

Sport NZ Group

Quarterly performance report

Q1: July – September 2023



Overview

The achievements from Q1 2023/24 covered in this report include the:

- passing of legislation to establish the Integrity Sport and Recreation Commission;
- launch across multiple digital channels of the Big Wins campaign promoting the participation of young people in sport; and
- development of new regional pathways for current and potential high-performance athletes.

This report also identifies that new data is available regarding:

- media coverage of women's sport; and
- young people's participation in active recreation.

Summary performance information for the Sport NZ Group indicates that:

- staff turnover has been tracking down since March 2023 and is now below the target rate;
- Sport Recovery funding is ahead of budget as is recovery investment due to additional funding for IOC and Paralympics;
- delays in recruitment and budget reallocations and savings mean there is a small (\$3.2 million) underspend for the quarter; and
- revenue for the quarter is on budget and investments are around 5% behind schedule.

Sport NZ Ihi Aotearoa activity towards strategic themes



A Better Future

Hawaiki Hou

- The first 10 of 60 investments have been identified and five of these have received initial seed funding.

Gender-neutral facilities

- Following upgrades to 10 stadia and 23 training venues for the three women's world cup events hosted in New Zealand in 2022 and 2023, the number of private toilet cubicles has increased from 79 to 231 and private shower cubicles from 15 to 340. Sport NZ contributed funding and supported with project management.

National Physical Activity and Play Plan

- Sport NZ led the development of cross-govt National Physical Activity and Play plan, which was endorsed by Cabinet in June. The Plan identifies how government agencies can use a focus on physical activity to achieve government priorities.

Equitable opportunity and accessibility

Sport Media and Gender Study

- The third annual report shows women's sport now accounts for 28% of all sports news coverage (up from 21% in 2021 and 15% in 2020), and the visibility of women in sports news coverage (incl. athletes, coaches, or fans) has risen to 26% from 19% in 2021 and 15% in 2020.

New resources on menstruation

- Resources are designed for rangatahi, parents, coaches, supporters, as well as sport and active recreation providers.
- A 12-month research project will place period products in community sport facilities.

Launch of Inclusivity Hub

- The hub brings a range of DE&I information together for people working in the PARS sector.

Valuing physical activity

Integrity entity established

- The Integrity Sport and Recreation Act received assent on 23 August. It establishes the Integrity Sport and Recreation Commission as a new Crown entity.
- The Commission will assume responsibility for giving effect to the World Anti-Doping code in NZ, from Drug Free Sport NZ.
- The Act comes into effect on 1 July 2024 and the Integrity Transition Programme will continue to work with DFSNZ to implement the Act.

Launch of the Big Wins promotion

- This promotion focuses on the holistic benefits that young people gain through participation in sport. It was launched in June 2023 across multiple digital media channels. Initial engagement shows it resonates well with the target audience.

Honouring Te Tiriti o Waitangi

Mātaiao expansion

- In partnership with Te Whatu Ora Health New Zealand and Ministry of Education, the Mātaiao initiative is being expanded throughout Aotearoa with a new \$4.5m investment.
- Formerly known as Tapuwaekura, Mātaiao is the culturally-distinct pathway of Healthy Active Learning based on kaupapa Māori.

Local Play Workforce Project – Tākaro Māori

- Sport NZ opened an Expression of Interest (EOI) process for the Local Play Workforce Project to identify potential stakeholder organisations suitable for Tākaro Māori strategic development roles.
- The Project will see investment of \$4.3m over four years to strengthen a national infrastructure to support Tākaro Māori.



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*. Due to COVID-19 disruptions, full-year data for 2020 is unavailable.

Young people spending 7-plus hours a week being active increased in the final quarter of 2022. However, this increase hasn't continued in the first quarter of 2023.

The change in activity levels in 2022 and Q1 2023 is driven by rangatahi with no change for tamariki. Contributing factors to this decline are thought to include extremely wet weather and illness, as well as changes to the data collection method for the survey.

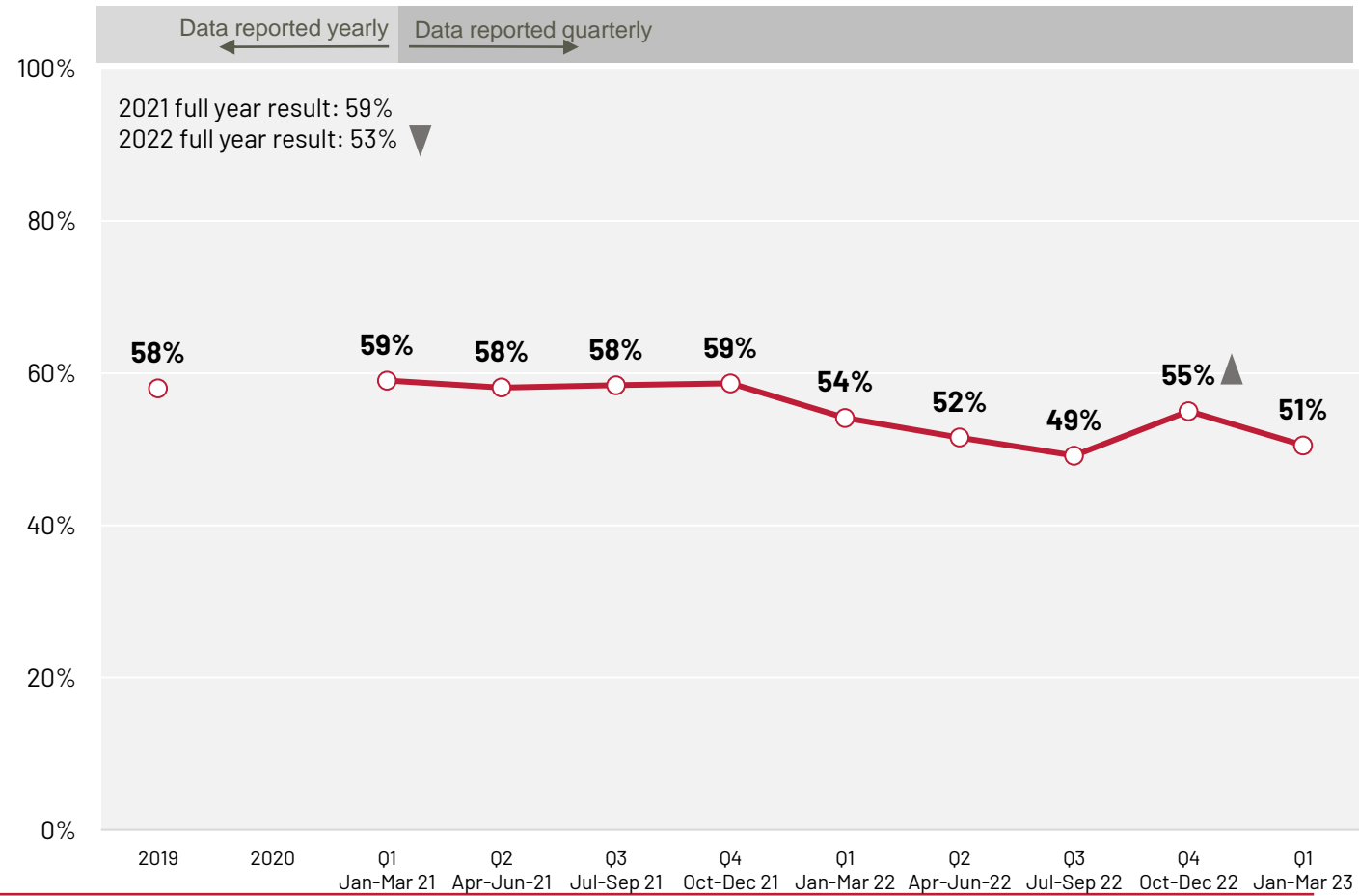
In 2022, to address lower response rates by rangatahi we introduced a conditional incentive of \$20 for completing the survey. This initiative appears to have attracted a broader sample of rangatahi who are less active and have different preferences.

We've compared survey responses of Sport NZ's Voice of Rangatahi 2021 and 2022 surveys with Active NZ results. Voice of Rangatahi shows a stable participation picture, while Active NZ shows lower activity levels for rangatahi completing the Active NZ survey in 2022 compared with 2021. This comparison gives us some confidence that the incentive has contributed to a broader sample of rangatahi completing the survey.

When looking at the full year 2022 results, for rangatahi there was a significant decrease in 7+ hours, but tamariki maintained a consistent pattern of participation.

There was no change in method for sampling of tamariki in the 2022 and Q1 2023 Active NZ survey.

% OF YOUNG PEOPLE (AGES 5-17) PARTICIPATING IN PLAY, ACTIVE RECREATION AND SPORT (7+ hours per week of any intensity)



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=1666.

*In 2022, response rates were lower at around 20,000

HPSNZ activity towards strategic themes



Performance Pathways

Regional Performance Pathways

- Following the establishment of three performance pathway hubs (Christchurch, Wellington, and Dunedin) at existing HPSNZ multi-disciplinary training centres, HPSNZ has partnered with other organisations and facilities to develop four regional performance pods (Manawatū, Hawkes Bay, Northland, and Southland).
- The establishment of the pods aims to provide a nationwide network of flexible, regionally based support for athletes, including pre-high performance athletes, their parents and coaches.
- The network is connecting NSOs to the regions and enabling sports to provide the right type of support at the right time.
- Working with NSOs and Regional Sport Organisations across the hubs, HPSNZ has identified 105 athletes, representing 22 sports (17 Aspirational and 5 Podium, including 2 para sports) to receive support.

Wellbeing and Engagement

2023 intake confirmed for Women in High Performance Sport Residency Experience

- 34 applications were received and 11 women representing 10 NSOs are confirmed to participate in the next Women in High Performance Sport Residency Experience.
- The Residency Experiences are integrated packages that cover aspects of high-performance sport including coaching, coach development, pathways as well as high performance and event leadership.
- The aim is to create a pipeline of capable women for high performance sport leadership and coaching roles.

Athlete Leaders Network Board confirmed

- The Athlete Leaders Network (ALN) was established in October 2022 as an independent athlete voice mechanism to empower athletes and advocate for change from within the sporting system
- It includes athlete leaders from Olympic, Paralympic and Commonwealth Games sports.
- The ALN has appointed its ongoing Board, to be chaired by Sarah Cowley Ross.

Funding and Investment

Applications for Prime Minister's Internship scholarships

- Prime Minister's Scholarships support athletes, coaches, support team members and officials to gain educational or professional qualifications while continuing in sport.
- Prime Minister's Coach, Support Team and Official's scholarships support eligible recipients to achieve professional development outcomes relevant to work and experience within their designated sport or area of expertise within high performance sport.
- The programme provides athletes with the opportunity to develop holistically outside sport, in ways that contribute towards their post-athletic career and enable the sustainability of our athlete talent pool.
- The third round of scholarship applications for 2023 closed on 31 October.

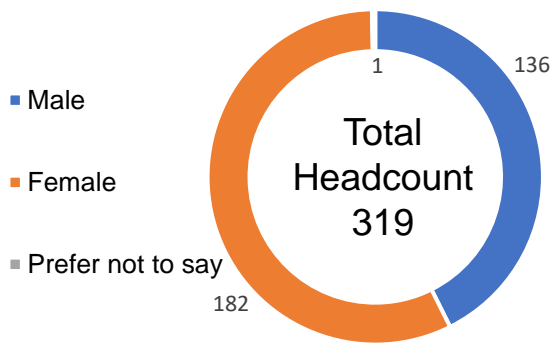
Key strategic risks



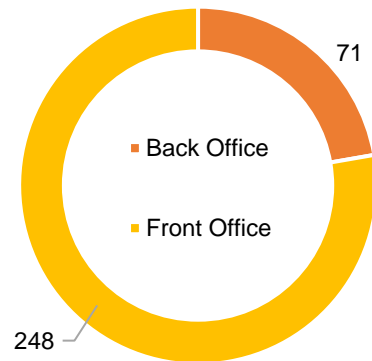
Risk	Risk rating	Mitigation / management
<p>Funding uncertainty Sector funding sources are eroding and there is uncertainty around future funding levels from Lotteries and Government. Sport NZ and its partners are facing inflation-driven cost pressures, while HPSNZ has cost pressures from the evolution of its programmes and commitments to athletes.</p>	Very High	<ul style="list-style-type: none"> • Sport NZ's strategy and investment refresh seeks to reprioritize work effort within the existing funding envelope. • Identifying potential levers and tradeoffs to manage group cost pressures, including funding proposals for Budget 2024. • Research underway into wider funding landscape and potential solutions to presenting challenges. • Working collaboratively with DIA and MCH on sustainable funding model for Lotteries Grants Board. • BIM and related briefings will seek to present solutions to funding challenges for consideration.
<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 a new independent integrity body – Integrity Sport and Recreation Commission – underway for a 1 July 2024 start date: establishment legislation passed, and a transition programme is being led by Sport NZ. • Sport NZ integrity policy 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 drafted. • An emissions reduction implementation plan being developed and internal messaging on reduction expectations underway. • Lead for the development and delivery of a sustainability programme for Sport NZ Group and the wider sector to be 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).

***Definition:** Strategic risks are the risks Sport NZ faces to achieving its strategic priorities, and the consequences (to the organisation, the sector and Aotearoa New Zealand) of not achieving them.*

Our people

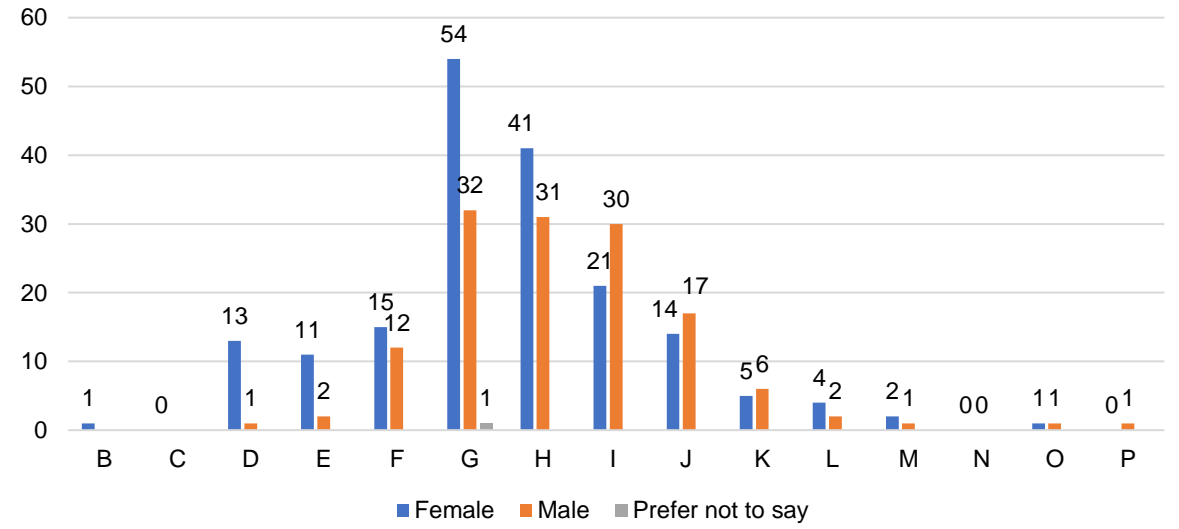


Total: 319
Headcount is the total number of Sport NZ Group permanent and fixed term employees. This is as at 30 September 2023.



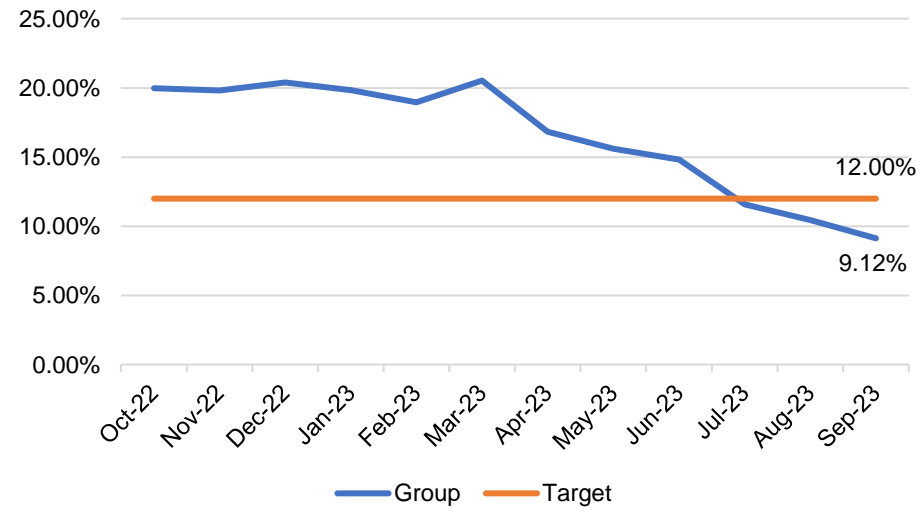
Front office staff work directly with those in the sport system, such as our community sport and high-performance partners, athletes and coaches. Back office refers to those in corporate or support positions.

Salary Band by Gender



There are more men than women in higher bands across the Sport NZ Group. To continue in reducing our gender pay gap, the Group needs to focus on appointing a greater percentage of women into leadership roles. This is addressed in the Diversity, Equity & Inclusion Action plan.

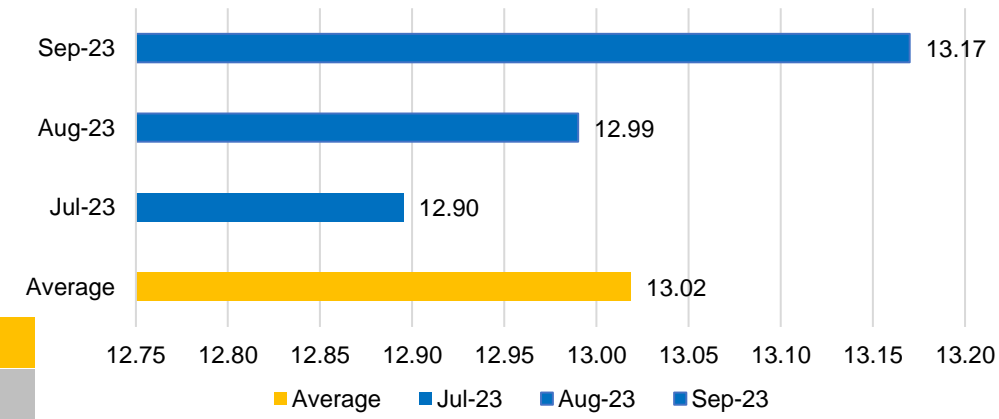
Employee Rolling Turnover



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 3.07 days for the 1st quarter

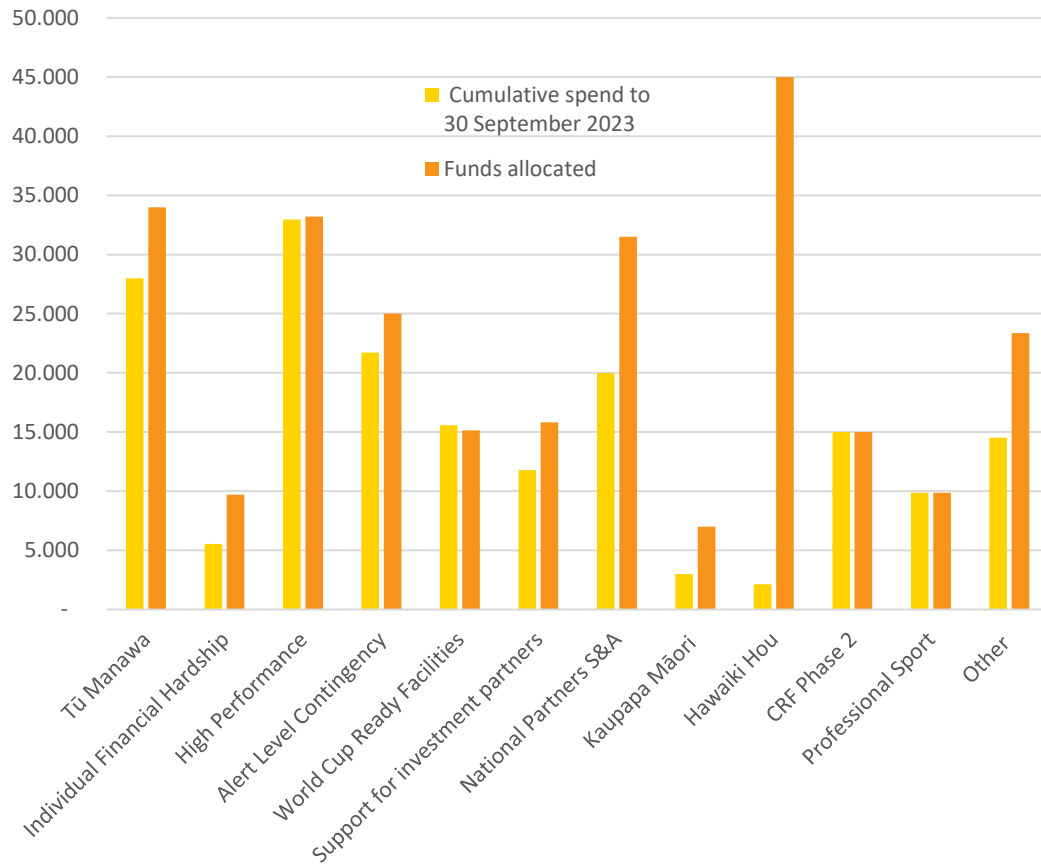
Quarterly Annual Leave Balances



Average annual leave balances across the Group are 12.63 days. This is a deterioration from last quarter which was 10.88 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 Q1.



	Funding	Actual Spend	Forecast spend	Funds in Reserve
2019/20	4,600	4,600	-	-
2020/21	117,193	55,259	-	61,934
2021/22	42,849	52,866	-	51,916
2022/23	44,154	55,826	-	40,245
2023/24	51,849	11,483	39,515	41,095
2024/25	3,955	-	22,425	22,625
2025/26	-	-	20,868	1,757
2026/27	-	-	1,752	5
2027/28	-	-	5	(0)
Total	264,600	180,035	84,565	

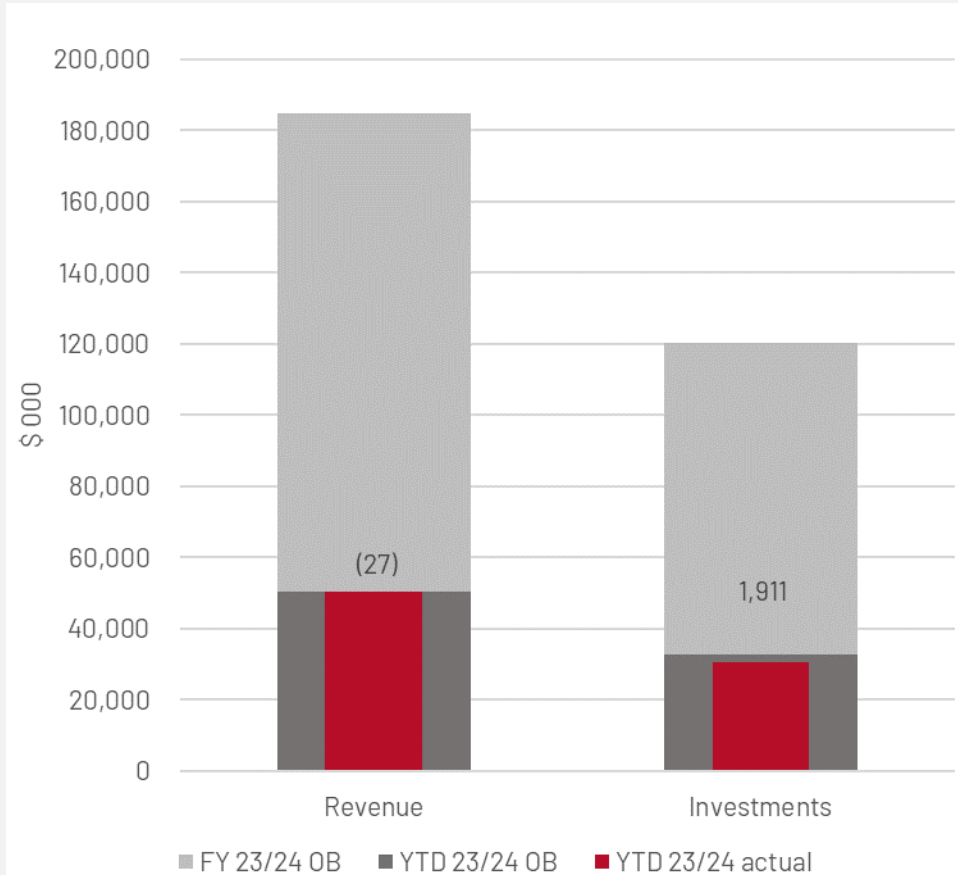
- Total commitments (until June 2026) for investment in the sector are \$264.6m.
- During the quarter, Hawaiki Hou (Different and Better) started to ramp up, with five organisations entering the pilot (Te Rito) phase and five others progressing to business casing.
- Information about the Recovery Package 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 (\$180m) are represented in the graph.

Sport NZ Group Finance Report

This report presents the Sport NZ Group's financial performance for the three months ended 30 September 2023 against Original Budget FY24 (OB).

Revenue and Investments

Revenue YTD actuals against YTD OB (excluding Recovery Package)



Commentary

Revenue

- Revenue is consistent with budget.

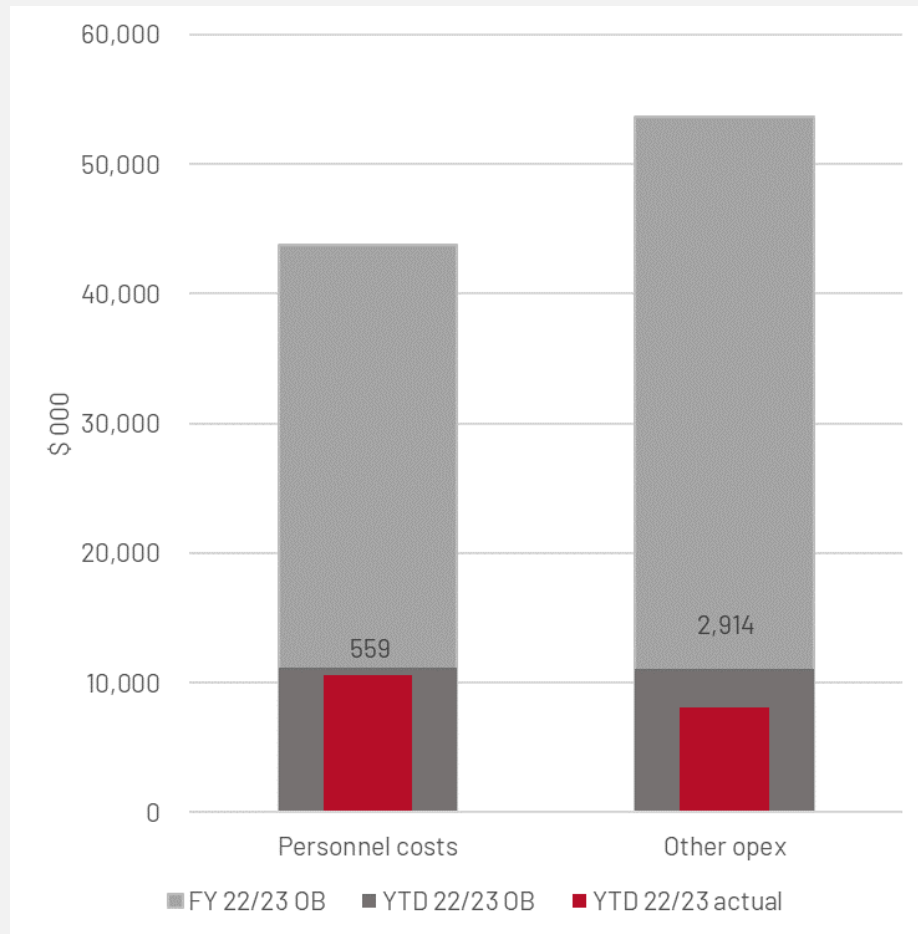
Investments

Variance largely due to:

- \$1.565 delayed investment in Healthy Active Learning
- \$0.3m funding set aside for HPSNZ Paris Olympics support (fighting fund) not yet committed.

Operating expenditure

YTD actuals against YTD OB by expense type



Commentary

Personnel Costs

- The underspend in personnel costs relates primarily to delays in recruitment. The majority of the underspend will be rephased in Q2 as part of the budget revision.

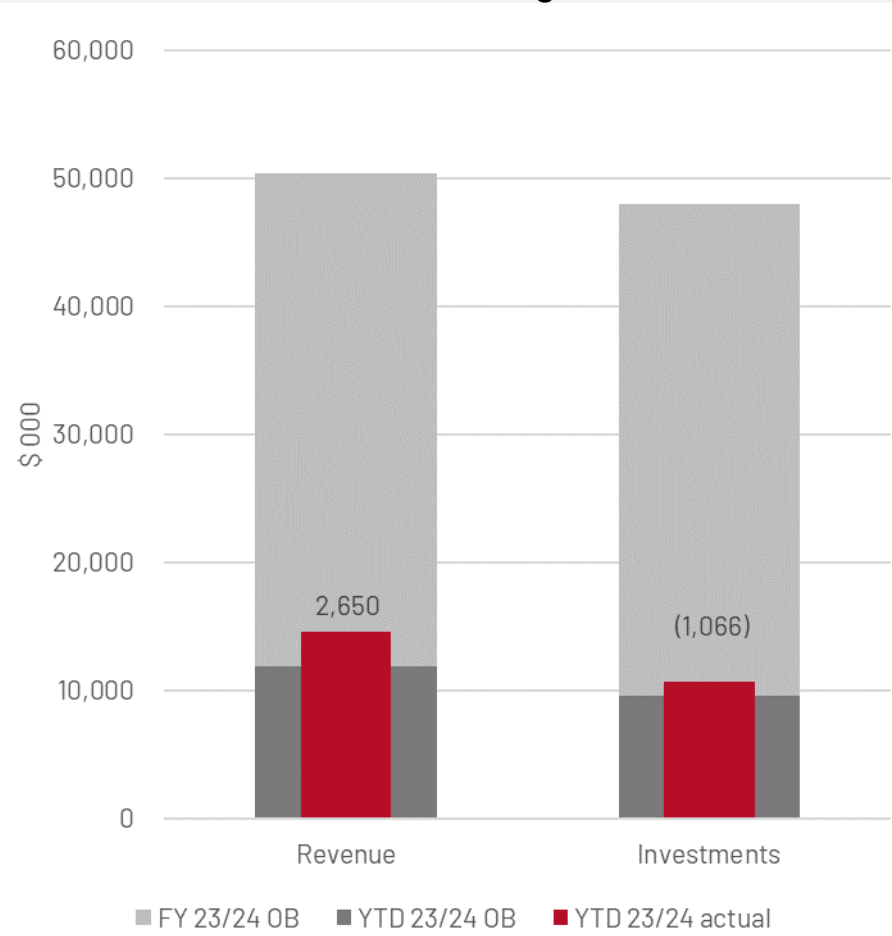
Other operating expenditure

Underspends principally due to:

- Savings identified in HPSNZ programme delivery related to the Pre-High Performance, Coaching and Wellbeing programmes.
- Delays in programme delivery and Professional and Technical Services for Healthy Active Learning evaluation, Kia Hianga Activation and Local Play Workforce)
- Delays in sector training, primarily in the Sports Development, Play and Disability teams.

Sport NZ Recovery funding and investment

Revenue and investments YTD actuals against YTD OB



Commentary

Revenue

- Recovery funding is \$2.650m ahead of budget. Recovery funding is paid out with Joint Ministerial Approval, when required.

Recovery Investment Portfolio

Recovery investment is \$1.066m more than budget principally due to:

- \$2m additional funding approved for and paid to NZOC; offset by
- \$0.747m delays in Strengthen and Adapt work programmes; and
- \$0.615m Targeted Event Fund payments rephased to later in 2023.