



Sport NZ Group

Quarterly performance report

Q2: October to December 2023



Overview

The achievements from Q2 2023/24 covered in this report include:

- Sport NZ Group Emission Reduction Plan submitted to MfE and Group Climate Change Lead appointed;
- The appointment process for the Board of the Integrity Sport and Recreation Commission has begun;
- Tū Manawa evaluation findings indicate the programme is increasing participation rates;
- New research showing public awareness, interest and engagement in women's sport published; and
- HPSNZ's Olympic Games-focused innovation projects for cycling, yachting and canoe racing are progressing well.

This report also identifies that new data is available regarding:

- The positive impact of the Rugby and FIFA women's world cups on public awareness, interest and engagement in women's sport; and
- The separation of rangatahi and tamariki participation rates in the Active NZ survey.

Summary performance information for the Sport NZ Group indicates that:

- Employee rolling turnover remains below the target rate;
- 23% of staff are designated as back office, and 77% as front office - roughly a 1:3 ratio;
- Interest revenue is above budget, and personnel and operating expenditure for the quarter is \$4.5 million less than forecast; and
- Expenditure on the Sport Recovery Package for the quarter was c\$8 million.

➤ *Note that societal pressures and changes (eg demographic changes) is now being reported as a key strategic risk*

Sport NZ Ihi Aotearoa activity towards strategic themes



A Better Future

Spaces and Places

- Work continued on the refresh of the National Spaces and Places Framework and development of an Environmental Sustainability Spaces & Places Guide.

Hawaiki Hou

- Six ideation workshops/wānanga held allowing community groups to lead and test solutions based on the unique needs of their community
- Three new initiatives (kaupapa) moved into the three-month business case development phase (including the identification of any system changes required from Sport NZ).

Climate change

- Sport NZ Group Emission Reduction Plan submitted to MfE in December 2023.
- Group Climate Change Lead appointed to the CE's Office

Equitable opportunity and accessibility

Women and Girls

- New research on the public's awareness, interest and engagement in women's sport in New Zealand published in November 2023.
- FIFA Women's World Cup 2023 media case study published in December 2023.

Tu Manawa

- December 2023 evaluation findings and RST staff reflections show evidence of Tu Manawa increasing participation for priority groups.
- Opportunities for both Sport NZ and RSTs to continue the development of Tu Manawa identified in evaluation report.

Disability action plan

- Social media plan around International Day of Disabled Persons (3 December) completed.

Valuing physical activity

Local Play Workforce Project

- Cohort 2 of Local Play Advocate roles in post in 6 Councils. Total of 11 now in post across NZ.
- Takaro Māori Expression of interest process completed and 7 Kaupapa Māori organisations identified and approved for three-year investment through Taumata agreement.

Play week

- Play Week ran from 6-12 November had an approximate reach of 2.6 million across all channels.

Integrity Sport and Recreation Commission

- The appointment process for the Board for the Commission has begun.

Balance is better

- Sport NZ webinar for partners on how to better engage with schools conducted in November 2023

Honouring Te Tiriti o Waitangi

Research and Insights

- Kantar research report on Active NZ survey received, and it recommended the inclusion of Treaty informed guidance to increase response rates and insight.

Business Capability, Governance and Planning Group

- Proposal to go to market to establish a strategic relationship with a specialist in Treaty-centred perspectives of governance endorsed by Te Taumata Māori for 2024.

Kāhui Rautaki Māori

- Investment into the inaugural Māori Sport and Recreation Conference 2024 approved by GET in Dec 2023.

2023 Women's Sporting Landscape

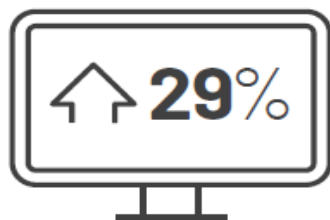
The recent Rugby and Football World Cups in Aotearoa New Zealand drove big increases in interest and engagement with women's sport, according to our recent Sport NZ/Gemba research.

Gemba



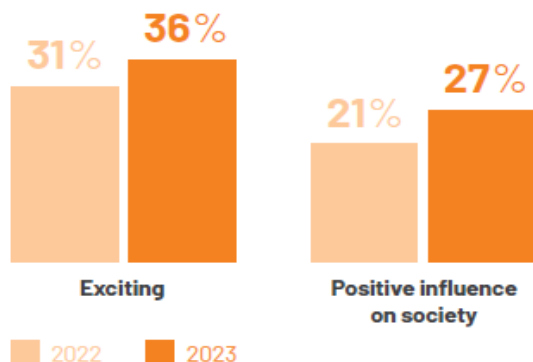
Consumption of women's sport

Since July 2022, viewership of women's sport has increased by 29%.



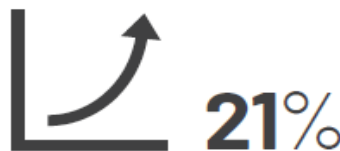
Perceptions of women's sport

Significantly more New Zealanders perceive women's sport as exciting and having a positive influence on society.



Athlete Awareness

Marketability of female athletes and teams has risen, driven by increased awareness.



National team interest

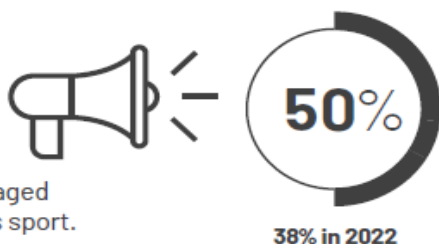
Three women's national teams are now in the top five most popular in New Zealand, up from only one in 2022.

- 1 The All Blacks (Men's Rugby Union)
- 2 The Black Ferns (Women's Rugby Union)
- 3 Men's Rugby Sevens Team
- 4 The Silver Ferns (Women's Netball)
- 5 Women's Rugby Sevens Team



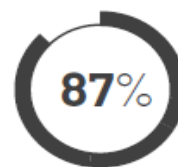
Advocacy for women's sport

Half of New Zealanders said they had recently advocated for or encouraged others to watch women's sport.



FIFA Women's World Cup Impact

The majority of New Zealanders heard or saw something about the FIFA Women's World Cup 2023 and watched a game during the tournament.

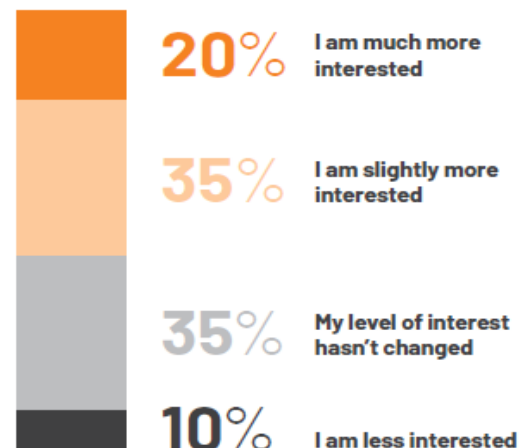


Heard or saw something about the FWWC



Watched a FWWC game

Following the FIFA Women's World Cup 2023, over half of New Zealand indicated they were more interested in women's football.

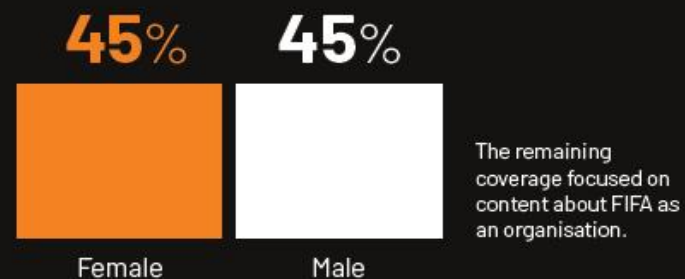


FIFA Women's World Cup 2023



BALANCE

The FIFA Women's World Cup 2023 has had the highest impact on the gender balance of sports news coverage since the media and gender study* began four years ago. During the tournament, coverage was split equally between women's and men's sports.



VISIBILITY

The visibility of women in all sports news coverage during the tournament was 52% - indicating the additional volume of women reported on during the tournament.



FEMALE COVERAGE DURING MAJOR TOURNAMENTS

This chart shows the coverage of women's sports across all sports news coverage during these events, demonstrating the impact that major tournaments have on overall gender balance and visibility.



COVERAGE OF TEAMS DURING THE TOURNAMENT

This chart shows the share of voice of leading teams against the total mentions of all teams for FWWC coverage.





Active NZ 2023: participation data

Through the Active NZ Survey, Sport NZ surveys over 30,000 young people and adults nationwide each year to monitor changes in participation over time.*

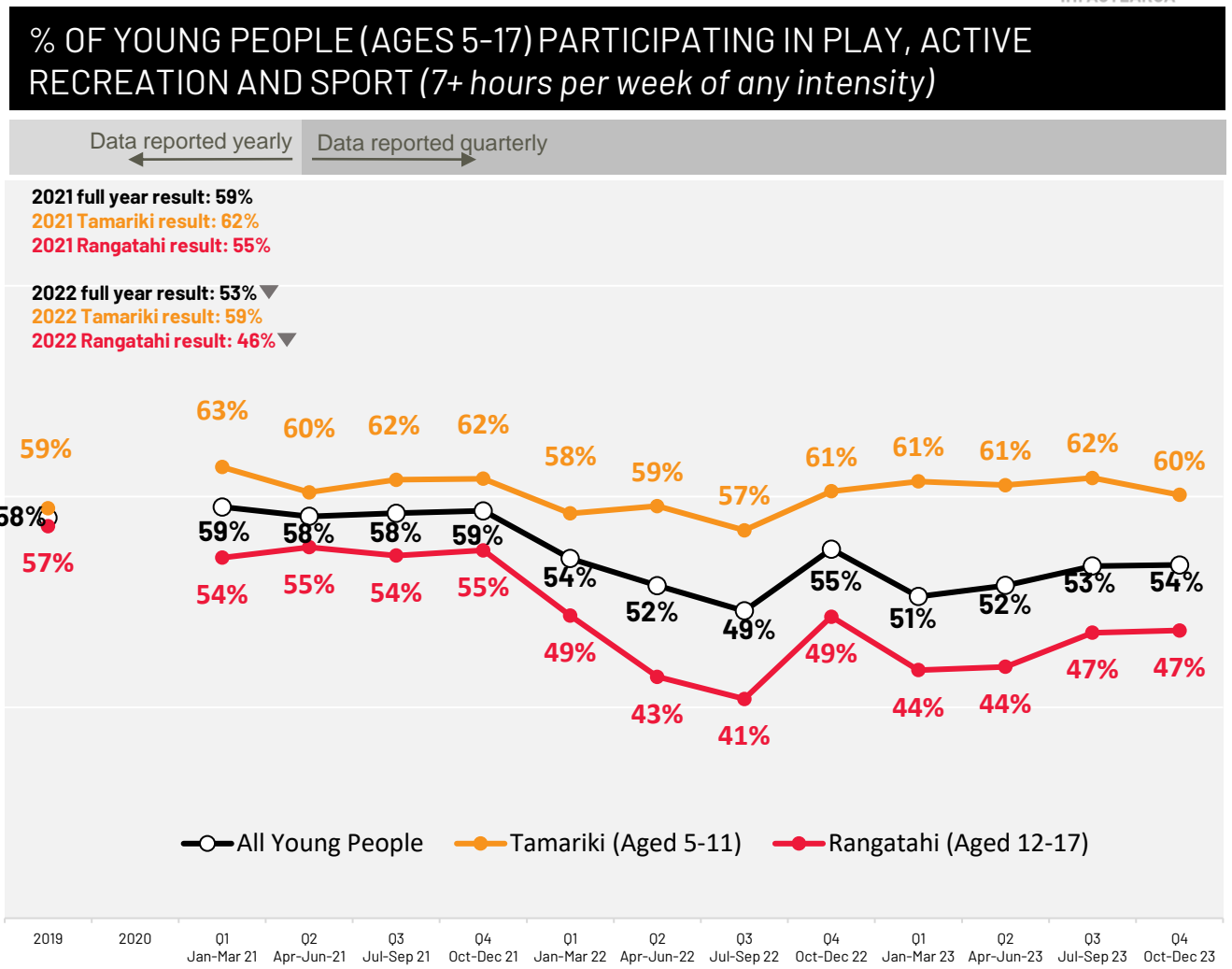
Survey results have been split between rangatahi and tamariki in this report, for the first time.

Overall, young people spending 7-plus hours a week being active remained stable during 2021 at around 59%. However, between January and September 2022, there was a steady decline to 49%. A significant increase in the final quarter of 2022 to 55% was followed by a decline in participation to 51% in the first quarter of 2023. For the next 3 quarters there was a small but steady improvement each quarter to 54% at the end of December 2023.

These fluctuations in activity levels are primarily driven by changes in rangatahi participation with limited change in participation rates for tamariki.

Contributing factors to the decline during 2022 include exceptional circumstances, such as extreme wet weather and greater levels of illness. Method changes have also impacted results. In 2022, to address lower response rates by rangatahi we introduced a conditional incentive of \$20 for completing the survey. This initiative appears to have attracted a broader sample of rangatahi who are less active and have different preferences. There was no change in method or sampling of tamariki in the 2022 Active NZ survey.

Over the past year the reported tamariki activity levels remained stable (at ~60%), while rangatahi participation rates are also stable, but at a lower rate (averaging at ~45%).



Source: Q16b. And how many minutes did you/[ChildName] spend doing [insert activity at Q13a] in the last 7 days (not including today), when...? Base: 5 to 17 year olds. Q1, 2021 n=1560; Q2, 2021 n=1086, Q3, 2021 n=962, Q4, 2021 n=1216, Q1, 2022 n=616; Q2, 2022 n=1125, Q3, 2022 n=1104, Q4, 2022 n=1170, Q1, 2023 n=1646, Q2, 2023 n=1356, Q3, 2023 n=1437, Q4, 2023 n=1451. *The full year result is yet to be weighted; we will receive these numbers shortly.

HPSNZ activity towards strategic themes



Performance Pathways

Integrated Performance Pathways Development

- Following the implementation of pilot programmes in Christchurch, Wellington and Dunedin, national reach grew including in Hawkes Bay, Waikato and Bay of Plenty

Innovation and Research

- Innovation projects are progressing well in the final lead up to Paris, particularly for cycling, yachting and canoe racing.

Intelligence

- The HP intelligence map has been drafted with data mapping the next key step with particular focus on the Athlete Monitoring Systems (AMS) in line with the independent Systems Review.

Wellbeing and Engagement

Facilities Plan

- The establishment of a HPSNZ facilities strategy is underway to improve planning for future facilities needs and pragmatically deliver fit-for-purpose facilities

Funding and Investment

NSO HP Strategic Planning

- Support provided to NSOs to progress plans

Performance Conversations

- Annual NSO performance and accountability conversations conducted with Podium Sports and Aspirational Sports.

Targeted Investment Framework and TAPS refinement

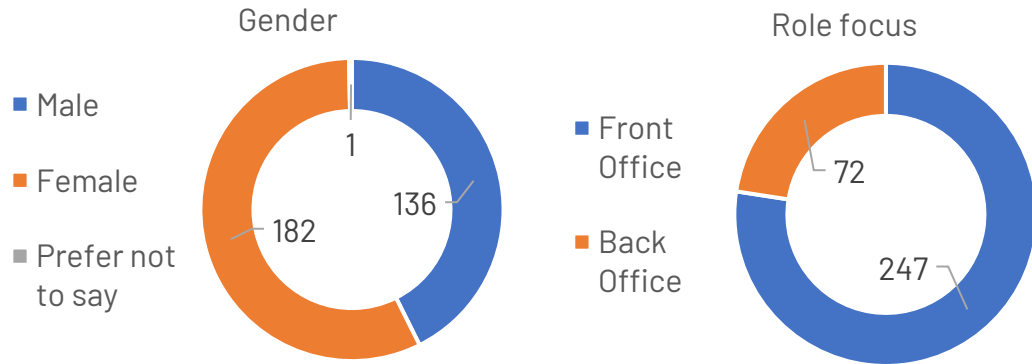
- Testing thinking and possible refinement to the Targeted Investment Framework and TAPS thought consultation with NSO and athlete representative groups in preparation for the 2025-28 investment cycle.

Key strategic risks



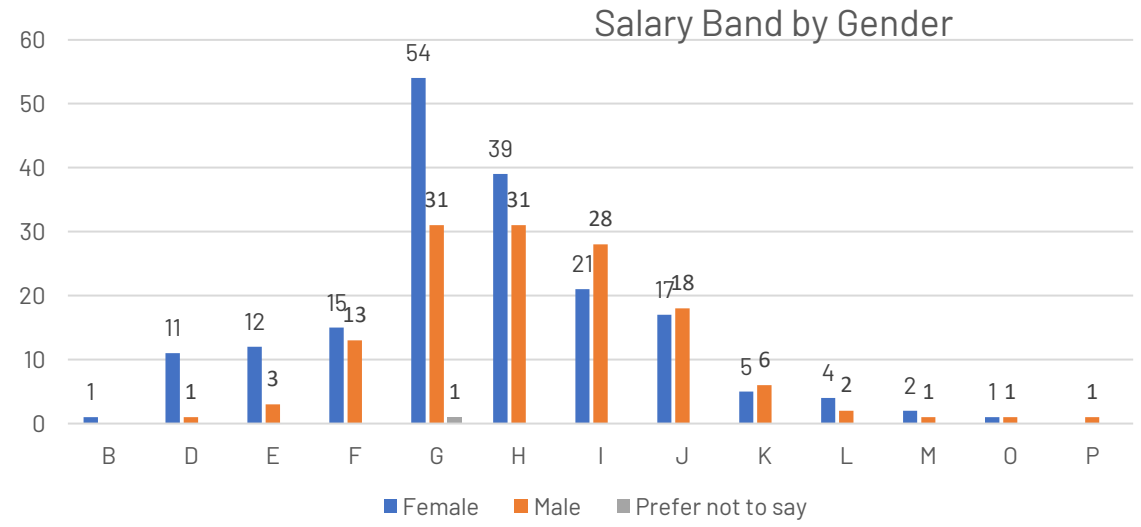
Risk	Risk rating	Mitigation / management
<p>Funding uncertainty Sector funding sources are eroding and there is uncertainty around future funding levels from Lotteries and Government. Sport NZ and its partners are facing inflation-driven cost pressures, while in addition, HPSNZ has cost pressures from the evolution of its programmes and commitments to athletes.</p>	Very High	<ul style="list-style-type: none"> The government's request for cost savings means Sport NZ Group's funding envelope for 2024/25 will be smaller. The development of the Sport NZ's 2024/25 business plan and accountability documents will require managers to reprioritize work effort within new team funding envelopes. The new 4-year Sport NZ strategy being developed will provide the framework for management prioritisation decisions. Working collaboratively with DIA and MCH on sustainable funding model for Lotteries Grants Board. Research underway into wider funding landscape and potential solutions to presenting challenges.
<p>Sector integrity incidents Risk of incidents involving high performance athletes and/or sector participants, resulting in safety and/or wellbeing impacts for affected people, reputational damage for the organisation(s) involved, and potential funding and participation impacts for organisation(s) and wider sector.</p>	High	<ul style="list-style-type: none"> Establishment of the Integrity Sport and Recreation Commission underway for a 1 July 2024 start date. The transition programme for this new entity is being led by Sport NZ and a Sport NZ integrity policy is also being developed. Athletes have access to education and support services and to the Sport and Recreation Complaints and Mediation Service. HPSNZ has a NSO health check process and a wellbeing framework (with guidelines)
<p>Climate change impacts Risk that impacts of climate change on the Group, and the sport and active recreation sector, impact our ability to achieve our shared strategic objectives. Potential impacts include: availability of sportsgrounds; impacts on weather-dependent events and activities; and increased costs (eg. insurance).</p>	High	<ul style="list-style-type: none"> Sport NZ Group Emission reduction plan, baseline year and emissions report submitted. An emissions reduction implementation plan being developed and internal messaging on reduction expectations underway. Lead for the sustainability programme for Sport NZ Group and the wider sector recruited. Sport NZ's role and emission reduction initiatives considered as part of the strategy and investment refresh.
<p>Capability and capacity of the sector Risk of lack of sufficient capability and/or capacity within our partners to successfully complete all the planned work required to achieve our shared strategic objectives and outcomes.</p>	High	<ul style="list-style-type: none"> Strategy and investment refresh will make Sport NZ investment processes easier to work with and simplify and clarify what we are asking our partners to do. Business planning process rebuild will give partners (and staff) greater visibility of work 'in the pipeline' and streamline the 'asks' we make of our partners. Business capability investments currently help build sector capacity in certain areas (eg governance and planning, leadership development, technology and commercial expertise).
<p>Societal pressures and changes Risk that societal pressures and changes, including demographic changes and social cohesion, impact the Group's ability to achieve our strategic objective of increasing participation levels in play, active recreation and sport.</p>	High	<ul style="list-style-type: none"> Confirmed funding for Tu Manawa and HAL to 2028 – with both having a strong equity focus Strategic engagement approach to Education and specific education investments (eg Active As) Co-ordinated approach to local government LTP processes in 2024 as part of strategic advocacy with key TLAs Stronger focus on working into place-based priority communities (with socio-economic disadvantages)

Our people



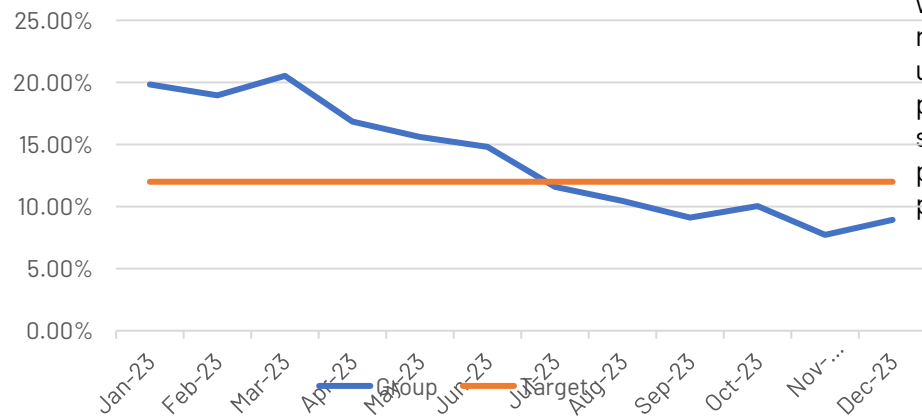
Total: 319
Headcount is the total number of Sport NZ Group permanent and fixed term employees. This total is as at December 2023.

Front office staff work 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.



Across the Sport NZ Group there are more men than women in higher bands (I and above), and more women than men in the lower bands. To continue to reduce our gender pay gap, the Group needs to focus on appointing a more women into leadership roles. This is addressed in the Diversity, Equity & Inclusion Action plan.

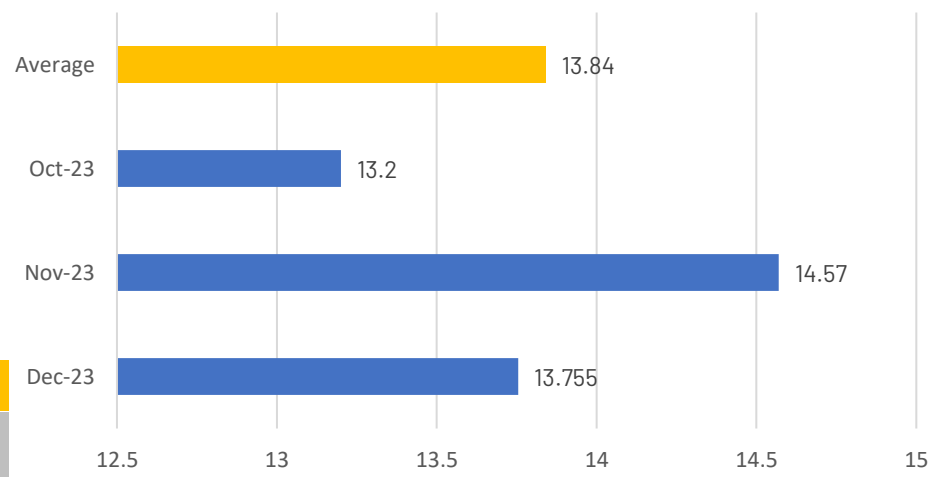
Employee Rolling Turnover



In the past 12 months, the top 3 reasons cited when employees resigned were: upward career progression, sideward career progression, and personal / family.

Sick leave
On average 3.48 days for the 2nd quarter

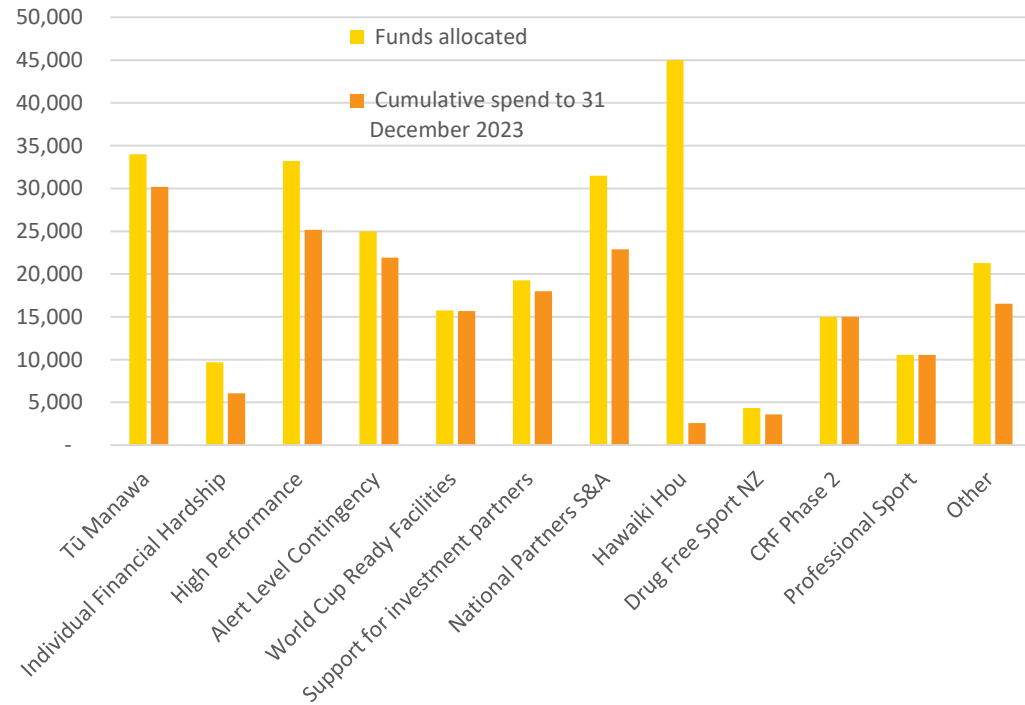
Quarterly Annual Leave Balances



Average annual leave balances across the Group are 13.84 days. This is an increase from last quarter which was 13.02 days.

COVID-19 Sport Recovery Package

- The total budget for the Recovery Package is \$264.6m. See Appendix 1 for a progress report on recovery package-funded activities in Q2.



	Funding	Spend	Forecast Spend	Funds in Reserve
2019/20	4,600	4,600		-
2020/21	117,193	56,333		60,860
2021/22	42,849	50,086		53,623
2022/23	44,154	53,715		44,062
2023/24	51,849	23,653	31,269	40,989
2024/25	3,955		23,084	21,860
2025/26			19,569	2,291
2026/27			2,046	245
2027/28			245	0
	264,600	188,387	76,213	-

- Information about the Recovery Package commitments and amounts so far committed to Sport NZ partners has been updated on the Sport NZ website:
 - <https://sportnz.org.nz/resources/recovery-programme-what-were-doing/>
 - <https://sportnz.org.nz/resources/support-for-investment-partners/>
- The amounts allocated and total spent to date (\$188m) are represented in the graph.
- Does not include any potential impacts of Budget 24 proposals.



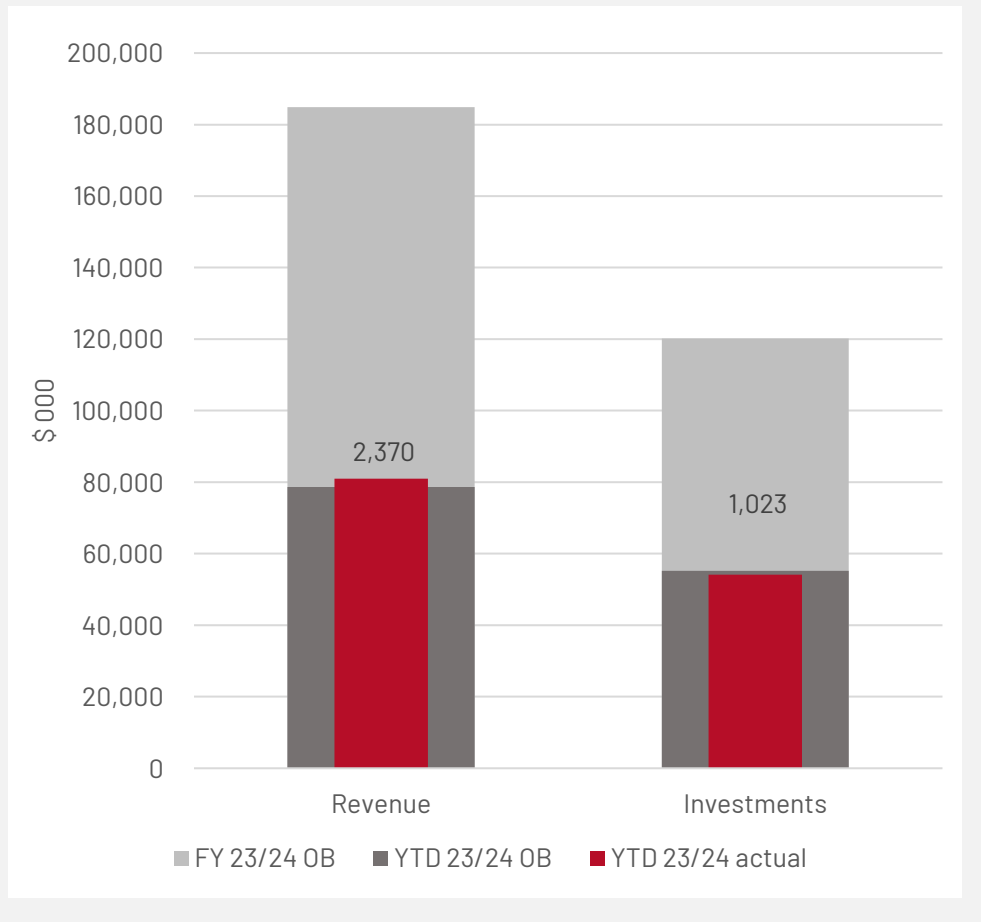
**SPORT
NEW ZEALAND**
IHI AOTEAROA

Sport NZ Group Finance Report

This report presents the Sport NZ Group's financial performance for the six months ended 31 December 2023 against Original Budget FY24 (OB).

Revenue and Investments

Revenue YTD actuals against YTD OB (excluding Recovery Package)



Commentary

Revenue

- Revenue is ahead of budget largely due to higher interest rates yielding more interest revenue (\$2.2m).

Investments

Variances attributed to:

- \$1m infrastructure investment in Yachting NZ delayed as they finalise their facility plans
- \$1.175m contracts to deliver Healthy Active Learning result in some payments being made later in FY24 than originally budgeted
- \$1.430m due to timing of contract commencement of Active As investment to occur in term 1 aligning to the school year,

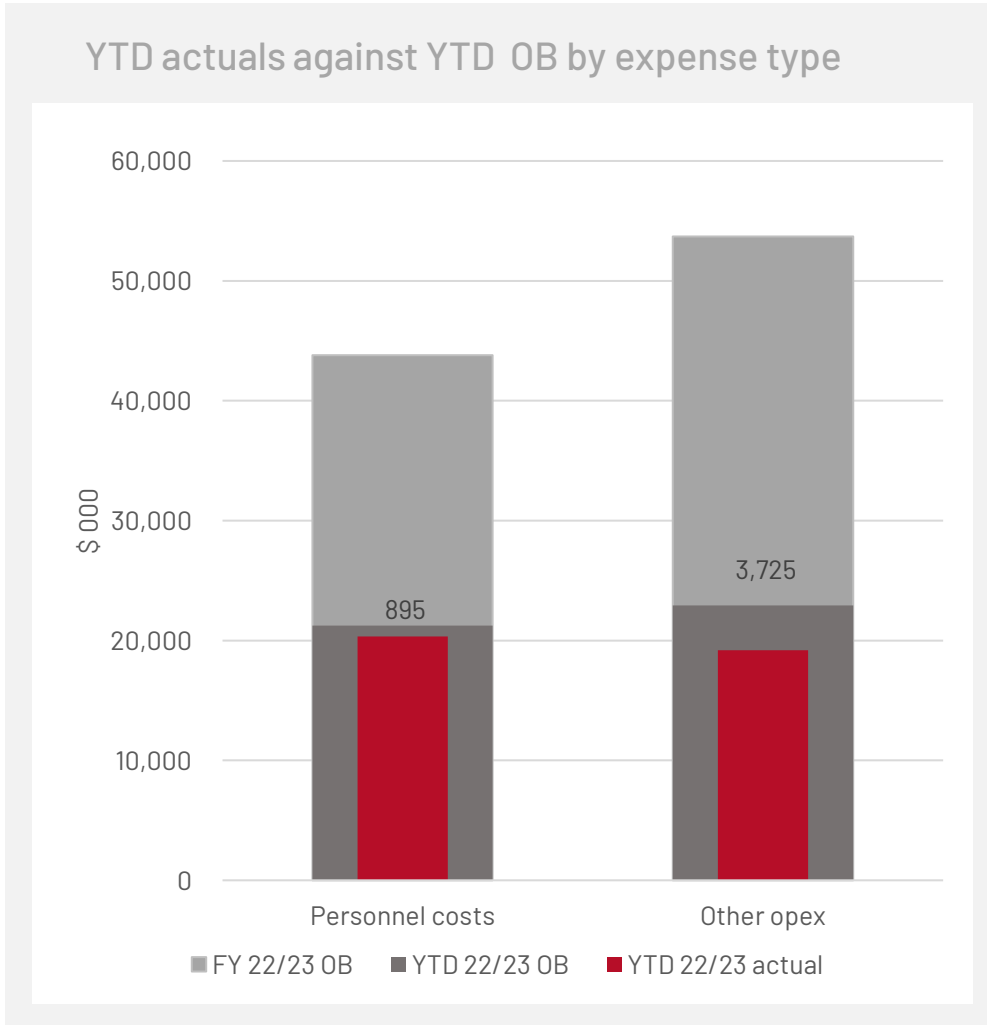
offset by

- \$0.5m FIFA World Cup leverage and legacy programme costs carried forward from FY23 but delivered through the July/August tournament window
- \$0.214m increase in campaign investment Netball NZ



Operating expenditure

YTD actuals against YTD OB by expense type



Commentary

Personnel Costs

- The underspend in personnel costs relates to a number of vacancies being deliberately held due to the current uncertainties that exist in the funding environment.

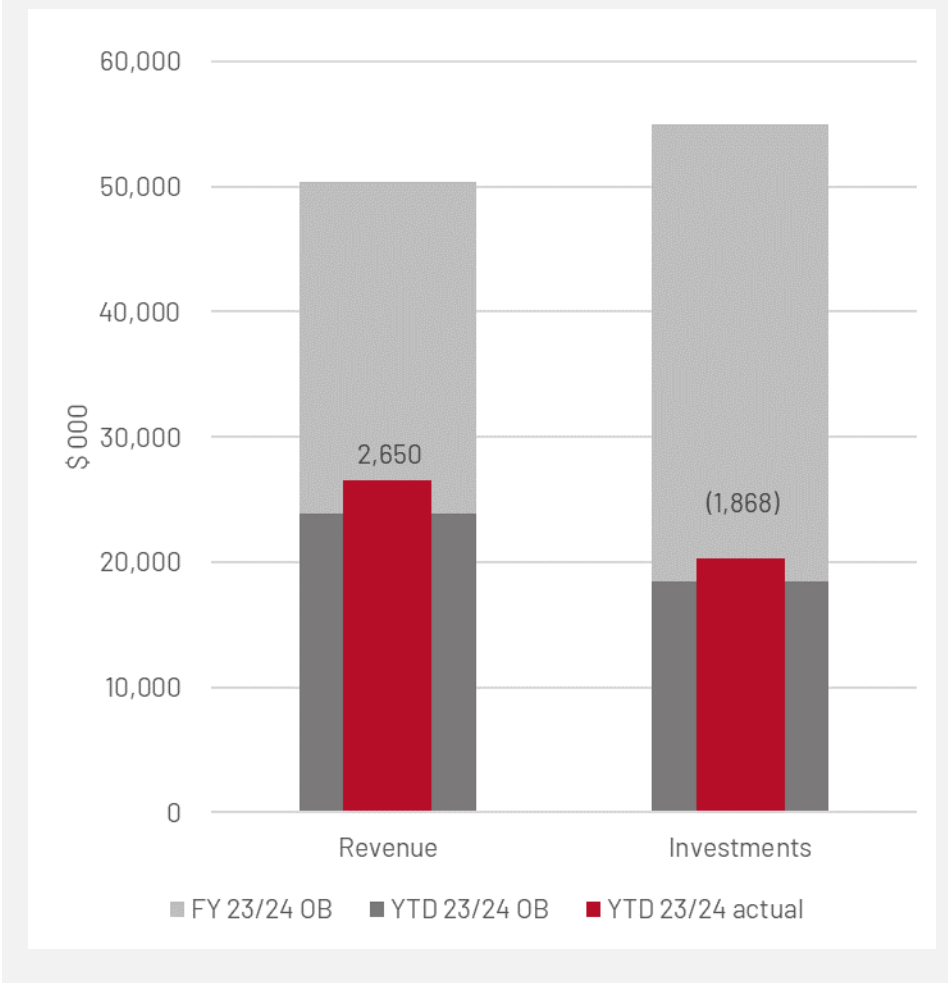
Other operating expenditure

Underspends principally due to:

- \$0.400m Local Play Workforce spend has been reallocated as an investment to be made later in the year.
- \$0.517m Its My Move - Campaign phase development was delayed while evaluation data was being compiled. The amount is still anticipated to be spent by the end of the year
- \$0.482m Marketing and Comms projects have been rephased following more detailed planning post-budget preparation.
- \$0.531m Integrity Commission and operating have been delayed pending the appointment of the Board of the Integrity Commission.
- \$0.320m - Active NZ survey costs will be incurred in January

Sport NZ Recovery funding and investment

Revenue and investments YTD actuals against YTD OB



Commentary

Revenue

- Approval of the final tranche of recovery funding \$2.65m was approved and released in July 2023.

Recovery Investment Portfolio

Recovery investment is \$1.868m more than budget principally due to:

- \$2.350m funding approved in the final tranche above was distributed to NZOC and Paralympics; offset by
- \$0.475m applications for the Targeted Event Fund result in payments occurring later in the financial year.