



Route de Geneve 46,
Nyon 1260,
Switzerland
23.1.2023

Re: UEFA Submission (JCM-I-1060)

A Cathaoirleach,

Tá súil agam go bhfuil tú go maith. Míle buíochas as an deis a chur chuntas go dtí an Choiste ar an dul chun cinn, go dtí inniu, ar Chonraitheoireacht Torthaí Sóisialta (Social Outcomes Contracting).

Please see below an outline of the progress to date, and a summary of the rationale for exploring a social outcome contracting pilot in sport, in Ireland. UEFA is very happy to continue supporting the concept with our advice, and with our impact evaluation methods (already shared with major sporting bodies in Ireland).

Mise le meas

A handwritten signature in black ink, appearing to read 'Liam Mc Groarty', is written over a horizontal line.

Liam Mc Groarty

Strategic Development Manager

UEFA



Liam.mcgroarty@uefa.ch

REF: UEFA Submission (JCM-I-1063)



Part II: (UEFA submission)

1. UEFA's role

UEFA's work on measuring the impact of amateur sports (UEFA SROI)¹ has initiated explorations into impact investment (also known as social outcomes contracting - SOC²). In partnership with UNESCO, UEFA has introduced a sport SOC concept to national governments, EU institutions, and global investment institutions. The European Investment Bank has committed to testing a SOC model in 2 EU Member States. Sport SOC pilots are being discussed/developed for Azerbaijan, Chile, Croatia, Finland, Netherlands, Romania, and Scotland. These are not focused on a specific sport, rather they take a multi-sport approach.

2. What is a Social Outcomes Contract (SOC)

A social outcome contract is different from traditional grant funding. The core focus is on outcomes (what positive benefits have taken place), as opposed to inputs (what activities are planned). In a SOC, the public sector pays for outcomes that have been achieved, as opposed to paying for activities that may or may not lead to outcomes. The private sector takes the risk. The service provider (club) designs and adapts its activities to achieve the agreed outcomes. There is one sport SOC in existence globally.³ 16 sports clubs have been delivering health, educational and crime prevention outcomes in the UK. It has been an unqualified success.

3. Introduction to SOC Ireland

UEFA introduced the sport SOC concept to the FAI, Sport Ireland, IRFU, GAA, IABA, and Cricket Ireland. UEFA involved Rethink Ireland, who has responsibility for exploring this financial model in Ireland. Since November 2021, UEFA and UNESCO has presented the concept to various Government officials/representatives:

- Minister Jack Chambers and Dept of Sports officials (April 2021)

¹ <https://sustainabilityreport.com/2021/01/28/quantifying-the-economic-and-social-impact-of-football/>

² <https://advisory.eib.org/about/initiative-social-outcomes-contracting>

³ <https://golab.bsg.ox.ac.uk/knowledge-bank/case-studies/chances/>



- Minister Darragh O' Brien (June 2021)
- Joint Committee with responsibility for sport (June 2021)

4. Recap of benefits

There are various benefits to a SOC financial model for sport;

- a) A SOC is a responsible way to use public finances in that the taxpayer only pays if the outcomes have been achieved. If the activities have not led to the outcomes, the investor takes all/most of the risk.
- b) SOCs are designed from the local level to address key challenges that have not been addressed by existing services or public funding. The National Sports Plan (2018-2027) outlines many of these challenges (i.e., the same demographics are still physically inactive – elderly, lower socio-economic groups, ethnic minorities, persons with disabilities etc) and that NGBs need to be more proactive when it comes to lifelong physical activity.
- c) A SOC requires a cross-sectoral approach from design, through to delivery and funding. By way of example, the local GP needs support to reduce many non-communicable diseases. Sports clubs can deliver programmes to affect the health of 'at risk' groups. Prescribing physical activity at a local club is a responsible, efficient, and effective solution. A SOC supports such cross-sectoral planning, delivery, and payment. A cross-sectoral approach is especially effective for what the National Sports Policy refers to as "gradients" of underrepresented groups.
- d) The National Sports Plan also indicates the requirement to double investment in sport by 2027, which includes exploring new forms of investment from the private sector. A SOC is a structure that enables the private sector to invest for social and economic outcomes through sport. The global impact investment sector will invest 1.3 trillion dollars in 2023.
- e) Sports clubs contribute in many ways to social outcomes. Access to cheaper capital enhances the human resources in clubs and gives a longer-term, strategic approach to their role in society. Clubs will do more with a SOC investment model.



5. SOC Concerns and/or objections

SOCs are relatively new, and for very valid reasons, caution should be exercised.

- a) Bottom-up and cross-sectoral planning (as opposed to top-down and siloed) is not easy. The design of a SOC requires more effort, and the implementation of a SOC requires flexibility to address challenges. Doing this at scale requires ongoing coordination and management as opposed to grant calls with defined timelines.
- b) In the early days of SOC development (2010-2012), target groups were not defined clearly enough (which led to SOC going after low-hanging fruit – to prove they reached their outcomes). This has been addressed with more stringent target group selection and stronger evidence of outcomes.
- c) Cross-departmental investment, multi-annual funding, and public-private partnerships make contracts and finances more challenging.⁴

6. Request

The Department for Local Government and Housing can see the merit in cross-sectoral planning, and the use of private capital to deliver bottom-up solutions to persistent challenges. That said, sport is not the core Department responsibility. It is disappointing that the Department for Sport haven't engaged in testing the concept, even though NGBs are keen to explore same, and the EIB has committed to paying for a feasibility study, managed by Rethink Ireland. We would respectfully request that the Department of Sport engage with the concept.

⁴ https://www.fi-compass.eu/sites/default/files/publications/11.%20Jelena%20Emde_Support%20for%20Social%20Outcomes%20Contracting%20-%20Current%20developments%20and%20future%20outlook.pdf