

# **An empirical study on the purchase of sports public service by local government in China**

## **—— Case of Jing'an district in Shanghai, Changsha and Foshan**

**Xiaodong Li<sup>1</sup>, Pei Li<sup>2</sup>**

<sup>1</sup>College of Public Management, South China Normal University, Guangzhou 510631, China

<sup>2</sup>Graduate School, South China Normal University, Guangzhou 510631, China

### **Abstract**

Government purchase of public service has been widely applied to many fields of public sports by all levels of China local government, becoming a new mechanism and method to improving sports public service. We investigate the purchase experience of sports public service by Shanghai, Changsha and Foshan government, and comparative analysis the species, the model, the financial sources and usage of purchase as well as the purchase time and the beneficiary groups. Moreover, based on the present situation and deficiency observed, the study gives several useful countermeasures to improve the quality of government purchasing sports public service.

**Keywords:** government purchase service; sports public service; sports management

### **1. The present situation of governments purchase of sports public service in Shanghai Jing'an District , Foshan and Changsha**

#### **1.1. Sports category involved in the purchase of sports public services**

In recent years, government procurement of public services, especially in the areas of social services, culture and public health have been vigorous development<sup>[1]</sup>. As one of the government administrative reforms, Government procurement of public services playing an important role to promote the quality of public service and reduce service costs. And as a new way to provision of public products and services, government purchase of public services is also widely used by a lot of countries, which conforms to the development and cultivation of social organizations, and is the requirement of optimizing the functions of the government. As an important part of social undertakings, sport construction is an important mission of social construction and cultural construction. Thus, to provide high

quality of public sports service for people is undoubtedly an important function by government <sup>[2]</sup>. Therefore, in the background of insufficiency of total of supply subjects and supply pattern of public services is required, and government purchase sports public service just happened to meet the requirements.

Government purchase of services refers to the government buys the whole or part of public products and services through pays for various social service agencies with government finance, so as to fulfill the duties of the public service, which is a " government's commitment ,given item delegate, contract management, assessment honor " way of supplying public services<sup>[3]</sup>. Shanghai Jing'an District, Changsha, Foshan and other local governments began to try to use purchase of public services to the field of sports , in this process, part of the cities have met people 's demand for sports services , integrated and optimized the sports resources to achieve excellent goals to reduce public expenditure. This paper comparative analysis the present situation and existing problems of purchase sports public service in three areas, giving some useful countermeasures to improve the quality of government purchasing sports public service.

In Shanghai Jing'an District model, the government purchase of sports public service involving basketball, football and badminton, while Changsha government beginning to buy swim service from 2009 and open to the students free, except the free open swimming pool service, in 2011 they increasing open basketball and badminton venues. Mode in Foshan to 2013, the government buys up sports activities included: badminton, table tennis, basketball, tennis, ice skating and soccer<sup>[4]</sup>.

public sports service supply and imbalance distribution in different regions, looking for innovative ways concern the involvement

## **1.2. Purchasing patterns**

According to the independence of relationship between government and social organization and competitive purchase process between these two dimensions, and then learn from foreign practices, we generally divided the government procurement of public services into four modes: Independent relationship competitive purchasing patterns, independent relationship noncompetitive purchase, dependencies noncompetitive purchase , dependencies competitive procurement. The last dependencies competitive purchasing patterns is less common in practice <sup>[5]</sup>. In Shanghai Jing'an District modes, Jingan District Government as purchaser and the " Shanghai Jing'an District public place management service center" as undertaker, their relationship is independent, and in the purchase procedure they adopted a non-competitive purchase, which is an independent relations noncompetitive purchase. In Changsha mode and Foshan model, the government purchase of sports public service is not through social intermediary organizations, but via consultation and establish partnerships with some organizations and departments who can provide sports services directly to achieve sporting public services supply together, this buying patterns are also noncompetitive purchase.

## **1.3. The sources and uses of funds to buy Sports Public Service**

When refer to the capital source and use, In Shanghai-Jing 'an district mode, Jing 'an district government buys sports public services through Shanghai Jing 'an district public place management service

center, according to the contract, every year streets agency and the local government should pay certain special funds to compensate for the lack of funds about the daily operation and management. After audited by Shanghai Jing'an District Finance Bureau, these funds will be unification allocated to Shanghai Jing'an District public places management service center, and with the regular financial audit to ensure the rational use of funds in the contract scope. When refer to the disbursement of funds, according to the contract, the government paid part of the funds in advance as start-up capital, and then payment is according to the progress of project implementation, does not exceed 80% maximum, the remaining funds were paid based on the service assessment<sup>[6]</sup>. In Changsha mode, City Department of Finance and district Department of Finance each undertake 50% funding for the purchase of sports public services respectively. The part of City financial is paid allocated to districts according to the number of each district opened. District is responsible for the release of funding, service organization, publicity, safety inspection and supervision<sup>[7]</sup>. Specifically, for the pool under 1000 m<sup>2</sup> to pay 100 yuan per 100 m<sup>2</sup>, for the pool area more than 1000 m<sup>2</sup> to pay one hundred thousand yuan. Similar to Shanghai jing 'an district pay model, the government paid 50% of total fund within one month after sign the purchase contract, the rest of the money paid off within one month after the termination of the contract<sup>[8]</sup>. In Foshan mode, Foshan finance inputs 500,000 yuan and 800,000 yuan to purchase the stadiums in 2008 and 2009 respectively, which are opening free to citizens and migrant workers in a period of time.

#### **1.4. The time characteristics of purchasing sports public services**

In Shanghai Jing 'an district mode, the opening hours of Stadiums are mainly concentrated after school, weekends and summer vacation, which do not affect the teaching order. Every kind of sports activities has the limited time, 45 minutes for football, basketball and badminton for 2 hours. In Changsha mode, government purchase swim service for primary and secondary schools students during the summer holidays. From 2009 to 2012, the duration of buy swim service were 40 days, 45 days, 47 days and 47 days respectively. In Foshan mode, some sports venues are free open on New Year's day, Spring Festival, , National Day and Sunday (excluding the Sunday that required working accord to State Council), the rest of sports venues provide free sports in the New Year, May 1st and National Day and every first Sunday of each month from March to the citizen.

#### **1.5. The users of purchase sports public service**

In Shanghai model and Foshan model, the government purchase sports public services for the citizen, the beneficiary groups are the masses. Especially in foshan model, it pointed out that migrant workers can freely enjoy the sports public services that government purchased. Compare the former two, Changsha mode defines the object to enjoy the purchase of public sports services, the government provided free swimming services to the city's primary and secondary schools students. Primary and secondary school students can swim of their own accord in the designated swimming pool that the government has purchased with a valid student documents.

### **1.6. The nature of sports stadiums involved in purchase sports public service**

Now, the government purchase of sports public service mainly involved the using right of part-time of certain stadiums. Throughout the three cases, purchasing involving not only in the state-owned sports stadiums, as well as a private gymnasium. In Shanghai and Foshan model, Swimming pool owned by government accounts for high proportion, In Changsha mode, private swimming pool stadiums accounts for high proportion, while middle school gymnasium account for high proportion in government sports stadiums.

## **2. The problems of government purchase sports public services**

### **2.1. The scope that government purchase sports public service is limited**

From Horizontal perspective, the kind of sports activities are too limited, there are only six categories in Foshan model, even which involved in the most kind of purchase. Moreover tennis and skating only began to provided by one stadium from 2013. On the other hand, the government purchase sports public services are mostly concentrated in partly purchase in a certain period of time, seldom involved in these areas such as public sports information collection and analysis, public sports organizations, mass sports activities organized by the government, fitness testing by government and so on.

### **2.2. The government purchase sports public service mode is not standard**

The real government purchase sports public service mode should be the independent relationship between government and sports organizations. The government first should announced to the public the sports public content that the government want to buy, and the related targets and budgets, then the non-profit sector in society will engage in sports public service. Next, sports organizations that meet the requirements can undertake public service that originally provided by government departments through competitive bidding. After win the bidding, that sports organization who get the chance will complete the sports public services according to the contract with the help of government funding. Refer to purchasing activities of these three places, Shanghai models' purchasing pattern is relatively conforms to the purchase process, but the purchasing process does not involve competitive. This model increases the risk of the quality of government purchase sports public service. In Foshan model and Changsha model, in strict sense, they are not the government purchasing sports public services, purchasing process don't involve social organization that provide sports service, in fact ,it is just the expansion activities of administrative sports departments.

### **2.3. The quality of government purchase of sports public service is not satisfactory**

On the one hand, due to the propaganda of purchase sports public service is not enough , citizen don't know the government bought what kind of specific sports services and the services time, which impact the quality of government purchase of sports public services. On the

other hand, the sports venues that provide service for self-interest considerations, to some extent, reduce the quality and benefits of government procurement of services. Mode in Changsha in 2012, purchased the swimming service time is defined as 15:00 to 19:00. However, a swimming pool reception staff do not allow students come in use the pool was overcrowding as an excuse, but after we spend money to buy admission tickets, they found that there were not so many people in the swimming pool. In addition, a school refused to implement the opening hours from 15:00 to 19:00 on the excuse of there was a conflict between government regulations and university teaching time.

#### **2.4. Government purchase of sports public services inadequate monitoring and evaluation**

The process of Government purchase of sports public services can not goes well without supervision, in the three government purchase of sports public service cases, they have not established systematic monitoring and evaluation mechanisms yet, indicators and evaluation system involved are also blurred. Changsha mode of supervision is relatively better, such as establish monitoring group to supervise each swimming pool service, mobilize people through the " government purchase of Summer Swimming Pool services evaluation system " to evaluate the service quality, and opened a supervision hotline service, mobilize the media to monitor and report the quality of government purchase swimming service.

### **3. The proposal to improve the government's purchase of sports public service**

#### **3.1. Government increase the funding to purchase sports public services, promote the purchase of content diversity**

Nowadays, people's demand for sports service has not been satisfied, government needs to expand public sports budget further, establish a multi-level cooperation system between central and local government, coordinate reasonable proportion of investment and improve the utilization of funds. When refer to increase the amount of purchase sports category, the high cost of sports activities such as tennis and volleyball can allow the beneficiary groups to undertake part of the high cost. Speaking of vertical dimension, the government purchase of sports public service is not only limited to the range of part-time sports venues open free, masses physique monitoring, public organizations, sporting events sports information collection and analysis also can be tentative purchase.

#### **3.2. Optimize the government purchase of sports public service model**

Among the three government purchase of sports public service modes, only the Shanghai Jing'an District purchase patterns meet "the government commitment , directed commission, contract management, assessment honor " such a kind of government procurement of public service requirements. According to the urgent needs of Chinese government's public service system and the background of "small government, big society", the government decision-making and implementation need to be separated, dealing with " steering " and " rowing " relationship. Actively cultivate

social sports organizations, encourage businesses and non-governmental organizations to participate in government purchase of sports public services. Clear the government as the main body of rights and responsibilities, to strive for independence relations competitive purchasing patterns, which use minimal funds to purchase high-quality public sports services. Improve the bidding system, ensure that the government purchase sports service fair and open, detailed the number, quality and index of government purchase of sports public service.

### **3.3. Normative the action of government purchasing public sports services**

On the one hand to increase the purchase of public sports service propaganda, let the target groups to understand which institutions provided the free sports service. On the other hand, the time of sports activity and place arrangements must also be careful and rational planning. When refer to opening the school stadium, endangering safety on campus, open costs and other factors must be taken into consideration. Give priority to school teaching , and then to achieve double win; Open private venues outside the public service system , to intensify supervision and inspection , do not let the stadium owners "private interest " crowding out "public benefit" , and ensure the effect of government purchase of sports public service.

### **3.4. Increase the supervision of government purchase sports public service**

Establish a strict and perfect assessment and monitoring mechanism, which include the public, media and government experts, conducting purchasing behavior and the effect of purchase, at the same

time, the quantity and quality of purchase sports public services should be monitored by the financial sector and the sports administration department. Only by strengthening the monitoring and evaluation of the effectiveness, allow multiple oversight body to participate in the monitoring process, the government purchase sports public services quality could get effectively improvement.

## **4. References**

- [1] Xijin Jia, Ming Su, and Junkui Han, "Chinese government purchases Public Services Research Final Report," *Asian Development Bank website*, pp. 10, 2009.
- [2] Owen E. Hughes, "Public Management and Administration: An Introduction," *Renmin University of China press*, pp. 9, 2001.
- [3] Zhihua Chen, "Purchase of Services: the New Approach of Social Public Service Reform," *Xiamen University Press*, pp. 15, 2006.
- [4] <http://www.chancheng.gov.cn/xcb/qzty/201212/37fa976e2cec45fa8fd267047b82c69c.shtml>.
- [5] Fujun Wang, "Outsourcing Government-Financed Social Services to Civil Society Organizations Lessons from China and Abroad," *Peking University Press*, pp. 19, 2010.
- [6] Zhixia Jing, Bin Gao, Jianhui Dai, "An empirical study on the purchase of sports public service by local government — a case of Jing'an district in Shanghai," *Journal of Anhui University of Science and Technology*, pp. 64-67, 2011.
- [7] <http://www.changsha.gov.cn>
- [8] Ke Hu, Chonggan Yu, "Government purchase of sports services Case Study and Reflection," *Journal of Wuhan Institute of Physical Education*, pp. 43-51, 2012.