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Ownership influence on the participation of recreationally disadvantaged citizens

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Ownership influence on the participation of recreationally disadvantaged citizens

Abstract

Traditionally, some public services have been provided at a reduced cost for greater access opportunities among disadvantaged citizens, but is this the case under service externalisation? And if price of entry is no longer prioritised by different ownership types, does this impact the participation of disadvantaged citizens? These are the research questions addressed by this exploratory study in the context of a public sector sport and leisure service. Secondary objective data is used to capture different ownership types that coexist in service delivery as a consequence of service outsourcing (i.e., public, non-profit, private), the cost of access (£) to sport and leisure opportunities provided by these different ownership types, and the level of inclusion of specific market segments at the facility level for each ownership types. Multivariate analysis of variance with a post hoc test is used to examine if differences exist between the three ownership types in levels of pricing and inclusion across all market segments. The findings demonstrate that policy-makers should not attach normative values based on ownership type in the delivery of sport and leisure opportunities as contrary to common assumption private ownership is not damaging to the inclusion of specific recreationally disadvantaged citizens. Rather, private ownership reports the highest levels of inclusion across most market segments, including the recreationally disadvantaged, despite their pricing being significantly higher than public ownership. Implications for public management theory are presented and discussed.

Keywords Sport and leisure; Pricing; Social inclusion; Disadvantaged citizens; Participation.

Introduction

A central motivation for state provision of public services is to ensure access for all citizens and this is emphasised in recent UK public policy concerning citizens sport and leisure opportunities, where understanding the barriers that exist for specific groups of society to participate is considered a critical consideration in the development of provision (Sporting Future, 2015). The push by public policy to address ‘participation poverty’ is driven by the potential of sport and leisure participation to benefit society by improving health and reducing crime in local communities (Sporting Future, 2015); these are social objectives that have traditionally provided the justification for the subsidy of public sport and leisure services (Robinson, 2004; Vandermeerschena & Scheerder, 2017). In the UK, the specific responsibility for the delivery of sport and leisure lies with local government (e.g., Health and Social Care Act 2012) who spend approximately £1 billion per year on sport and leisure, such as leisure centres and swimming pools (Alonso, Andrews, & Hodgkinson, 2016).

Local government service provision is best described as a mixed-ownership servicescape, where contracting out service delivery to private for-profit firms and non-profit organisations has been prevalent; reflecting the commonly held assumption that external ownership types deliver better results than traditional direct public ownership (Hodgkinson, Hughes, Hughes, & Glennon, 2017). While the decision to outsource service delivery has typically revolved around motivations for increased efficiency and effectiveness of public services (Hodgkinson, 2013), in times of austerity and with increasing service externalisation there is an assumption that the inclusion of recreationally disadvantaged citizens is no longer a service priority (Hodgkinson & Hughes, 2012). Traditionally, some public services have been provided at a reduced cost for greater access opportunities among disadvantaged citizens, but is this the case under service externalisation? And if price of entry is no longer prioritised by different ownership types, does this impact the participation of disadvantaged citizens? These are the research questions addressed by this study in the context of a public sector sport and leisure service.

Accordingly, this study examines whether price is relevant (or not) to the participation of recreationally disadvantaged citizens (cf. Smith, Pitts, & Litvin, 2012) across three ownership types: in-house *public*, non-profit *trust*, and *private* management contractor. The inclusion of such groups is likely contingent upon the monetary effort required to participate i.e., price of access (Nicolau, 2011) and this logic has informed European public policy initiatives that typically focus on providing financial discounts to specific segments of society (Vandermeerschena & Scheerder, 2017). Though recent studies have sought to examine the extent to which public sector sport and leisure facilities are used by recreationally disadvantaged citizens, there remains a lack of knowledge about whether under-representation is due to constraints such as facility pricing (Liu, 2009), or if indeed price and inclusion are influenced by the sport and leisure infrastructure (Hallmann, Wicker, Breuer, & Schönherr, 2012). This exploratory study addresses these knowledge voids and in doing so contributes new empirical knowledge on the impact of ownership, and more broadly publicness, in the public sector, which is of core priority to the public administration and management discipline (Andrews, Boyne, & Walker, 2011).

Stakeholder management: The recreationally disadvantaged

In the context of the sport and leisure participation of recreationally disadvantaged citizens, the public sector has a normative role to play in promoting the health of local communities, as well as pragmatic motivations to reduce costs and seek out savings. Local authorities,

therefore, find themselves performing a variety of stakeholder roles that may run-in conflict, for example, the cost conscious management of facilities and the desire to deliver on socially inclusive policies. This is reflected in stakeholder theory that assists in highlighting groups and individuals who can affect, and are affected by, the organisation (Freeman, 1984), and also explains and guides the structure and operation of the organisation (Donaldson & Preston, 1995). Three stakeholder discourses can be discerned from the literature: descriptive (or empirical), instrumental, and normative.

First, descriptive or empirical stakeholder theory is used to describe specific organisational characteristics and behaviours, for example, the way managers think about managing, or how management think about the interests of constituencies. Essentially, the descriptive aspect of stakeholder theory reflects and explains past, present, and future states of affairs of organisations and their stakeholders; here, ‘simple description is common and desirable in the exploration of new areas and usually expands to generate explanatory and predictive propositions’ (Donaldson & Preston, 1995, p. 71). Second, instrumental stakeholder theory identifies the connections (or lack thereof) between stakeholder management and the achievement of traditional private sector organisational objectives, such as profitability (Agle, Mitchell, & Sonnenfeld, 1999). Therefore, instrumental studies often generate implications for the adoption of stakeholder principles, suggesting that adherence to such principles and practices achieve conventional organisational performance; but, the end result may have nothing to do with the welfare of stakeholders in general. As Berman, Wicks, Kotha, and Jones (1999) acknowledge, here, ‘...the objective of managers is to maximise profits, not to advance the morally legitimate claims of stakeholders other than shareholders’ (Berman et al., 1999, p. 492).

Finally, and superficially most appropriate to the public sector, a normative discourse is much more aligned to traditional public service objectives where the association between stakeholder management and conventional performance is not ‘a critical test’ (Donaldson & Preston, 1995: 72). Rather, the theory is used to interpret the purpose of the organisation, including the identification of moral or philosophical guidelines for the action and management of organisations. Essentially, an organisation establishes clear, fundamental moral principles or values that guide organisational behaviour, particularly with respect to how it treats stakeholders, using those values to drive decision-making (Berman et al., 1999). This approach recognises that stakeholder interests have intrinsic worth, that is, certain stakeholder claims are based on fundamental moral principles unrelated to instrumental value. In the context of sport and leisure this would be recreationally disadvantaged citizens.

Such groups are characterised as those who typically do not hold down rewarding or well-paying jobs, rely on the council for their accommodation, on public transport to get around, and state benefits to fund even the bare essentials; these groups are typically on lower incomes and/or elderly people reliant on the state and most of these individuals spend money only on the basic necessities of life (Hodgkinson & Hughes, 2012). Given a normative stakeholder orientation, a public sector sport and leisure organisation shapes its strategy around moral obligations to specific stakeholders, for example, European public policy has prioritised interventions to create ‘better’ access to facilities for low-income groups that may not be able to afford such opportunities in the private sector (Vandermeerschena & Scheerder, 2017). Here, then, the intrinsic value of stakeholder interests influence organisational decision making forming a moral foundation for strategy (Berman et al., 1999).

While this normative approach is familiar to the welfare state philosophy of the past, traditional in-house public delivery by local government, i.e. public ownership, has declined steeply in favour of service externalisation to non-profit and private ownership types. Given the externalisation of delivery to agents outside of local government, it is expected that the prioritisation of stakeholders may subsequently vary; particularly with regard to those market segments that are being prioritised in service delivery. The focus of delivery among external ownership types, for instance, may not hold a normative motivation to meet the needs of the recreationally disadvantaged. Instead, external providers that receive significantly less government subsidy to provide sport and leisure opportunities may focus on a revenue generating capacity to satisfy shareholders (in the context of private ownership) or to simply sustain service delivery (as is often the case for non-profit ownership) (Audit Commission, 2006). Therefore, the resource dependence of different ownership types might actually influence the pricing strategies adopted and the market segments targeted; this in turn could be a barrier to the participation of recreationally disadvantaged citizens. This resource-dependence between ownership types is now considered.

Resource-dependence model

Here, organisations are not viewed as self-directed and autonomous but are dependent on other actors for required resources. The level of dependence upon such actors is directly related to the significance of a resource to the organisation, the level of discretion that those who control a resource have over its allocation and use, and how far those that control a resource have a monopoly of it (Watson, 2013). However, the dependency of the organisation on its environment is not a single, undifferentiated dependency; it is a complex

set of dependencies that exist between an organisation and the specific elements of its environment found in the inter-organisational network (Hatch & Cunliffe, 2012).

External constituencies are identified by Watson (2013) as key individuals, material suppliers, customers and clients, departments or divisions, owners or shareholders, trade unions, government agencies, consumer bodies, pressure groups; who at any given time will be more strategic than others by a threat of resource withdrawal. As an example, since private ownership does not receive the same financial security provided by local government as in-public ownership, this ownership type must cover service costs using revenue generated from their service offering and, therefore, seek increased financial return by investing into facilities and increasing their value in an attempt to target higher income groups (Audit Commission, 2006). This may, therefore, reduce priority on recreationally disadvantaged citizens since the providers' resource dependency on these groups is less significant. In the case of non-profit ownership, charitable status is often awarded on the grounds of community benefit and such facilities must improve the conditions of life for persons who 'by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances' are recreationally deprived' (MacVicar & Ogden, 2001, p. 126). In contrast, then, this external influence is likely to push non-profit ownership to cater specifically for disadvantaged citizens.

Watson (2013) advocates the suitability of this model for public sector organisations where the range of relevant external constituencies tends to be especially complex (e.g., Bryson, 2004). The model also contributes towards a way of conceptualising organisational effectiveness by pointing to the indicator of effectiveness which matters most in the circumstances of the particular organisation at a particular time (Watson, 2013). In other words, private ownership may strive for revenue generation, while in-house public ownership and non-profit ownership types are likely to prioritise the inclusion of recreationally disadvantaged groups, where the normative motivation is expected to be the strongest. But the picture is not so black and white, as even non-profit ownership has struggled with the lack of public funding that is forthcoming driving this ownership type toward the pursuit of business performance for survival (e.g., profitability) (Audit Commission, 2006). The resource dependence framework suggests that organisational effectiveness can be judged in terms of balancing the range of often conflicting coalition demands in combination with the ability to recognise and handle priorities, that is, in the sense of which constituents are currently most strategic (Watson, 2013); thus, it is contended that this will vary depending on who is delivering sport and leisure opportunities i.e., on ownership type.

While stakeholder theory states that effective management can be achieved when stakeholders are taken into account in a systematic fashion (Freeman, 1984), the resource-dependence model allows the interpretation that this will likely vary depending on the external forces between ownership types, which will influence the pricing strategies adopted by different ownership types in the public sector. In turn, the actual pricing strategy adopted is expected to impact the participation of the recreational disadvantaged between different ownership types given the ‘structural constraints’ faced by disadvantaged citizens i.e., financial problems, lack of resources, and accessibility issues (Alexandris, Kouthouris, Funk, & Chatzigianni, 2008).

Exploratory research focus

This exploratory study bridges extant research on participation by socioeconomic status and the much less studied role of service infrastructure (Hallmann et al., 2012), by examining the inclusion of recreationally disadvantaged segments between different ownership types. The focus on recreationally disadvantaged citizens is particularly pertinent since these groups do not actively participate and are at a health disadvantage to other citizen groups in society. For example, the Office for National Statistics (2006) identify those who have never worked have the highest rate of ‘not good’ health, six times higher than the rate for those in higher managerial and professional occupations. Consequently, increasing the sport and leisure participation of recreationally disadvantaged citizens has become a central priority of UK public policy (Sporting Future, 2015). While, the built environment of sport and leisure delivery has been identified in UK public policy as central to increasing the health and wellbeing of local communities, government planning decisions appear to revolve around who should be providing these opportunities (Hodgkinson et al., 2017). There are three main ownership types by which local authorities manage their service provision:

Public ownership: This management arrangement involves local authorities directly managing sport and leisure facilities. The local authority takes full responsibility for income, expenditure, pricing and programming, and is accountable for all risk involved. Consequently, in-house providers receive a considerably higher level of local authority subsidy than any other option. However, long-term strategic financial planning is often weak (Audit Commission, 2006).

Non-profit ownership: Non-profit distributing organisations (NPDOs), these may or may not have charitable status (Simmons, 2004). The development of a leisure trust involves the local authority, under the Local Government Act (1976), transferring the service and facility to a leisure trust. A leisure trust is intended to be independent of the local authority, retaining all income and incurring all expenditure. However, local authorities can exercise significant influence over the leisure trust's objectives and operations through a subsidy, in the form of a revenue grant of around 50% of operating costs or in the form of a management fee income, and secondly, by virtue of its ownership of sport and leisure facilities which are leased to the leisure trust (Simmons, 2001). The local authority usually leases premises to the leisure trust on a long-term lease, between 15 and 25 years in return for a nominal rent (Audit Commission, 2006).

Private ownership: Developed in partnership between a local authority and a management contractor, this relationship is a somewhat complex arrangement when, in exchange for a lengthy management contract, a commercial company invests in the facility that provides the service. The contractor is subsequently granted the lease of the facilities and contracts with the local authority for their management. The contractor retains all income and is generally responsible for most expenditure other than the external fabric of the buildings. According to the Audit Commission (2006), the financial performance of such facilities appears on average to be stronger than for the other management options; attributable to a superior level of customer-orientation.

Barriers to the sport and leisure participation of recreationally disadvantaged citizens are typically linked to their lack of means to participate as reflected by public policy interventions (Vandermeerschena & Scheerder, 2017). There is, then, a need to consider whether different ownership types pursue disparate pricing strategies and to see if this carries implications for the degree of inclusion among different types of providers. Doing so can contribute new empirical evidence of the impact of outsourcing in the sector and the role of ownership specifically, with the hope of moving beyond simply basing public policy decision-making on emotions, opinions, assumptions, and normative biases, as is typically the case in practice (Anderson & Taggart, 2016).

Research methods

Research setting: UK public sport and leisure

In 1997, New Labour were elected into office heralding the end of the preceding Conservative administration's policy of Compulsory Competitive Tendering (CCT), and the birth of its replacement, the policy of Best Value (Stevens and Green, 2002). The Best Value regime removed the mandatory obligation on the part of local authorities to put the management of their services out to tender. Best Value was the key theme in New Labour's agenda for 'modernising' local government and refers to the duty to secure continuous improvement in the economy and the efficiency and effectiveness with which local authorities exercised their function (Benson & Henderson, 2005). The key managerial dynamics believed to achieve these performance improvements through Best Value were summarised as *Challenge* why and how a service is being provided; *Compare* performance with the achievement of other organisations; *Consult* with a wide range of stakeholders in the setting of new performance measures; and, *Competition* as a means of enhancing performance, by securing efficient and effective services (Nelson & Henderson, 2005). The New Labour ideology was entrenched within Third Way politics, which essentially rejected the 'old left' and the 'new right', discovering a middle path based on a mix of the perceived strengths of both (Stevens & Green, 2002) and with the aim of strengthening civil society by, in part, addressing inadequate social participation (Coalter, 2007).

Best Value was a clear example of this ideology and had strong links to the rise of performance measurement, performance review, stakeholder involvement and corporate strategic management in the public sector (Martin, 2002). Under Best Value, services could not be delivered directly by local authorities if other more efficient and effective means were available. For public sector sport and leisure, this created a mixed-servicescape that comprises public, non-profit, and private ownership types. This study concentrates on the year 2007 as this was the final year in which the Best Value regime was fully operational and represents the height of regulatory effort to encourage service externalisation among English local governments (Alonso et al., 2016).

Data

Secondary objective data was sourced from Leisure DB for 2007. Leisure DB is an independent leisure market intelligence company providing data, analysis and insight for strategic and tactical decision making. Data is collected through telephonic questionnaire administration to public sector facilities throughout England and the most senior member of

staff available on site is the key-informant targeted. During 2007, this database powered Sport England's Active Place platform and holds a 95% accuracy rate.

To capture the different types of sport and leisure service providers this database contains information about the ownership type of each facility run by all the local governments in England (i.e., public, non-profit, private). Technical data within this auditing process includes the objective cost (£) of both 'pay&play' (one off payments to access facilities as and when required) and facility membership. In a separate audit of facilities Leisure DB also collect objective data on the participation of specific market segments at the facility level in a separate audit of facilities. The inclusion of recreationally disadvantaged citizens is calculated from the postcode distribution of facility members' usage compared with the postcode analysis of the population within a three-mile radius of the facility, and is expressed as a percentage. Using Experian's demographic classification system Mosaic, recreationally disadvantaged citizens are defined as:

Welfare Borderline...is comprised of many people who are struggling to achieve the material and personal rewards that are assumed to be open to all in an affluent society. Few hold down rewarding or well-paying jobs and, as a result, most rely on the council for their accommodation, on public transport to get around and on state benefits to fund even the bare essentials. The lack of stability in many family formations undermines social networks and leads to high levels of antisocial behaviour among local children.

Municipal Dependency...mostly contains families on lower incomes who live on large municipal council estates where few of the tenants have exercised their right to buy. Often isolated in the outer suburbs of large provincial cities, Municipal Dependency is characterised as much by low aspirations as by low incomes. Here people watch a lot of television and buy trusted mainstream brands from shops that focus on price rather than range or service.

Twilight Subsistence...consists of elderly people who are mostly reliant on state benefits, and live in housing designed by local authorities and housing associations. Some live in old people's homes or sheltered accommodation, while others live in small bungalows, set in small enclaves within larger council estates. Most of these people spend money only on the basic necessities of life.

Drawing on secondary market segment data separates this study from a large body of extant participation research that has focused only on demographic variables such as gender, age, education, and marital status (e.g., Luna-Arocas & Li-Ping Tang, 2005). Appendix A presents detail on all market segments that comprise the Mosaic classification, including corresponding labels and descriptors. Given the uniqueness of the social inclusion data this was not available for the entire population (unlike ownership type and cost of access) across the three ownership types and sample sizes here consisted of: public $n = 18$, non-profit $n = 19$, and private $n = 18$.

Analysis and Results

The analysis draws on analysis of variance, which is a statistical technique for examining the means for two or more populations using a single dependent variable. Multivariate analysis of variance (MANOVA) is an extension of analysis of variance to accommodate more than one dependent variable. The objective is the same, since multivariate analysis of variance also examines differences between groups. However, it is a dependence technique that assesses group differences across multiple dependent variables simultaneously (Hair, Anderson, Babin, & Black, 2006). In multivariate analysis of variance, the null hypothesis is that the vector of the means of multiple dependent variables is equal across groups. Although multivariate analysis of variance enables for the rejection of the null hypothesis that the groups' means are all equal, it does not identify where the significant differences lie among more than two groups (Hair et al., 2010). In order to systematically examine group differences across specific pairs for one or more dependent variables, a post hoc approach—Tukey—is adopted. The results presented in Table 1 demonstrate clear differences between ownership types.

Based on the mean values, public ownership charges the lowest prices for accessing their facilities on both pay and play and membership when compared to non-profit and private ownership types. This difference is significant between public ownership and non-profit ownership, and between public ownership and private ownership, establishing a clear divergence in pricing strategies between traditional in-house public ownership and external ownership types. This suggests that if price is a barrier to participation, this would be more likely evident when facilities are outsourced to external agents; which might appear in conflict with the sustained participation of recreationally disadvantaged citizens.

Table 1. Cost of access and inclusion between types of providers

Study Variables	Ownership type (Means [SD])			F-ratio	Tukey Test (p≤.05)
	Public (n = 152)	Trust (n = 75)	Private (n = 53)		
<i>Price (£)</i>					
Pay & Play	4.64 (1.07)	5.04 (1.20)	5.43 (.95)	11.11**	Public < Non-profit; Public < Private
Membership	29.31 (5.90)	32.69 (5.83)	33.38 (5.72)	13.59**	Public < Non-profit; Public < Private
<i>Recreationally Disadvantaged (%)</i>					
Welfare Borderline	.87 (.72)	1.50 (1.85)	1.73 (2.09)	1.28	NSD
Municipal Dependency	.97 (.73)	1.35 (2.37)	1.38 (1.37)	.35	NSD
Twilight Subsistence	1.07 (1.28)	2.22 (2.14)	8.42 (28.67)	1.04	NSD
<i>Other Segments (%)</i>					
Symbols of Success	2.22 (2.18)	4.71 (5.49)	5.13 (5.80)	1.95	NSD
Happy Families	2.39 (1.92)	3.89 (2.83)	8.08 (18.48)	1.36	NSD
Suburban Comfort	2.60 (3.48)	3.45 (2.58)	4.40 (4.66)	1.10	NSD
Ties of Community	1.76 (1.43)	3.19 (2.93)	3.73 (4.75)	1.70	NSD
Urban Intelligence	3.92 (11.26)	5.74 (5.53)	4.21 (6.51)	2.72	NSD
Blue Collar Enterprise	1.63 (1.20)	2.15 (1.64)	2.40 (2.32)	.87	NSD
Grey Perspectives	2.22 (3.60)	2.78 (2.14)	3.02 (2.78)	.37	NSD
Rural Isolation	8.59 (23.06)	8.33 (18.11)	17.22 (21.42)	1.07	NSD

Notes: **p ≤ 0.01. NSD: no significant differences found. Largest mean value emboldened for emphasis.

When considering the actual inclusion of recreationally disadvantaged citizens there appear to be no significant differences between the three ownership types. However, based on the mean values, public ownership achieves the lowest rate of the three groups, despite having the lowest price to entry. Though private ownership charge the highest price for pay

and play across the three groups, they also experience a higher rate of social inclusion among recreationally disadvantaged citizens, when compared against other ownership types. In fact, there level of market penetration is greater across all market segments, apart from Urban Intelligence.

Discussion

The sport and leisure of recreationally disadvantaged citizens, it is argued here, is situated within their local leisure activities. These groups are identified as existing at the ‘base of the pyramid’ (e.g., Hodgetts & Duncan, 2015) and UK public policy has historically targeted the sport and leisure activity of such groups as a key policy priority largely owing to the power of participation to transform local communities’ health, wellbeing and happiness (Sporting Future, 2015), which are weakened by participation poverty. Yet there remains a limited examination of the possible barriers that might exist to the participation of such groups, such as the impact of pricing strategies among the different ownership types that provide such services. Social leisure participation is suggested to improve family ties, social capital, and self-esteem among the deprived (Minnaert, Maitland, & Miller, 2009), and the same holds for when participants are engaged in physical activity (Downward, Dawson, & Dejonghe, 2009). For recreationally disadvantaged citizens specifically, this highlights the important role of local sport and leisure opportunities which are examined here as those sport and leisure facilities within reasonable reach of public transport i.e., within a three mile radius, given the lack of means of such groups to travel.

Superficially at least, encouraging recreationally disadvantaged citizens to partake in local sport and leisure opportunities is likely dependent on price as a barrier or enabler to their participation (Vandermeerschena & Scheerder, 2017). This normative assumption underpinned the ‘welfare state’ ideology that promoted equal access to all in public sector provision (Hodgkinson & Hughes, 2012), but with increasing service externalisation and the presence of external agents managing and delivering traditionally in-house public sport and leisure services there has been concerns raised that this undermines the achievement of social objectives (Coalter, 1995; Liu, 2009). While income level has been shown to impact participation away from home, the effect of price of the actual activity has not been considered ‘at-home’ (Nicolau, 2011). In social research it has been argued that exclusion from participation features heavily in what it means to experience disadvantage and social marginalisation (Morgan, Pritchard, & Sedgley, 2015). Recreationally disadvantaged citizens participate less than the population as a whole (Sporting Future, 2015) and are by definition

in the lower socio-economic demographic and, thus, hold low-income employment or no employment status at all. If we hold to the logic that low income status will raise the monetary effort required to participate in sport and leisure opportunities, the assumption could be made that price becomes a barrier to entry for recreationally disadvantaged citizens (Liu, 2009). However, this does not appear to be the case as private ownership carries a significantly higher price to entry relative to public ownership, yet realises the highest levels of inclusion across the three recreationally disadvantaged market segments.

While the use of market segmentation data to identify recreationally disadvantaged citizens has been criticised for confirming stereotypes (Morgan et al., 2015), the findings reveal that in actual fact recreationally disadvantaged citizens do not appear to view the price of entry as a barrier to their participation; this is clearly illustrated by the findings which demonstrate that despite having the lowest cost of entry, public ownership achieves the lowest levels of inclusion of recreationally disadvantaged citizens across the three ownership types. Thus, the findings challenge the common stereotypes held within public policy intervention that the exclusion of disadvantaged citizens from sport and leisure participation stems from a lack of financial means on their part to participate (Vandermeerschena & Scheerder, 2017). This appears not to be the case.

'Price' can be discerned into two components: the transportation cost and the prices of goods and services consumed at the destination (Seetaram, Forsyth, & Dwyer, 2016), which in this case is the public sector sport and leisure facility. This study only examines the latter since recreationally disadvantaged citizens are often dependent on public transport and will only typically travel short distances owing to their general price sensitivity and cost consciousness. In examining price from a consumption perspective, two possible routes to participation are considered: pay and play and membership. This reflects a temporal nature to the pricing of provision (one-off versus multiple possible visits) and also reflects the bundling of goods and services consumed by participants i.e., membership includes access across a range of facilities, while pay and play is typically attached to an activity. The move to increased service externalisation, and away from traditional public ownership, is expected to result in certain service priorities such as social welfare being degraded in search of revenue; otherwise referred to as a shift from 'welfarism to entrepreneurialism' (Coalter, 1995). While evidence of this is demonstrated in the pricing of service entry between public ownership and external ownership types (e.g., non-profit and private), there appears to be no negative impact on the inclusion of recreationally disadvantaged citizens; in fact the opposite is observed in the MANOVA.

Thus, the findings challenge the normative stakeholder approach used to often justify public sector service provision at subsidised prices, as greater access and inclusion of disadvantaged citizens does not appear to follow. Moreover, since the participation of recreationally disadvantaged citizens does not appear price dependent, whether an instrumental or normative stakeholder discourse is adopted in service delivery inclusion does not appear to be positively or negatively affected. This suggests that in the context of local government sport and leisure, the relationship between service externalisation and disadvantaged citizens is more complex than normative or instrumental stakeholder discourses would suggest. In other words, an instrumental approach to delivery is not damaging to the inclusion of recreationally disadvantaged citizens, despite these stakeholders seemingly not being prioritised in the pricing of service delivery. Rather, facilities under private ownership report the highest levels of inclusion across most segments, including the recreationally disadvantaged challenging public policy interventions that simply focus on price of entry for such groups.

Conclusion

The findings of this study must be considered in light of its limitations. First, the purpose here was to conduct an exploratory investigation into the pricing behaviour of different ownership types and their degree of social inclusion for a public service. Subsequently, additional service variables that might carry implications for the inclusion of recreationally disadvantaged citizens were not included. Second, objective secondary data helps to establish whether significant differences do indeed exist between ownership types. However, due to the fact that many facilities did not actively collect postcode data of their users in 2007, the sample sizes across the different ownership types are small. Whilst this does not inhibit the MANOVA, larger sample sizes would be preferable. Third, understanding the views and perceptions of the recreationally disadvantaged was beyond the scope of this investigation, but the voices of such groups would have added another layer of interpretation to better understand enablers and barriers to sport and leisure participation.

The intention of public ownership to pursue price-based strategies for social welfare ends has been shown to be ineffective in achieving such aggregated social outcomes (Hodgkinson & Hughes, 2012). This finding is extended here through the use of objective data on service pricing and by delineating comparisons in inclusion levels across individual market segments; rather than only observing perceptual and aggregate affects. The inclusion of recreationally disadvantaged citizens in sport and leisure opportunities is a social problem

that warrants public policy intervention (Vandermeerschena & Scheerdera, 2017). While social inclusion confers the act of overcoming barriers, such that the recreationally disadvantaged have more opportunity to participate (Collins, 2004), price is not a barrier to this end; this highlights a reconciliation of social democratic values with the neoliberal economic agenda that was pursued by New Labour (Kelly, 2011) and is arguably even more present in contemporary public policy. There is, therefore, a need to move away from a focus on price of access and who delivers services toward service features and disadvantaged citizens. Future public management research must now focus on establishing the needs of recreationally disadvantaged citizens for increased service participation, rather than assuming that price matters to such groups, which is a flawed assumption that continues to drive government interventions in the public sector (Vandermeerschena & Scheerdera, 2017).

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Appendix A: Mosaic classification – ‘other’ citizen segments

<i>Symbols of Success</i>	Symbols of Success contain people whose lives are ‘successful’ by whatever yardsticks society commonly uses to measure success. These are people who have rewarding careers rather than jobs, who live in sought after locations, who drive the more modern and expensive cars and who indulge in the most exotic leisure pursuits. Most, though not all, appear to enjoy stable household arrangements.
<i>Happy Families</i>	...contains people whose focus is on career, home and family. These are mostly younger age groups who are married, or at least in a permanent relationship, and are now raising children in post war family houses, often in areas of the country with rapidly growing populations. The focus of expenditure is on equipment for the home and garden, and the immediate family unit is the principal focus of leisure activities.
<i>Suburban Comfort</i>	...comprises people who have successfully established themselves and their families in comfortable homes in mature suburbs. Children are becoming more independent, work is becoming less of a challenge and interest payments on homes and other loans are becoming less burdensome. With more time and money on their hands, people can relax and focus on activities that they find intrinsically rewarding.
<i>Ties of Community</i>	...is comprised of people whose lives are mostly played out within the confines of close knit communities. Living mostly in older houses in inner city neighbourhoods or in small industrial towns, most of these people own their homes, drive their own cars and hold down responsible jobs. Community norms rather than individual material ambitions shape the pattern of most residents’ consumption.
<i>Urban Intelligence</i>	...mostly contains young and well educated people who are open to new ideas and influences. Young and single, and few encumbered with children, these people tend to be avid explorers of new ideas and fashions, cosmopolitan in their tastes and liberal in their social attitudes. Whilst eager consumers of the media and with a sophisticated understanding of brand values, they like to be treated as individuals, and value authenticity over veneer.
<i>Blue Collar Enterprise</i>	...comprises people who, though not necessarily very well educated, are practical and enterprising in their orientation. Many of these people live in what were once council estates but where tenants have exercised their right to buy. They own their cars, provide a reliable source of labour to local employers and are streetwise consumers. Tastes are mass market rather than individualistic and focus on providing comfort and value to family members.
<i>Grey Perspectives</i>	...consists mostly of pensioners who own their homes and who have some source of income beyond the basic state pension. Many of these people have, on retirement, moved to the seaside or the countryside to live among people similar to themselves. Today many of these people have quite active lifestyles and are considered in their purchasing decisions.
<i>Rural Isolation</i>	...contains people whose pattern of living is distinctively rural. They live not just outside major population centres but also deep in the countryside, in small communities which have been little influenced by the influx of urban commuters. These are places where people with different levels of income share attachments to local communities, and where engagement with the community and with the natural environment is more important to most residents than material consumption.