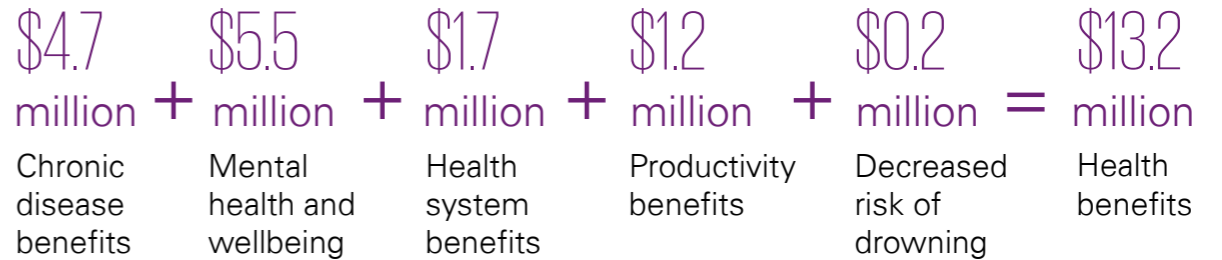
\$31.2m



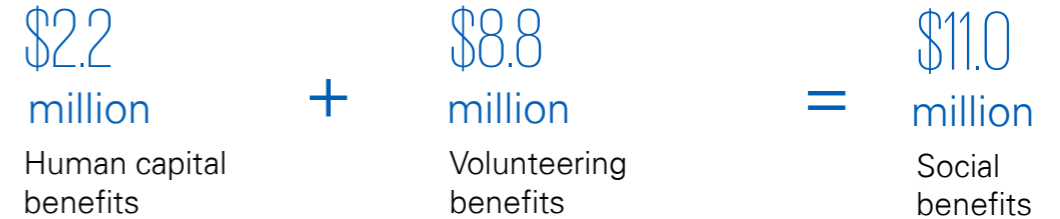
Economic benefits



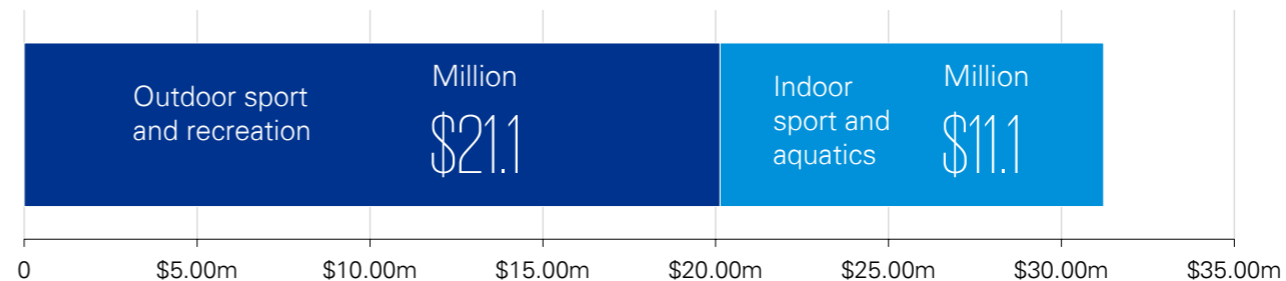
Health benefits



Social benefits



Benefits by phase








\$31.2 million of value supported

To support the \$31.2 million in benefits, Council incurs costs of approximately \$24.3* million annually.

This means that for every dollar of cost incurred by Council, **\$1.28 of benefit** is supported within the City of Logan.

The value ratio is likely to be higher if additional non-quantified benefits were able to be included in the assessment (outlined below).

Council investment is also likely to generate non-quantifiable benefits including:

Environmental benefits			Health benefits	Social benefits			
							
Green space benefits	Improved local amenity	Broader environmental benefits	Reduced risk of falls among the elderly	Reduction in crime and anti-social behaviour	Community pride	Improved levels of trust	Social connectedness and inclusion



The in scope sport and recreation activity also results in:

3,527	33,440	355,000	\$2 million
persons achieving health effective participation status	avoided Disability Adjusted Life Years	hours of time committed by volunteers in the community	worth of salaries and wages supported in the local economy

For every dollar of cost incurred by Council to support in-scope sport and recreation

\$1.28 of benefit

is supported within the City of Logan.

The total value supported is likely to be materially greater than what has been able to be quantified and included in the Value Statement.

The qualitative benefits that were identified during the methodology development process but that were unable to be quantified within the assessment are outlined on this page. These benefits are largely social and environmental in nature.

*Note: The methodology for the Value Statement has included costs that are co-funded by other organisations. For example, the cost of initiatives funded by State Government grants has been included in the assessment.

The detailed breakdown of the costs and benefits supporting the headline outputs are outlined in the adjacent table.

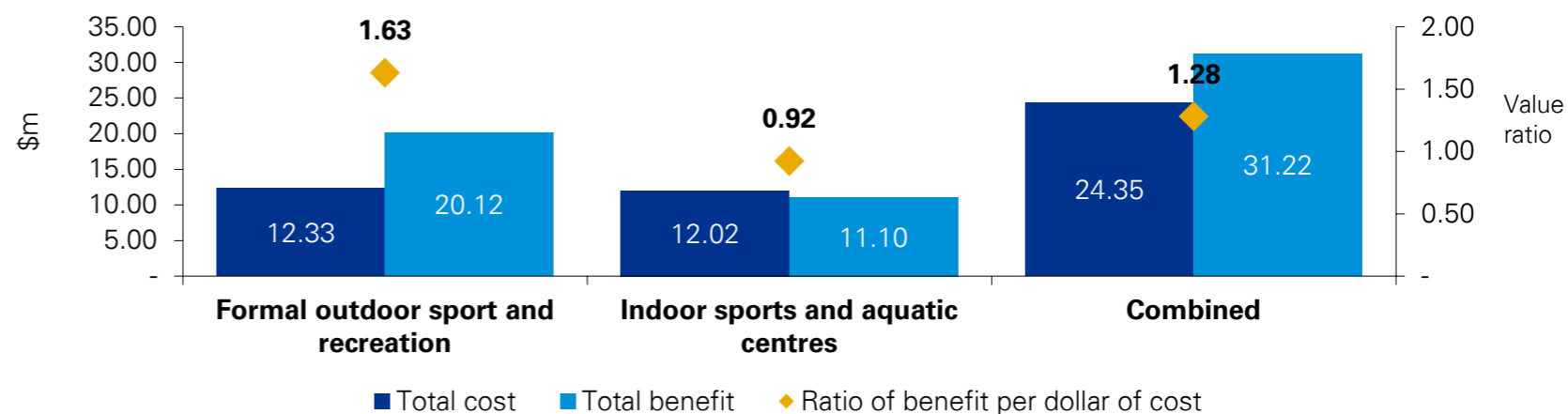
'Formal outdoor sport and recreation' has a relatively higher proportion of benefits in the 'mental health and wellbeing' and 'volunteering benefits' categories due to a younger participant demographic having lower risk of other diseases, and a higher reliance on volunteer support.

'Indoor sports and aquatic centres' has a relatively higher proportion of benefits in the 'decreased risk of chronic disease' category due to an older participant demographic.

It is noted that data issues during the development of the assessment relating to the participants at indoor sport and aquatic centres has meant that the benefits estimated are potentially understated. See full report for discussion and recommendations regarding data collection improvements.

Active Logan Value Statement (\$, 2020)

	Formal outdoor sport and recreation	Indoor sports and aquatic centres	Total
Total costs	12.33	12.02	24.35
Benefits			
Economic activity	0.92	0.70	1.62
Employment	1.13	0.85	1.98
Event visitation	1.21	2.20	3.42
Decreased risk of chronic disease	2.31	2.34	4.65
Mental health and wellbeing	3.87	1.64	5.51
Health system benefits	0.93	0.73	1.67
Productivity benefits	0.85	0.30	1.15
Human capital benefits	1.58	0.63	2.21
Decreased risk of drowning	-	0.21	0.21
Volunteering benefits	7.32	1.49	8.80
Total benefits	20.12	11.10	31.22
Value ratio	1.63	0.92	1.28





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