

Name of Institution: University of Salford
Unit of Assessment: C19 Business & Management Studies
Title of case study: Sports Integrity
<p>1. Summary of the impact</p> <p><i>Sports Integrity</i> is focused on supporting the development of infrastructure by governments, sports bodies, betting operators and law enforcers, internationally, for identifying and addressing vulnerability to corruption in professional sport, demonstrating the following impact:</p> <ul style="list-style-type: none"> • Informing the development of nationally consistent approaches to and codes of conduct for deterring and dealing with match fixing; • Facilitating networks for information sharing between governments, sports bodies, betting operators and law enforcers to improve integrity in sport; • Supporting international policy development to combat corruption in sport.
<p>2. Underpinning research</p> <p>The key researchers and positions they held at the institution at the time of the research are as follows: Dr David Forrest, Professor of Economics (from 1986), Dr Ian McHale, Reader in Statistics (from 2003), Dr Rob Simmons, Senior Lecturer in Economics (1985-2002). Context: The Centre for Sports Business at the University of Salford promotes research and consultancy in sports analytics, sport finance, sport law and the economics of sport. Globally there are few academics specialising in research in both Sports Economics and Economics of Gambling. Forrest et al undertake investigation into corruption in sport, with match fixing at the interface of these topics. The impact described in this case study is underpinned by the following research:</p> <ul style="list-style-type: none"> • 2003: Betting on events and outcomes in sport, especially team sports, has become a high-growth sector. The research explores the potential for sports to capture information on bettor spending and discusses associated public-policy issues. While sport may extract revenue from betting, there are also costs. In particular, the research focuses on betting corruption in sports, developing an expected utility framework to show where the risk of corruption is most likely to arise and what regulatory options are open to sports governing bodies and government in terms of, for example, sports rules relating to players' betting and possible limitations on what products can be offered by betting firms. [1] • 2005-2008: Research into betting markets provided an understanding of how betting markets function. This research underpins understanding of corruption because identification of "unusual" betting patterns is important for signalling where investigation of possible fixing is appropriate. [2,3,4,5] • 2012: Economists, including Forrest and Simmons had previously based analysis of match fixing on the choices of sports insiders: whether or not to accept bribes. Researchers adapted the general literature on the economics of crime. The research offers a new insight that it is relevant to consider the demand side as well as the supply side of the market for fixes. In the paper, growing incidence of match fixing in football is related to developments in betting markets that will have increased the (derived) demand for fixes. [6]
<p>3. References to the research</p> <p>Key outputs</p> <ol style="list-style-type: none"> 1. Forrest D, Simmons R (2003) <i>Sport and gambling</i>, Oxford Review of Economic Policy 19, 598-611. DOI 2. Forrest D, Goddard, Simmons R (2005) <i>Odds setters as forecasters: the case of English football</i>, International Journal of Forecasting 21, 551-564. DOI 3. Forrest D, McHale I (2007) <i>Anyone for tennis (betting)?</i> European Journal of Finance 13, 751-768. DOI 4. Forrest D, Simmons R (2008) <i>Sentiment in the Spanish football betting market</i>, Applied Economics 40, 119-126. DOI 5. Forrest D (2008) <i>Gambling policy in the European Union: too many losers?</i> Finanz Archiv 64, 540-569. DOI 6. Forrest D (2012) <i>The threat to football from betting-related corruption</i>, International Journal of Sport Finance, pp. 99-116. URL

Key grants

7. **2002:** ESRC Study Group Competition funded workshops on the Economics of Sport, Arts and Leisure. R Simmons (50%), D Forrest (50%).
8. **2003:** Fellowship: Gambling Deregulation and the Lottery, Leverhulme Trust, £14,212.00, Investigator: D Forrest (100%).

4. Details of the impact

The credibility of sport is threatened by an unprecedented wave of proven cases of manipulation of events for betting gain, undermining its commercial viability. Sport is particularly vulnerable given the importance of sponsorship in the modern sports business model. For example, the withdrawal of sponsorship in the Chinese football league following match fixing revelations precipitated its collapse; ticket revenue is also dependent on faith in the authenticity of the product; clubs in the Italian league exposed as involved in match fixing experienced a persisting 20% drop in sales relative to other clubs in the league. Match fixing is also a threat to the integrity of sport, with sportspeople acting as role models and brand icons. In this context, this case study demonstrates the following impact:

- Informing the development of nationally consistent approaches to and codes of conduct for deterring and dealing with match fixing and supporting international policy development to combat corruption in sport:
 - **2008:** Report for the Central Council for Physical Recreation (CCPR, now the Sport and Recreation Alliance) commissioned Forrest and McHale to write: “*Threats to Sports Integrity from Developments in the Betting Market*”. The CCPR is the UK umbrella body for sports governing bodies and advises UK Government on all matters relating to sport. Key members of CCPR include the FA (football), ECB (cricket), LTA (tennis), RFU (rugby union), BHA (horse racing). The work of the Centre for Sports Business at Salford was known to CCPR at the time Forrest and McHale bid for the contract; David Folker in particular, who commissioned the Player Performance Index on behalf of the FA Premier League in 2004, represented the FA on CCPR.
 - The report identified risk factors threatening sports integrity including the types of sporting contest and bet that were most dangerous for integrity. These findings influenced sports administrators concerned with manipulation of events; cited in the 2008 report: “*Environmental Review of Integrity in Tennis*”, a report for the World Tennis Association, which includes an extract from the CCPR report demonstrating the mechanics (developed by Forrest and McHale) by which criminals can make a profit in betting markets by fixing the results of a set; “*Threats to the integrity of sport in Australia*” (<http://www.crimecommission.gov.au/publications/crime-profile-series/threats-to-integrity-of-professional-sport-australia>). Forrest and McHale briefed the then Minister of Sport (Gerry Sutcliffe, MP) on the recommendations from this report to CCPR. There followed the development of a compulsory policy for addressing threats to the integrity of sport for sports organisations in Britain (“The Parry Report”).
 - **2012:** Forrest was a key advisor to the International Centre for Sports Security (ICSS) Initiative (Sorbonne, Paris). This meeting brought together leaders in world sport and leaders in world betting to explore common ground regarding the mitigation of match fixing; concluding that such mitigation might be provided through the introduction of revised betting rules, cooperation, and information sharing. Forrest acted as moderator (sole independent expert) providing an overview of the common ground identified to an invited audience (including betting operators, further representatives of each industry, the Director General of Interpol), and reported progress to the ICSS conference, 2012.
 - **2013:** MINEPS V was the fifth meeting of Ministers of Sport of all countries around the world (such meetings occur roughly once every 10 years). It made a declaration setting out policies that national governments and international sporting bodies should expect to follow in order to combat match fixing, Forrest was a contributor to Working Group 3 (on sports corruption) which provided the background report for discussions by the ministers.
- Facilitating networks for information sharing between governments, sports bodies, betting operators and law enforcement to improve integrity in sport:

- **2013: Training of Sports Administration Leaders:** Forrest was commissioned as co-author and principal researcher of a 2012 report on match fixing by IRIS (Institut de Relations Internationales et Strategiques), a Paris based think-tank. There followed a partnership between the University of Salford, IRIS, European Lotteries, and SportAccord to deliver a series of seminars on Sports Integrity (EAC/S06/2012/036, funded by the EU under “Partenariato Europeens dans le Domaine du Sport”) one in each of 21 EU member states, where leaders of national sports federations would receive training in the nature of match fixing threats and how they should respond. These seminars began in July 2013 and will conclude in September 2014. Forrest played an active role in designing the content of these seminars. SportAccord is the international federation of world sports federations and is the global body for sports administration, members thus including FIFA (soccer), ICC (cricket), IAAF (athletics), ITF (tennis), IRB (rugby), UCI (cycling).
- Supporting international policy development to combat corruption in sport:
 - **2012: Examination of Threats to Sports Integrity:** A study commissioned by the EU Sports Platform was launched in the European Parliament, Brussels. The study “*An Examination of the Threats to the Integrity of Sports*” identifies ten key areas for sports to focus on, and examines what can be done to minimise the risk to sports competitions from these threats. Forrest is comprehensively cited in this report.
 - **2012: Invited Plenary Speech at INTERPOL Experts’ Conference,** by Forrest in Singapore, funded by Interpol, on the vulnerability of sport to corruption.
 - **2013: World Bank Seminar (Washington D.C.):** Forrest was discussant on how to create an index for assessing country performance in terms of sports security, safety and integrity, his visit sponsored by International Centre for Sports Security. The World Bank plans to demand minimum standards in sports administration before it will fund sports projects in a country.

5. Sources to corroborate the impact

- a) The report to CCPR http://www.epma-conference.net/Download/22012009/SalfordREPORT_Feb08.pdf
- b) European Lotteries Sports Integrity action plan: <https://www.european-lotteries.org/sports-integrity-action-plan>
- c) Gambling Commission/Olympic Games meeting: <http://theconversation.com/illegal-betting-the-next-big-olympics-security-issue-8393>
- d) Report to IRIS http://www.sportaccord.com/multimedia/docs/2012/02/2012_-_IRIS_-_Etude_Paris_sportifs_et_corruption_-_ENG.pdf
- e) EU funded project between the University of Salford, IRIS, European Lotteries, and SportAccord http://www.iris-france.org/docs/kfm_docs/docs/evenement/2013-01-21-communiqu-national-awareness-on-match-fixing.pdf;
- f) NYT feature http://www.nytimes.com/2008/05/25/sports/othersports/25betfair.html?_r=0