



Sport NZ Performance Report

Q2: October – December 2020

Overview

This performance report covers Sport NZ's performance for Q2 2020/21. It is based on Sport NZ's 2020/21 guiding themes and provides an overall, high-level view of Sport NZ's performance and progress against priorities.

A significant amount of Sport NZ's quantitative information is collected annually and is included in the Annual Report. Each subsequent quarterly report builds on the information provided in the Annual Report as additional information becomes available during the year. This report does not repeat information provided in the Annual Report.

The report contains the following content:

01 Strategic Performance

Demonstrating impact:

1.1 Participation results

Progress on priorities:

1.2 Progress against 2020/21 guiding themes

1.3 Recovery Investment

1.4 Futures project

1.5 Building partner capability

1.6 Kaupapa Māori Response Plan

1.7 Women and Girls strategy

1.8 Healthy Active Learning

1.9 HPSNZ

1.10 Key Risks and Issues

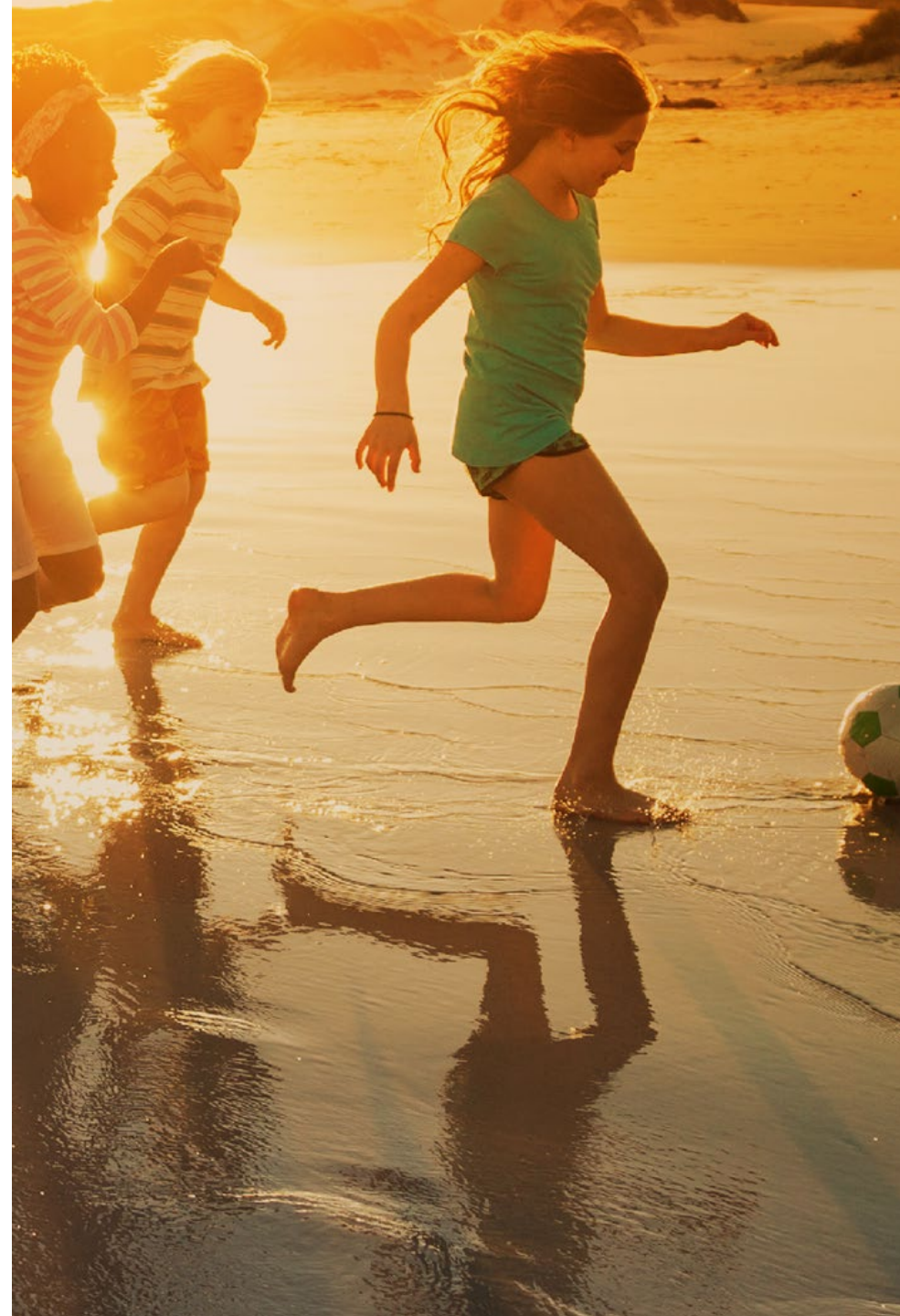
02 Organisational Efficiency

2.1 Our people

03 Financials

3.1 Financial performance

3.2 COVID-19 Recovery Investment Portfolio



1.1 Participation

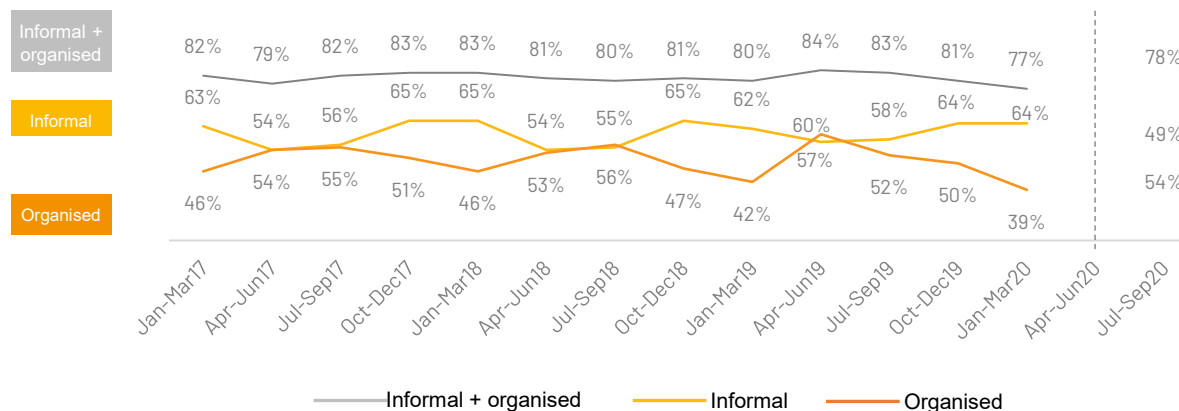
We want to see more New Zealanders involved in play, active recreation and sport. We measure our success through the change in participation over the long term. Through the Active NZ Survey, Sport NZ surveys over 30,000 young people and adults nationwide each year.

This graph shows the first three years of data from the Active NZ survey, and data from the Jan-Mar 2020 and Jul-Sep 2020 quarters. Data collection was paused in the Apr-Jun 2020 quarter due to COVID-19.

What we are seeing

- Active NZ is population-based data and results based on three full years of data highlight inequities in the system by age, gender, ethnicity and deprivation and highlights trends.
- There has been a drop in informal participation compared to the three-year average, while organised participation has remained fairly consistent over the three+ years, except for the obvious dip during lockdown in early 2020.
- Emerging trends between ages 8 and 14 point to decreasing club membership in and outside of school.

Weekly participation (at least 3 hours) – Young people
2017, 2018 and 2019 full year data



Looking at three full years of data

- No significant changes in weekly 3+ hours informal and/or organised participation across 2017, 2018 and 2019. On average, over eight in 10 young people spent at least 3 hours participating in informal and/or organised participation each week during 2017, 2018 and 2019.
- Time spent participating in informal activities was above the three-year average between October and March, and below the average between April and September in 2017 and 2018.
- This pattern was reversed for organised participation which was above the three-year average between April and September and below the average between October and March each year.

	Performance Measures: Young people and adult participation	SO 2018-22 Target*	2019 Result	3-year average
Young people	% of young people participating in at least 3hrs of organised and/or informal activity over the last 7 days.	>82%	82%	81%
	% of young people participating in at least 3hrs of organised sport over the last 7 days.	>59%	51%	51%
	% of young people participating in at least 3hrs of informal sport over the last 7 days.	>51%	60%	60%
Adults	% adults (18+ years) that have participated in sport and active recreation in the last 7 days	>73%	72%	72%
	% adults (18+) currently in a sport or recreation club	>24%	51% ¹	24%
	% volunteered for sport and active recreation activity over the last 12 months	>25%	25%	25%

*SOI target is based on 2017 Active NZ results.

¹Data from 2019 should not be compared to that from 2018 - due to changes to the questionnaire.

1.2 Progress against 2020/21 guiding themes

An overview of our progress to date against the key work programmes within each of our four guiding themes for 2020/21. These are representative of Sport NZ's focus for 2020/21 (refer pages 21 to 33 of the SPE). Further information is provided in subsequent pages of this report.

A better future

Create a relevant, responsive, inter-generational and sustainable system for play, active recreation and sport, the spaces & places that support them and the organisations that deliver them.

Recovery Investment and Support

- 74% or \$196.5m of the \$264m committed so far.
- Reprioritised Partner Capability support projects on track for completion by June 2021.

Futures project

Work reached a milestone, publishing two reports describing the attributes of a preferred future – one developed by, with, for and as Māori (the Papa Noho report), the other the work of the combined stakeholder groups (a Scenarios Report).

Physical activity and play plan

Good progress across the agencies, with the purpose and key actions areas to be brought to Ministers for agreement.

National Play system

- Scoping and planning fully underway.
- Successfully supported Te Hiringa Hauora/Health Promotion Agency with the inaugural Play Week Aotearoa in December 2020.

Active Recreation

Online workshops focusing on the 'Voice of Rangatahi' have been held across the RST active recreation network. These are aimed at building capability to engage with young people in Active Recreation.

Honouring Te Tiriti

Advance the principles of partnership, protection and participation through treaty partnership, bi-cultural competency and activation of Māori.

Kaupapa Māori Response Plan

Our \$7m Kaupapa Māori Response Plan was launched December 2020 – a significant milestone in Sport NZ's cultural journey

He Oranga Poutama (HOP)

Applications for 2021-2024 funding for existing HOP providers will open in Feb 21. As part of the Kaupapa Māori Response Plan, HOP will expand into new regions, including the Bay of Plenty, Manawatū, the East Coast, the Wellington and Wairarapa regions and the South Island.

Cultural capability

- Advocacy of Ihi Aotearoa Māori Cultural Capability journey shared to a variety of Māori providers, iwi, government agencies, RSTs and will continue.
- Increasing adoption of a bi-cultural approach across Sport NZ, as evidenced through the Futures project and the Investment Commissioning approach.

MaraeFit

Scoping and planning for the rollout to a wider range of regions is underway.

Equitable opportunity

Create an equitable, inclusive & accessible system.

Women and girls

The annual Sport NZ Women + Girls Summit was held in October 2020. Held as a virtual-physical hybrid learning event, the summit attracted over 1000 attendees.

The nationwide integrated campaign will move into the creative phase shortly. Research has been completed to complement Active NZ, exploring motivations and barriers to participation which will underpin the design of the campaign.

Tamariki & Rangatahi

The Tū Manawa Active Aotearoa fund is a \$16m annual fund, administered by RSTs, which opened on 24 August 2020. To the end of Dec 20, RSTs received approximately 1300 applications seeking funding of \$35 million, twice the amount available for the year. Approximately 500 of these applications have been approved to date for \$6.64 million.

Disability Plan

Scoping project completed with initiatives being developed to address sectors issues such as lack of leadership and areas of duplication within the sector. Work continues on the Disability Fund.

Valuing physical activity

Lead the confident, safe, and principled delivery of active recreation and sport.

Integrity

- Integrity initiatives announced 6 December including:
 - An independent Sport and Recreation Mediation Service launching in Feb 21
 - A community guidance portal live on Sport NZ's website
 - An independent Integrity Working Group, looking at streamlining future recreation and sport integrity institutional arrangements

Sport Development

Final selections made for the first intake of the Coaching for Impact programme, aimed at coaching sport for rangatahi aged 12-18. A strong focus on inclusivity has resulted in a diverse cohort including 62% females and 28% Māori.

Healthy Active Learning

- 313 schools and kura are engaged in Phase 1 of the initiative
- 18 kura engaged in the Tapuwaekura Pilot Project
- Baseline data collection near completion
- The Tapuwaekura Pilot Project evaluation is advanced and baseline data is complete.

1.3 Recovery Investment

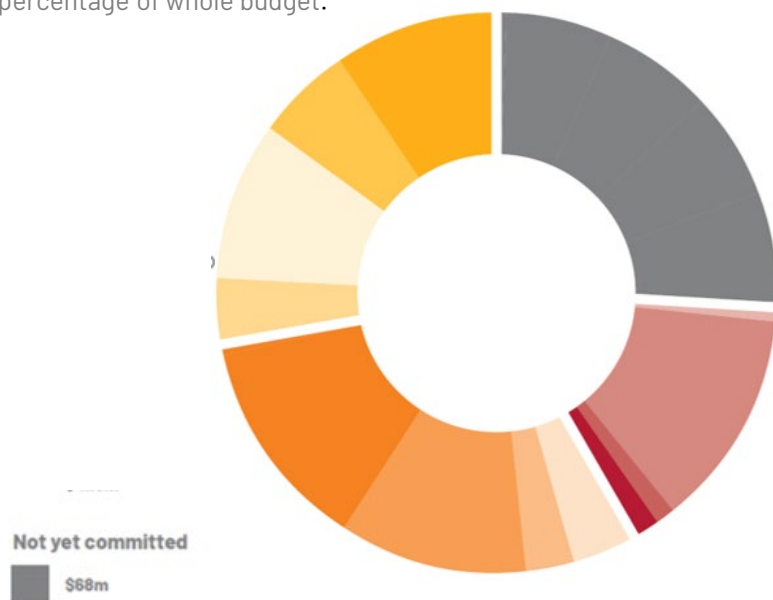
Sport NZ's plan for the Recovery Package is built around three investment outcomes: Reset and Rebuild, Strengthen and Adapt, and Different and Better.

Investment Outcome	2019/20 actual \$m	2020/21 budget \$m	2021/22 budget \$m	2022/23 budget \$m	2023/24 budget \$m	Total \$m
Total Sport Recovery Package*	\$4.6m	\$142.35m	\$63.0m	\$32.0m	\$22.65m	\$264.6m

*A transfer was approved on 11 December 2020, resulting in a decrease of \$2.65M to the 'Different and Better' budget for 2020/21 and a corresponding increase in the same row for 2023/24. This is reflected in the table above. The total budget remains unchanged at \$264.6M.

Recovery Package - \$196.5m committed to date

Total recovery spend to date showing alignment to recovery outcomes and as a percentage of whole budget.



Not yet committed

\$68m

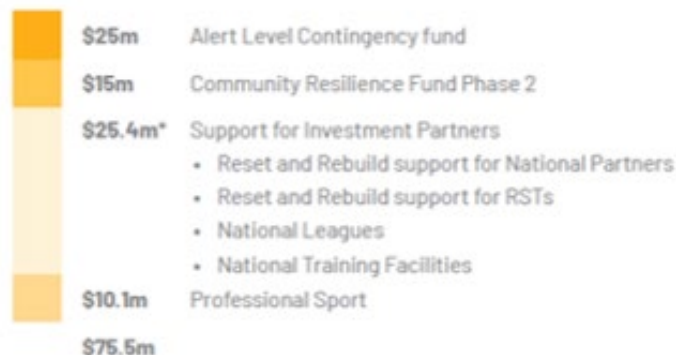
* Contributes to Reset and Rebuild and Strengthen and Adapt outcomes

** Projects that receive funding may contribute to all three outcomes

Bold Italic: Not yet announced

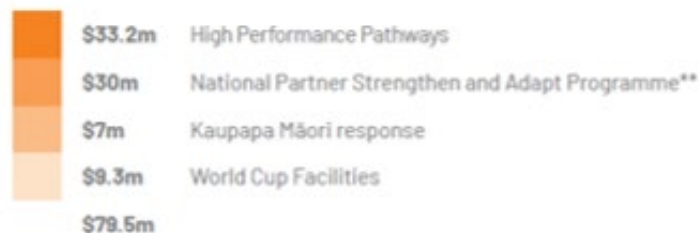
Reset and Rebuild

Short term support to help sport and recreation organisations get through initial impact of COVID-19.



Strengthen and Adapt

Support to help the sector rebuild in medium term and make changes to operate successfully post-pandemic.



Different and Better

Reimagining the future. New approaches, ideas, technologies for improved well-being through play, active recreation and sport.



1.3 Recovery Investment

Different and Better: Individual Financial Hardship Fund: \$3m

Sport NZ has entered into contracts with two organisations to manage the Individual Financial Hardship fund: Te Pūtahitanga o Te Waipounamu and Variety NZ.

The funds will encourage and enable participation in play, active recreation, and sport, for tamariki and rangatahi whose current circumstances of financial hardship means they are missing out on accessing these opportunities. These funds are built on the foundation of Sport NZ's Three Approaches (Locally Led, Physical Literacy and Insights) and Te Whetū Rehua framework.

- Te Pūtahitanga o Te Waipounamu
The fund has been named Te Kiwai from “ko koe ki tēnā, ko au ki tēnei kīwai o te kete”; (each person holds their handle of the kete to carry and take care of what is inside). This is a joint activity in the uplifting for wellbeing for tamariki and rangatahi Māori in the context of whānau. The funding will be available from early March and build upon the existing funding processes of Ruia and Puna funding.
- Variety NZ - The project is well underway, and a name for the fund (Active Me) was finalised with input from children and young people. A launch for this project is planned for Friday 5th March in partnership with Variety.



1.4 Sport NZ Futures project

The objective of the Futures Project is to reimagine the play, active recreation and sport system, and by doing this, build a common purpose and raise collective consciousness of the influence we can choose to have on the future.

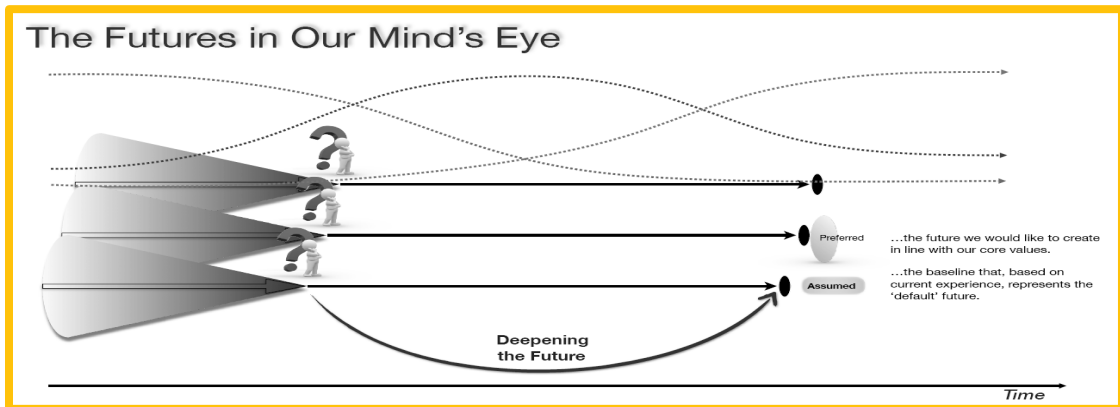
This quarter, the work reached a milestone publishing two reports describing the attributes of a preferred future – one developed by, with, for and as Māori (the Papa Noho report), the other the work of the combined stakeholder groups. (a Scenarios Report)

Both reports describe a preferred future where:

- Physical activity is part of a larger wellbeing agenda
- Culture and identity are important i.e. Mana Māori, being New Zealanders
- Communities are empowered to find local solutions within a high trust model.
- There is high collaboration among agents in the system to achieve shared goals for the wellbeing of all New Zealanders
- Boundaries between domains and areas of activity disappear and silos are broken down.

The reports identify challenges within the sector's power to influence such as: developing a truly bicultural approach, improving trust and collaboration, overcoming inequities, distributing power and decision making, and developing a more sustainable funding model.

Q3 and 4 will explore what the play, active recreation and sport system can do to create the preferred future and manage risks of less desirable possible futures.



Completed in Q2:

- Analysed online stakeholder survey (450 responses)
- Completed perspectives map, journeys opportunities report and video of experiences
- Reviewed the environmental scans and implications for our domain;
- Captured the Māori perspective on the challenges of current approaches and aspirations
- Wrote a narrative of a possible baseline future
- Established the attributes of a preferred future
- Published two reports from Te Tūara and the Working Group, identifying the key insights, challenges and opportunities to progress toward the preferred future.

Coming up in Q3

- Continue the collaboration with external stakeholders with an agreed project plan
- Identify 4-6 key outcomes underpinning the preferred future
- Identify work underway consistent with preferred futures and outcomes that we want to sustain (*in-flight initiatives*)
- Begin to identify innovative reforms and actions all stakeholders can take to nudge us toward the preferred future. (*game-changers, no-regrets actions*)

1.5 Building partner capability







We work with and invest in partners and providers who can make the biggest difference to our play, active recreation and sport system for the greatest number of people.

The table reflects the six core areas of business capability and the recommendations resulting from the recent NSO Capability Project with 18 partner organisations.

Progress was interrupted due to COVID-19, however, has been reprioritised with an expected completion date by June 2021. The main themes we noticed from partner organisations included:

- **Governance** - boards appeared to adapt quickly, meeting more frequently, adopting technology for virtual board meetings and in some instances virtual AGMS. The Chairs role became critical.
- **Technology** - organisations adapted well to staff working from home and the RST network reported being in a good position having been through a recent transformation with the move to a cloud-based CRM.
- **Human Resources** - organisations overall wanted to retain staff so did everything they could do to make that happen. Most paid staff 80% of their normal salary for several months.
- **Finance** - the focus was on cash flow forecasting. Sport NZ supported organisations to improve their system capability in this area.

Six core capability areas*

		Progress		
	Governance 12 initiatives across 11 partners			100% Complete
	Leadership and culture 11 initiatives across 11 partners		100% on Hold	
	Human Resources 63 initiatives across 18 partners	73% in progress		27% Complete
	Finance 21 initiatives across 14 partners	43% in progress	14% on Hold	43% Complete
	Technology 27 initiatives across 14 partners	19% in progress	26% On Hold	56% Complete
	Stakeholder management/ communications 41 initiatives across 13 partners	44% In progress	32% On Hold	24% Complete

*Recommendations in these areas arose out of the NSO capability project. The Leadership and Human Resources roles have been aligned to ensure a cohesive response to the challenges in the sector and both "People, Culture and Organisational Development" roles will be recruited post the completion of the HR Shared Service Project. The Leadership initiatives are on Hold for this reason.

1.5 Building partner capability – HR Shared Service

As part of Sport NZ's ongoing commitment to investing in building business capability across our partner network, a project is underway to develop, design, and deliver an HR Shared Service solution.

This project follows on from a pilot whereby an HR contractor has been embedded within Rowing NZ & Cycling NZ.

Objective

- Leverage existing work to date - studies/key insights and HR offerings;
- Enables and establishes quality HR standards and practice across the sector;
- Increases the capability and capacity of partners to effectively manage HR matters;
- Improves the performance and wellbeing of employees across the sector; and
- Supports leadership growth and talent management.

Progress

Discovery work combined with focused partner/stakeholder engagement is being carried out to inform a discussion paper on:

- Priority needs/areas of high impact
- Potential service and operating models
- Critical enablers and challenges
- Sustainability and success measures (now and future)

Next steps

- Presentation to CEO to ensure alignment and support - February
- Business Case for approval (anticipate April Board)

1.6

Kaupapa Māori Response Plan: December 2020

In December 2020, Sport New Zealand Ihi Aotearoa launched the COVID-19 Kaupapa Māori Response Plan as part of our \$265m COVID-19 recovery investment programme. The hui was attended by the He Oranga Poutama Kaiwhakahaere and the leaders of the Māori National Sport Organisations.

The response plan is a recognition of the adverse effect COVID-19 has had on Māori wellbeing and levels of physical activity.

The new plan is a unique Te Ao Māori approach that focuses on culturally distinctive pathways to enable Māori to succeed as Māori through play, active recreation and sport.

This is the first time Sport New Zealand will have a direct mechanism to engage whānau, hapū, iwi, Māori to build meaningful relationships in these communities. As such, the plan is a significant milestone in our cultural journey.

An investment of \$7m will support the implementation of this initiative which ultimately seeks to empower Māori communities to improve their wellbeing through Te Ao Māori and Mātauranga Māori approaches.

The response plan has four kaupapa Māori (initiatives)

He Oranga Poutama Programme – supporting Māori wellbeing by improving participation and increasing leadership through physical activity. Increased funding will enable a nationwide approach and focus on Māori communities that need it the most

Māori National Sport Organisations – enabling the network to continue their valued contribution to our sector. The intention of the fund is to support the re-engagement of their respective memberships, remove some of the barriers to participation, enable their unique way of being, survive the current social and economic conditions and acknowledge their contribution to the sport and recreation sector for over 100 years.

MaraeFit Aotearoa – this is a new Marae-centric digital tool designed to increase Māori participation and create more opportunities for whānau to connect with their marae and community through physical activity.

Te Ihi Fund – an activation fund to increase Māori participation by supporting existing culturally distinctive organisations and channels

1.7 Women and Girls strategy – Sport NZ commitments

Sport NZ is leading the Women & Girls in Play, Active Recreation and Sport Government Strategy, which aims to ensure that all women and girls, in all roles, are visible, feel positive about the contribution they make, and value being involved and participating in all levels of sport and active recreation.

Sport NZ and other agencies all have an important role to play in leading this change. Sport NZ has committed \$10m over three years to targeted initiatives that enable more women and girls to realise their potential in and through sport and recreation.

Design/Plan: Project planning, process design, research and procurement.

Execute: build of outputs and roll out of the project

Close and Maintain: completion of the project/hand over and integration into business as usual.

The dashboard below provides a view of progress against the commitments that Sport NZ is focusing on in the 2019/20 and 2020/21 years.

Board Gender Diversity Target

Set commitments to achieve target of at least 40% by 2021.



- All organisations needing three or more women in the next two years (FY 20/21) were contacted and support offered for those who have identified the need. Most investment partners receiving 50k per annum or more look set to meet the target by December 2021.
- Policy development including implications for non-compliance is progressing. The target will become a mandatory element of Governance Mark.
- Following board endorsement, the revised Policy has been distributed to all partners receiving more than \$50k per annum as part of our consultation process. Subject to feedback received, management hope to be in a position to confirm the final Policy by the March board meeting.

Activation & Innovation funds

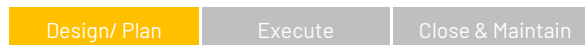
Develop an activation fund to increase targeted investment into programmes and opportunities which provide better quality experiences for women and girls.



- Activation fund: Nine projects (\$2m) were announced at The Inaugural Women and Girls Summit in October 2019. These have all been co-designed and delivered various activities that engage young women to participate. There were some delays due to COVID-19 but projects are making good progress.
- Innovation Fund: \$200,000 for eight new projects has been allocated. This project is now closing having successfully provided innovative ways of gaining young women's participation in active recreation and sport.
- A case study of lessons learnt will be released in Q3 2020/21.

Nationwide campaign

Develop a nationwide integrated campaign.



A foundation workshop was held with the Campaign Working Group in December. Research has been completed with Kohine to complement Active NZ and further explore motivations and barriers to participation which will underpin the design of the integrated campaign. The campaign strategy is close to completion in preparation for the creative phase.

Diversity and Inclusion Survey

Develop and publish an annual survey to track diversity of Boards, management teams, workforce and HP roles across partners.



Data was collected across the Board, management, and staff within partner organisations and the wider sector so we better understand the diversity of the sector, as well as how included people feel. The data was collected in Q4 of 2020 and the report will be released in Q3 2020/21. The survey will be repeated in 2022 and 2024.

Women in HP leadership and coaching

Deliver initiatives to increase the number of women in leadership and coaching roles within the HP system



Women in High Performance Pilot project was established in 2019 with a focus on enabling greater representation of women in high performance leadership and coaching positions. Key investments to date include:

- Women in High Performance Sport Residency Fund, which is developing a cohort of future female leaders and HP coaches.
- Te Hāpaitanga is an 18-month holistic coach development initiative is developing the talent of 14 future and emerging female HP coaches.

Media audit

Monitor and publish a media audit and social media index related to the portrayal of women and girls in the media.



Sport NZ has engaged iSentia to undertake a two-year media (40,000 news items) and social media analysis with the first report presented at the second Women in Sport Summit October 2020.

1.8 Healthy Active Learning

What are we trying to achieve?

Healthy Active Learning is a joint government initiative between Sport New Zealand and the Ministries of Health and Education to improve the wellbeing of children and young people through healthy eating and drinking, and quality physical activity. Components include:

1. New curriculum resources (Ministry of Education)
2. A health promotion workforce and toolkits (Ministry of Health)
3. A physical activity workforce (Sport New Zealand)

Through effective collaboration we hope to create healthy and active learning environments and better connection to communities, resulting in happier and healthier tamariki.

How?

To deliver its component of Healthy Active Learning, Sport New Zealand will partner with Regional Sports Trusts (RSTs) to provide a physical activity workforce to support approximately 800 targeted schools and kura. Phase One (2020-22) will support 300 schools and kura, and Phase Two (2022-24) will support an additional 500 schools and kura.

Sport New Zealand and RSTs will work in partnership with the Ministry of Education to identify and engage schools and kura. The initiative is opt-in and is of no extra cost to schools and kura. The delivery of Sport New Zealand's component has a focus on supporting schools and kura with a decile 1-4 rating.

How is it progressing?

Sport New Zealand has partnered with eight RSTs to lead, manage and implement Phase One of its component of the initiative. The eight RSTs are Active - Auckland Sport and Recreation, Sport Bay of Plenty, Sport Canterbury, Sport Gisborne Tairāwhiti, Sport Northland, Sport Southland, Sport Waikato and Sport Wellington.

RSTs have employed a workforce consisting of Regional Leads and Physical Activity Advisors and are also advanced in the recruitment of the Community Connector workforce (previously named Activators) who will start in January 2021.

Collaboration between Sport New Zealand and the Ministries of Health and Education continues to be positive, with the three central agencies demonstrating high engagement and commitment to working together. The wider benefits of this collaboration to Sport New Zealand and our partners (RSTs) beyond Healthy Active Learning, is being realised.

Whilst Covid-19 has impacted local implementation of Healthy Active Learning and indications suggest the pandemic will continue to be a disruptor for the foreseeable future, RSTs and their physical activity workforce have demonstrated the ability to effectively navigate through the unsettled periods and positively progress towards intended outcomes.

The physical activity workforce component is progressing well



Phase One – school and kura engagement

- 313 schools and kura are engaged in the initiative (this is not inclusive of kura engaged in the Tapuwaekura Pilot Project).



Tapuwaekura Pilot Project

- 18 kura have been engaged in the Pilot Project and there is evidence of kura embedding Atua Matua (underpinning approach) into their teaching and learning programmes.



Regional collaboration

- Eight regional cross-agency Advisory Groups have been established.



Workforce development

- The workforce development plan continues to support the ongoing professional development of the physical activity workforce.



Evaluation

- Healthy Active Learning baseline data collection is near completion. This is being led by Massey University. The Tapuwaekura Pilot Project evaluation is advanced and baseline data is complete. This is being led by Te Paetawhiti.

1.9 High Performance Sport New Zealand

Updates against HPSNZ's key focus areas in Q2 2020/21 include:

Leading the system's recovery from the disruption of COVID-19 to support preparation for the rescheduled Tokyo Olympic and Paralympic Games in 2021 (and condensed pinnacle event cycle beyond Tokyo)

Mapped demand to identify required support for priority Tokyo campaigns and repurposed performance support to match demand. Demand model informed strategic approach in development of HPSNZ's 2024 Strategy and will continue to play an important role in the implementation of that strategy.

Continued re-allocation of budget and support into priority campaigns to assist with COVID related disruption.

Development of guidance for the sector to facilitate NSO compliance with health and safety obligations when considering international travel for athletes.

HPSNZ Board approval of Travel Advisory Group process to determine requests for HPSNZ staff to travel in support of athletes competing internationally and engagement with WorkSafe to ensure independent input into decision making.

Participation in cross-system project team led by Sport NZ to deliver a prioritized package of quantified international travel needs and recommended solutions that enable key athletes/teams to prepare, qualify and perform at the next scheduled Summer and Winter Olympic/Paralympic Games (team was established in Q2 and the work is ongoing).

Continued application of innovative solutions to replicate competition environments (e.g. ghost boats created for rowing and canoe to better enable training environments to address travel and competition restrictions).

Hosted forums to enable High Performance Directors from targeted sports to share knowledge and experiences and discuss common issues.

Continued to work with NSOs to enable greater flexibility in domestic training.

Coaching - HP Coaching Consultants are maintaining BAU connection with 32 of 33 probable and convert campaign coaches. The primary focus is to impact coach performance and support coach health and wellbeing.

Innovation and Research is a key focus area of HPSNZ's 2024 strategy. Q2 saw HPSNZ partner with three leading tertiary institutions (AUT, University of Waikato and University of Canterbury) to launch the pilot of our research strategy.

Evolving the system to generate greater performance outcomes and wellbeing

Launch of Women in High Performance Sport Te Hāpaitanga coaching initiative and engagement of initial cohort of coaches and mentors.

Three-day marae based residential for first Te Hāpaitanga cohort held in November.

Progress reporting on initial impacts of Women in High Performance Sport residency fund.

Approximately 30 HPSNZ staff undertook Mental Health 101 training offered by Blueprint for Learning in conjunction with the Ministry of Health to lift capability to support wellbeing within the organisation.

HPSNZ's 2024 Strategy was signed off by the HPSNZ Board in November and HPSNZ's business case for additional investment was approved in late 2020. The 2024 Strategy will be launched on 19 February 2021. The strategy focuses on evolving the way we work to enable and empower world class performance in an environment that values wellbeing and seeks to progress the three key system shifts identified in the development of the 2032 High Performance System Strategy: performance pathways, wellbeing and engagement, and funding and investment.

Annual intake of PM Athlete Scholarships took place in December 2020, with 295 scholarships awarded.

In October and December Chris Morrison facilitated workshops 1 and 2 of the HPSNZ Leadership Development Programme. This cohort targets 16 new and high potential leaders in the high performance sport system with 8 male and 8 female (4 from the Women in HP Sport Residency Programme) across 13 sports and includes 3 HPSNZ participants.

Ensuring HPSNZ's organisational structure, systems and processes are fit for purpose.

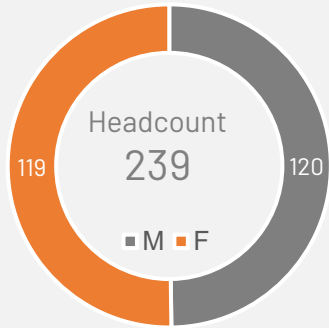
This work remains ongoing, but in order to mitigate the risk disrupting preparation for the Tokyo Olympics and Paralympics, and to provide the opportunity to ensure this work is aligned with HPSNZ's 2024 Strategy, implementation will commence in Q4.



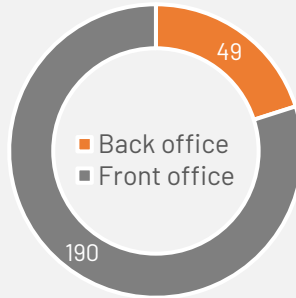
1.10 Key Risks and Issues

Key Risks & Issues	Controlled Risk Rating	Mitigation/Management
<p>Olympic and Paralympics Tokyo Ability to allow athletes to travel to & from qualifying/warm-up events and the games themselves in a COVID-19 environment:</p> <ul style="list-style-type: none"> Managing through MIQ requirements; and Access to vaccinations to reduce risks of contracting COVID-19 <p>Similar travel and border related issues are being managed across non-Olympic and professional sport.</p>	HIGH	<ul style="list-style-type: none"> Officials group (incl. Sport NZ, HPSNZ, NZOC, Para, MOH, MBIE) working collaboratively to plan and manage; Ministerial engagement and support; Travel guidelines communicated to NSOs and a proactive communications plan in place; Medical support and advice from HSPNZ doctors; and Improved/enhanced access to mental health support.
<p>Athlete Rights and Wellbeing Ability for HPSNZ/Sport NZ and NSOs to respond to issues & review(s) recommendations in an appropriate, timely and transparent way.</p>	HIGH	<ul style="list-style-type: none"> Athlete rights & wellbeing, along with a broader Integrity work programme are a priority and resourced accordingly across both Sport NZ & HPSNZ; Training workshops for support staff; NSO Health checks, performance plans and athlete surveys operating; Internal escalation procedures in place, incl the Risk Response Team; Interim complaints mechanism operating concurrent to a permanent system wide solution being developed (finalising contract with preferred provider & soon to be launched); Facilitating constructive engagement with the Athletes Federation; Support specific NSOs & athletes where concerns have arisen, incl encouraging mediation where a viable solution to resolve issues; and Proactive communications plan
<p>Recovery Investment Ability to develop a robust process, including appropriate levels of consultation, with appropriate performance & accountability arrangements to satisfy key stakeholders & other interested parties.</p> <p>Approval for an expense transfer from 2020/21 into outyears to match the forecast spending profile of future recovery investment.</p>	HIGH	<ul style="list-style-type: none"> Formed a Recovery Investment Advisory Committee (a mix of Board & independent membership) to critique/guide management decision making prior to seeking Board & Joint Ministerial approval; Developed a funding framework and commissioning approach to guide future recovery investment decisions; Initiated programmes/reviews to establish a strong evidence base and logic for investment decisions, especially those relating to 'strength & adapt' and 'different & better' investment outcomes e.g. National Partner Strength & Adapt Wave One, Futures Project, Sport Integrity Review/Working Group, HPSNZ Strategy Review; Developed performance measurement/evaluation plans alongside significant investment initiatives e.g. Tu Manawa and HPSNZ Strategy; and Expense transfer – lodged a request through the MBU process. Includes detailed out-year forecasts and strong rationale for the transfer requested.
<p>Capability & Capacity of the system Impacts optimal execution of Ministerial, Sport NZ & HPSNZ initiatives e.g. investment decisions, integrity, disability, women & girls, athlete wellbeing etc. Note this is further exacerbated by competing priorities for the sector as they remain focused on responding appropriately to the COVID-19 environment.</p>	HIGH	<ul style="list-style-type: none"> Proactive communication (formal & informal) with the sector & keeping them informed, including discussions with partners on COVID-19 response activities & developing appropriate levels of support through the Recovery Investment; and Partnerships Investment discussions to explore partner capacity/capability & where they're best to prioritise their effort.

2.1 Our people – Sport NZ Group

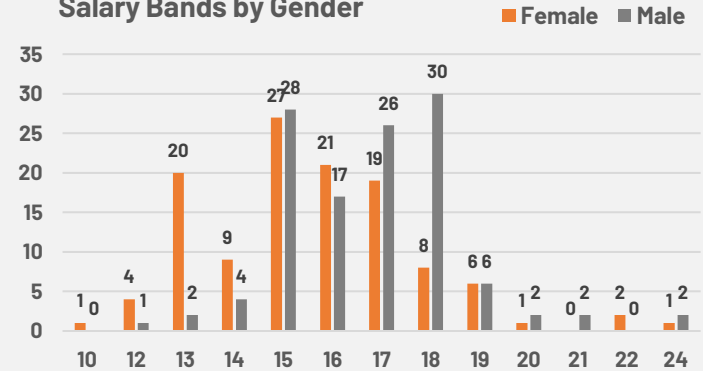


Headcount is the total number of HPSNZ and Sport NZ permanent and fixed term staff. This remains the same as last quarter.



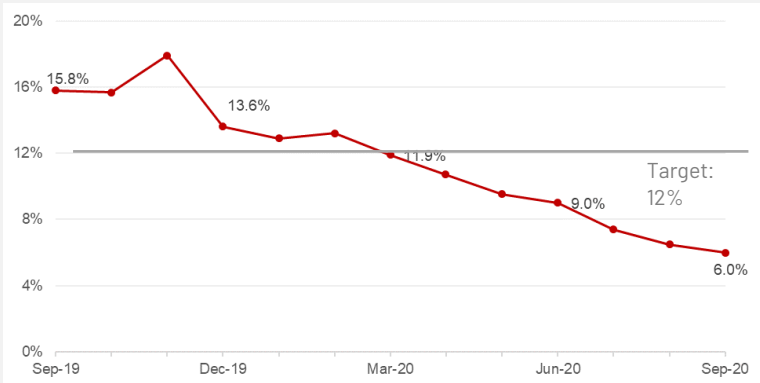
Front office staff are employees working directly with those in the sport system, such as our community sport and high performance partners, athletes and coaches. Back office refers to those in corporate or support positions.

Salary Bands by Gender



The challenge faced by Sport NZ and HPSNZ is one of gender distribution – there are more males than females at the top end of the organisation. To reduce the gender pay gap we need to focus on getting a greater percentage of females into higher paid roles.

Staff turnover



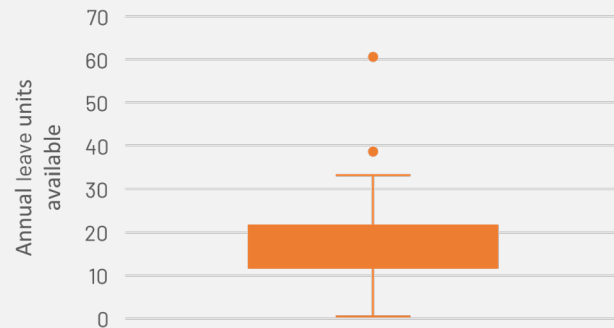
Turnover Rate

▼ 6%

Sick leave

▼ 1.9 average days

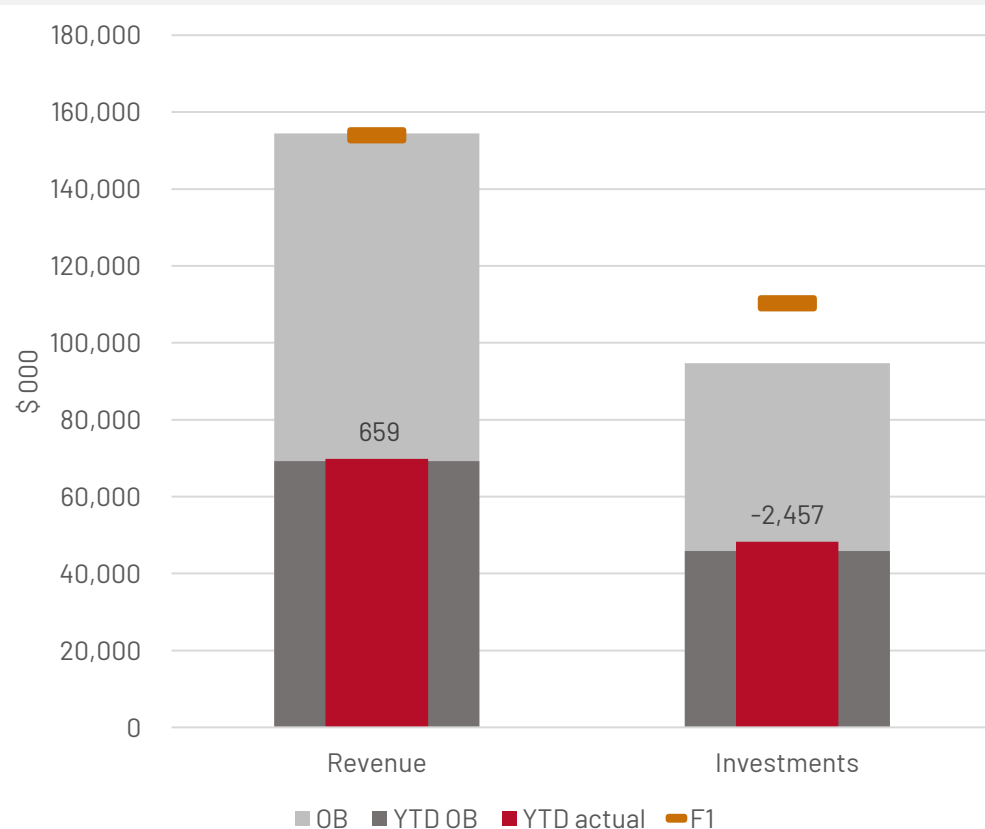
Annual leave balances



Annual leave balances are up from the same time last year, with most balances between 12 and 22 days, compared to 6-20 the same time last year.

3.1 Revenue and Investments

Revenue YTD actuals against YTD OB
(excluding Recovery Package)



Commentary

Revenue

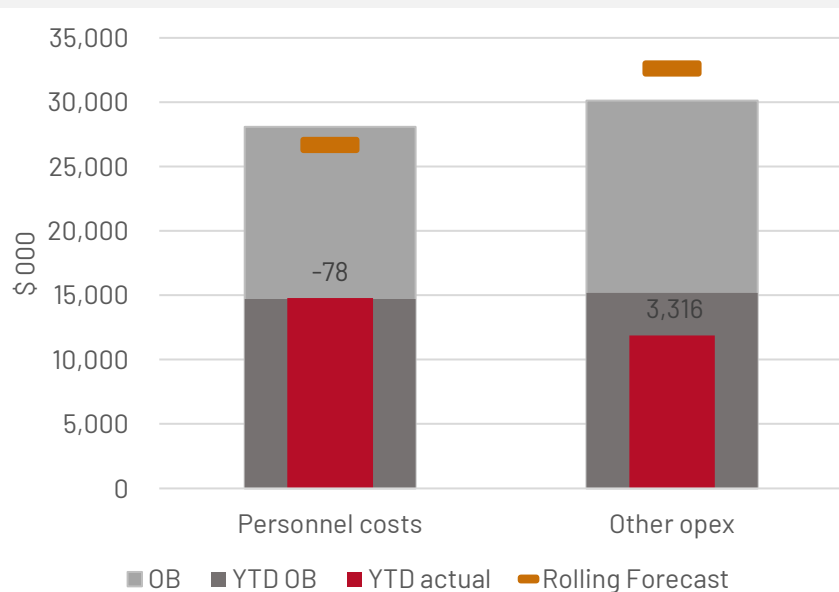
- Crown funding for high performance is \$0.375m ahead of forecast. The variance has been resolved with the January 2021 funding payment.
- Interest income is \$0.190m ahead of budget.

Investments

- The Sport NZ COVID-19 relief package announced and forecast in 2019/20 had the following amounts incurred in 20/21: Partner Support Fund (\$4.041m), safe return to play (\$0.231m) and Exceptional Partner Support Fund (\$1.881m),
 - Timing of reset and recovery payments (\$0.780m)
- Offset by
- Timing of HP infrastructure funding (Football \$0.5m & Yachting \$2.2m)
 - Timing of NSO HP initiatives (\$1.324m)
 - Timing of scholarship payments (\$0.535m)

3.1 Operating expenditure

YTD actuals against YTD OB by expense type



Data view: YTD actuals vs YTD OB by expense type

	Actuals	YTD OB	Variance	Variance
	\$000	\$000	\$000	%
Personnel costs	14,784	14,706	(78)	-0.5%
Marketing and communications	564	2,344	1,780	75.9%
Professional and technical services	6,225	6,087	(138)	-2.3%
Sector training	208	1,011	803	79.4%
Other opex	4,877	5,748	871	15.2%
Total operating expenditure	26,658	29,896	3,238	10.8%

Commentary

Personnel Costs – \$0.078m (0.5%) Overspent

Personnel costs are tracking in line with budget

Marketing & Communications – \$1.780m (75.9%) underspent

The underspend is comprised largely as follows:

- Less support being required in Marketing & coms (\$0.134m) and delays in social media strategy and phasing of invoices in brands and marketing (\$0.100m),
- Active Girls campaign moved out to Q3 & Q4 (\$1.191m), and
- Halberg sponsorship being rephased to Q3 & Q4 (\$0.090m).

Professional & Technical services – \$0.138m (2.3%) overspent

Professional & Technical services are tracking largely in line with budget.

Sector training – \$0.803m (79.4%) underspent

The underspend is largely comprised as follows:

- Transformation project no longer going ahead (\$0.150m)
- Delays in training initiatives in Healthy Active Learning (\$0.126m)
- Sports development (\$0.338m) – budget reallocations in F1
- School sport conference cancelled due to COVID-19 (\$0.037m)

Other Opex – \$0.871m (15.2%)

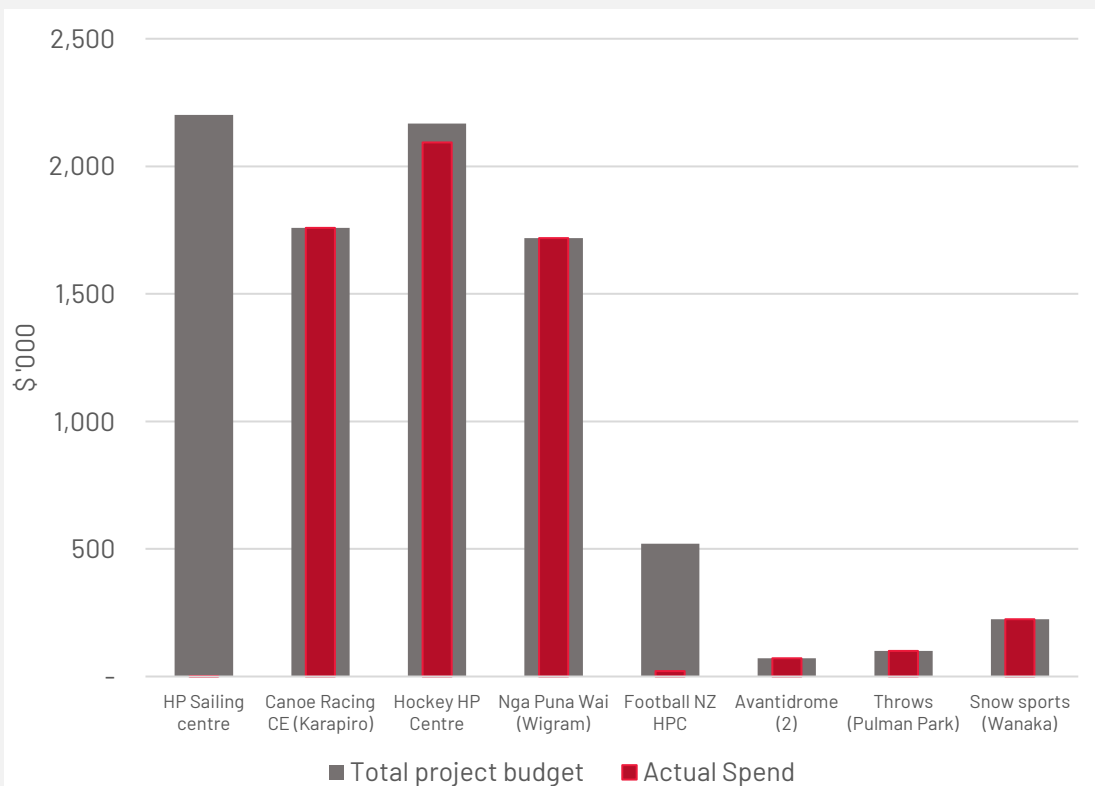
Significant deviations from budget include:

- Phasing of IT service costs across the business (\$0.168m),
- Delays in development of programme resources for Tamariki (\$0.070m) & Rautaki Māori (\$0.050m).
- Timing of costs related to the Women in High Performance Sport Programme (\$0.346m).

3.1

Infrastructure Investment

Infrastructure investment against total project cost



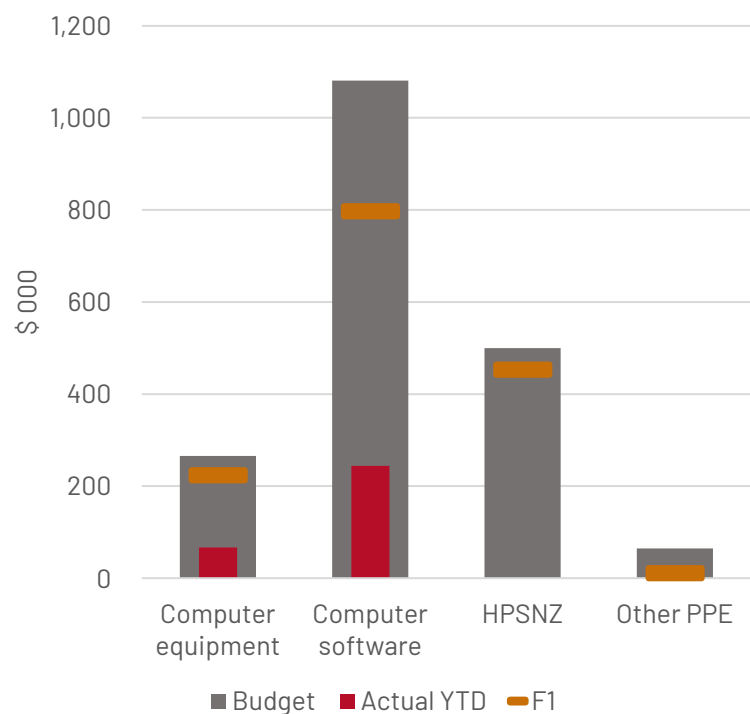
Commentary

20/21 budgeted HP infrastructure expenditure comprises:

- \$2.2m to Yachting NZ for the Sailing HPC
- \$0.075m to Hockey NZ as final payment for HPC in Albany.
- \$0.500m to Football NZ for the football HP centre.

3.1 Balance Sheet

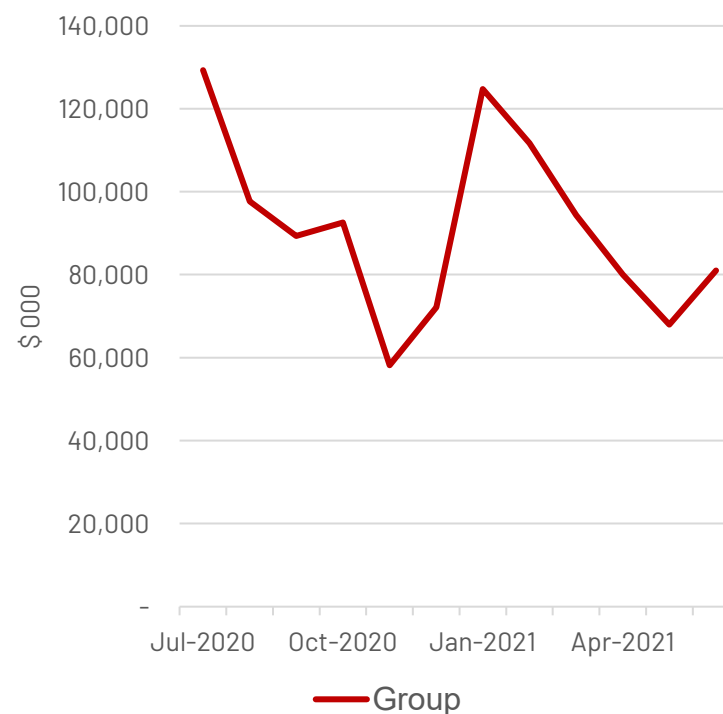
Capital Expenditure



Commentary

CAPEX of \$0.322m has been incurred for the year and represents 16.84% of the OB CAPEX budget.

Cash flow

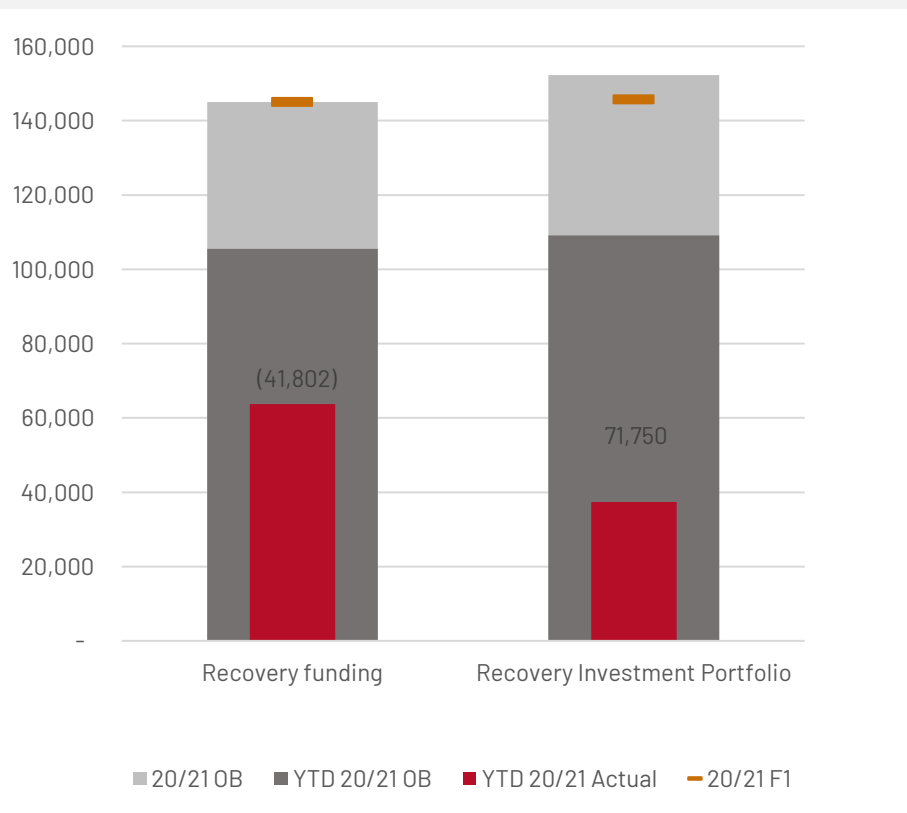


Commentary

Cash Flow reflects quarterly funding peaks and expected receipts related to the COVID-19 recovery package.

3.2 COVID-19 Recovery funding and investment

Revenue and investments YTD actuals against YTD OB



Commentary

Revenue

The COVID-19 Recovery package is released on ministerial approval but was budgeted for using estimated receipt dates, resulting in a negative variance of \$41.802m. \$32.045m in Recovery package funding was received in January 2021.

Recovery Investment Portfolio

The Recovery Investment Portfolio was originally budgeted to match expected funding receipts. As the programmes and projects that comprise the Recovery Investment Portfolio were developed and approved, the budget was updated by a rolling forecast.

A more detailed representation of the Recovery Investment Portfolio forecast is available in the following slide.

3.2 COVID -19 Recovery Investment

Approved Fund Distribution 2020/21

