



Sport NZ Performance Report

Q3: January – March 2021

Overview

This performance report covers Sport NZ's performance for Q3 2020/21. It is based on Sport NZ's 2020/21 guiding themes and provides a 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 Women and Girls strategy

1.7 Healthy Active Learning

1.8 HPSNZ

1.9 Key Risks and Issues

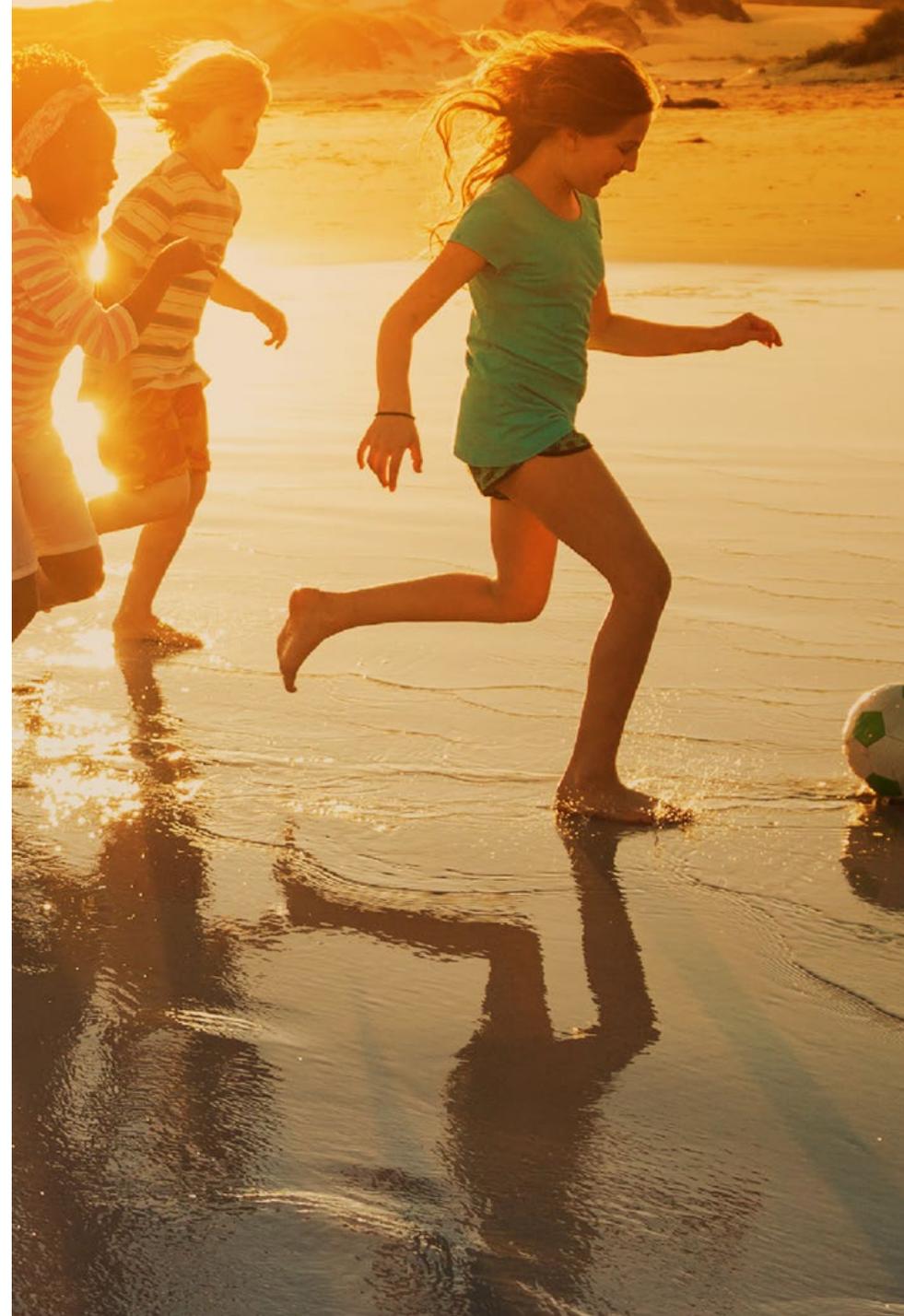
02 Organisational Efficiency

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 full years of data from the Active NZ survey.

Impact of COVID-19 on data collection

As a result of COVID-19 disruption, there was a pause in fieldwork in the April-June 2020 quarter.

What we did instead

We contacted over 37,000 adults who had agreed to take part in more research after completing the Active NZ survey from its inception in 2017 - specifically to understand the impact of the pandemic on participation.

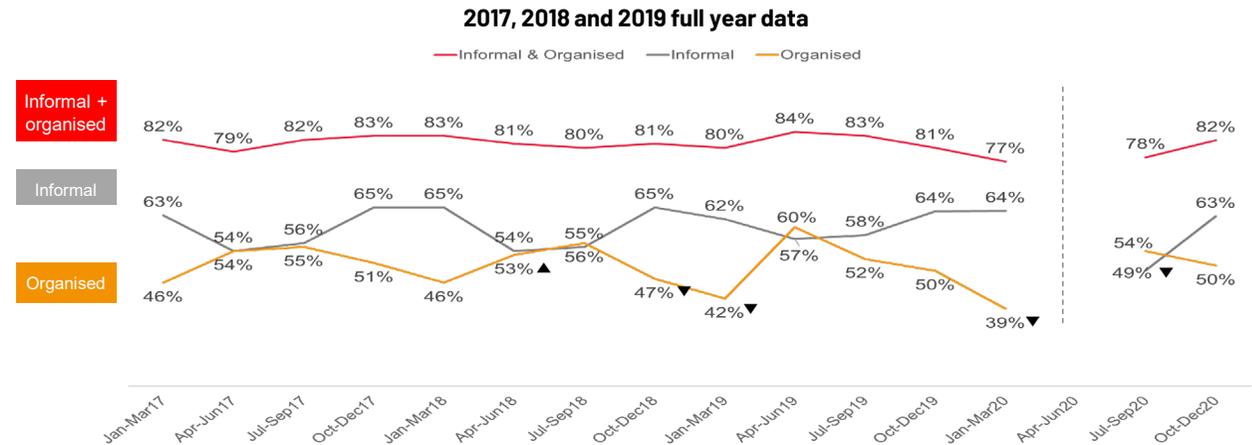
There have been four measurements between April 2020-21. We will analyse the data for a cohort of respondents who have completed the survey at each wave.

Three-year trends from Active NZ

Results based on three full years of data reinforce inequities in the system by age, gender, ethnicity and deprivation.

Emerging trends between ages 8 and 14 point to decreasing club and team membership in and outside of school.

Weekly participation (at least 3 hours) – Young people



Results for the first four years of data collection

- Since 2017 and up until 2020, there was no significant difference in 3+ hours in informal and/or organised participation with 8 in 10 children and young people participating each week.
- There has also been a consistent seasonal pattern of participation. Informal participation is higher between October and March, while organised participation is higher between April and September.
- Due to the fieldwork pause, there is no annual result for 2020 to make a year-on-year annual comparison. However, there was a significant drop in 3+ hours in informal and/or organised participation in the July-Sept compared with the previous year, reflecting the impact of the COVID-19 pandemic on participation.

		Performance Measures: Young people and adult participation	SOI 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 \$197m of the \$264m committed so far.
- Launched Active Me – Kia Tū Fund, a partnership with Variety NZ, and Te Kīwai Fund in partnership with Te Pūtahitanga o Te Waipounamu, the South Island Whānau Ora Commissioning Agency.
- Developed a set of international travel requirements for the Olympics/ Paralympics/ Rugby World Cup.

Futures Project

- After crafting five key themes and associated characteristics of the preferred future, engagement with internal and external groups started to identify actions to bring the preferred future to life.

Play

- Hui at the end of March with 59 staff members of RSTs involved in improving play opportunities.

Honouring Te Tiriti

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

He Oranga Poutama (HOP)

- The Kaupapa Māori response Plan, which was developed in 2020 to combat the adverse effects of COVID-19 on the play, active recreation and sport system for Māori, included an increase in funding for He Oranga Poutama.
- In Q3, current providers were invited to reapply for HOP funding through a closed tender process.

MaraeFit

- This initiative provides an opportunity for active recreation and sport organisations, whānau, hapū and marae to increase their physical activities.
- Q3 focus has been on developing IT solutions.

Equitable opportunity

Create an equitable, inclusive & accessible system.

Women and Girls

- First of two annual reports released with results from our two-year media and social media analysis.
- Continue to review results from the first of three Sector Diversity and Inclusion surveys. Results will be released in Q4.

Disability Plan

- Approved Disability Partnerships Investment into 15 ParaFeds and 7 National Disability Sport Organisations and investment into two new contestable Disability funds.

Valuing physical activity

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

Integrity

- Launched a Mediation and Complaints Service with education and resources to support roll-out.
- Started Phase 2 of the child safeguarding programme .
- Integrity Working Group underway.

Sport Development

- Launched Coaching for Impact programme, aimed at coaching sport for rangatahi aged 12-18.

Healthy Active Learning

- 331 schools and kura are now engaged with the initiative, up from 313 last quarter.
- Successful national hui in February with 70 RST representatives.

Balance is Better (BiB)

- Nationwide online hui focused on Balance is Better for people involved in youth sport.
- Planning underway for 6-week public campaign during transition to winter sport.

1.3 Recovery Investment

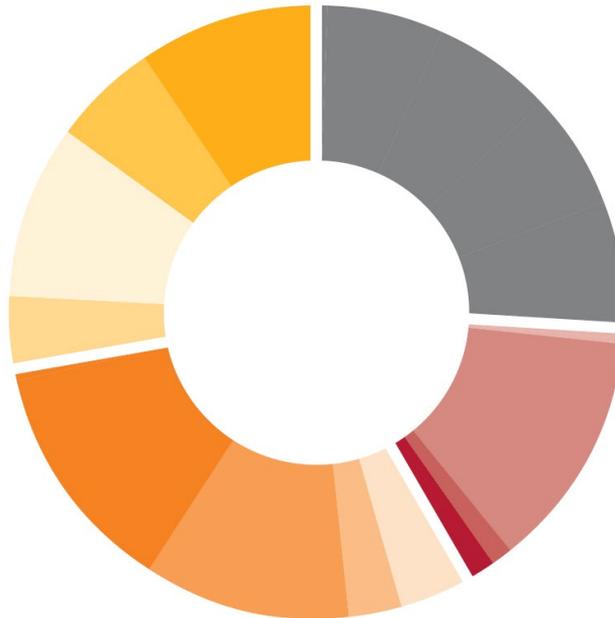
Sport NZ's plan for the Recovery Package is built around three investment outcomes: Reset and Rebuild, Strengthen and Adapt, and Different and Better.

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	\$117.19m	\$63.0m	\$47.11m	\$32.70m	\$264.6m

The total budget for the Recovery Package is \$264.6M. Expense transfers were approved in the March Baseline Update, rephasing budget from 2020/21 to 2022/23 and 2023/24. This is reflected in the annual budgets below. A further expense transfer will be proposed in the October Baseline Update, from 2021/22 to 2023/24.

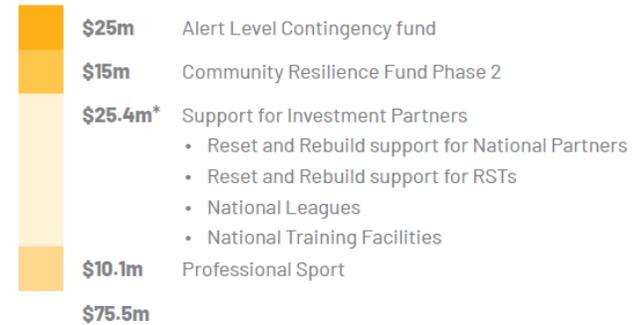
\$197.4m (74.6%) committed to date.

Total recovery spend to date showing alignment to recovery outcomes and as a proportion of the total budget.



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.



Not yet committed



* 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

1.3 Recovery Investment

Different and Better: High Performance Strategy: \$33.2m

High Performance Sport NZ (HPSNZ) has unveiled a new strategy to strengthen and evolve New Zealand's high performance system through major shifts in investment, wellbeing and engagement, and performance pathways between now and 2024.

The strategy is backed by more than \$273 million of investment. This includes an additional \$31.2 million in Government funding through the Sport Recovery Package.

HPSNZ's new strategy brings to life three key shifts identified in the 2032 High Performance System Strategy: Performance Pathways, around which the strategy is anchored, together with Funding & Investment and Wellbeing & Engagement. Each shift is supported by several major initiatives.

We will work with HPSNZ colleagues to identify and wrap appropriate evaluation around the Recovery investment in particular.

Reset and Rebuild: recent commitments from the Alert Level Contingency

The Sport NZ Board has approved three separate allocations of investment from the Alert Level Contingency Fund (\$25M). They are:

- a) Financial support for additional MIQ related costs associated with those athletes or teams who meet the published border exemption criteria. Capped at \$200K per NSO per season – two NSOs NZ Cricket and Netball NZ have accessed this investment support for the recent Cricket Tours and the Constellation Cup.
- b) Financial support for MIQ for those athletes who don't receive High Performance Campaign funding and meet the criteria of needing to travel to represent New Zealand at Olympics qualifying events. Commitments of up to \$10k each have been given to seven sports: Judo, Diving, Badminton, Swimming, Gymnastics, Tennis and Curling.
- c) Additional investment of \$1.5M to support the additional Covid-19 related MIQ costs for the Rugby World Cup 2021. Note that this is being discussed as part of the postponement package.

1.4 Sport NZ Futures project

The objective of the Futures work 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 focused on telling the story about the preferred future – what it looks like, what’s important and how it works; socialising the process and findings that led us to identifying the characteristics of the preferred future; and beginning engagement to identify actions that agents within the play, active recreation and sport system including Sport NZ can take individually and collectively to bring the preferred future to life.

Work was also completed to support others to provide their perspective of the futures process to-date.

Completed in Q3:

- Analysed all reports and identified key messaging
- Crafted five key themes and associated characteristics of the preferred future
- Tested these characteristics with internal and external audiences and refined
- Socialised the process and findings of the futures work through internal and external presentations
- Began internal and external engagement to identify actions that agents within the play, active recreation and sport system including Sport NZ can take individually and collectively to bring the preferred future to life

Coming up in Q4:

- Design the characteristics of the preferred future
- Identify work underway consistent with preferred futures and outcomes that we want to sustain (in-flight initiatives)
- Identify innovative reforms and actions all stakeholders can take to nudge us toward the preferred future. (game-changers, no-regrets actions)
- Agree and implement a process to monitor progress against actions
- Agree and implement a process to monitor assumptions and drivers of change, identifying where we need to elevate our response
- Use the Connections Conference to further discuss and socialise the preferred future and the ongoing futures work.

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.

Within the last quarter the business capability team underwent a restructure and the team now has a new manager with a revised set of business capability priorities, which include governance and planning, technology, finance and corporate services, commercial and philanthropy, business solutions and the delivery of an integrated suite of People and Culture Shared Service solutions that will include HR and Leadership components (refer next slide).

We are leading a project to determine which elements of the Team's approach can be improved to better support partners and their capability needs.

The project is phased and aims to:

1. Ensure the functional areas of the business capability team are set up to maximise the benefits to the partner.
2. Enable an understanding of a partner's organisational maturity.
3. Provide a benchmark for organisations to rate themselves against, and a set of standards to work towards.
4. Help Sport NZ direct resources to where it is most required and will have greatest impact on strategy.
5. Help show a return on investment and how partners have been helped to progress through levels of capability to be stable and capable relative to the size and complexity of their operations/environment.

The adjacent table shows progress made against the original recommendations out of the NSO Capability Project Sport NZ undertook with 18 partner organisations across the original six core areas of business capability.

Following the completion of the project described above, future quarterly reports will include a more fulsome review of progress across each of the revised business capability areas and the current reporting framework will therefore be phased out.

Original six core capability areas*



Governance

12 initiatives across 11 partners



Leadership and culture

11 initiatives across 11 partners



Human Resources

63 initiatives across 18 partners



Finance

21 initiatives across 14 partners



Technology

27 initiatives across 14 partners



Stakeholder management/communications

41 initiatives across 13 partners

Progress

		100% complete
	100% on hold	
71% in progress		29% complete
38% in progress	14% on hold	48% complete
19% in progress	26% on hold	56% complete
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 People and Culture Shared Service Project (previously HR). The Leadership initiatives remain on Hold for this reason.

1.5

Building partner capability – People and Culture Shared Service (previously HR)

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

- Leverages existing work to date - studies/key insights and People and Culture initiatives;
- Enables and establishes quality People and Culture standards and practice across the sector;
- Increases the capability and capacity of PARS organisations to effectively manage People and Culture matters;
- Improves the performance and wellbeing of employees; and
- Supports leadership growth, talent management and sector-wide collaboration.

Progress

- Discovery work combined with focused partner/stakeholder engagement has been carried out to inform a discussion paper and initial business case on:
- Four priority areas of need and high impact solutions
- Potential service and delivery models
- Critical enablers and challenges
- Sustainability and success measures (now and future)

Next steps

- Further evolution of the business case and socialization with key internal stakeholders
- Business case to the Investment Recovery Committee May 7th for endorsement
- Business case to the Board May 20th for approval
- Pending approval, begin procurement/implementation processes June

1.6 Women and Girls strategy – Sport NZ commitments

Sport NZ is leading the Women & Girls in Play, Active Recreation and Sport Government Strategy.

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.

Sport NZ has recently appointed a Women and Girls Consultant to oversee the progress against the 24 commitments supporting the strategic outcomes in the Women and Girls in Sport and Recreation Strategy.

To date, 17% of the commitments are fully complete, 71% are progressing well and 12% are currently being scoped. Details of some recent progress is outlined here.

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.

Board Gender Diversity Target

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

Design/ Plan

Execute

Close & Maintain

- Partner organisations are making good progress towards achieving the 40% women on Boards target by the end of 2021.
- As of July 2020, of the 65 boards to whom the target applied, 57% had reached the target for self-identified women.
- Of the remaining 43%, almost all have signaled that they intend to meet the target for self-identified women by December 2021.

Activation & Innovation funds

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

Design/ Plan

Execute

Close & Maintain

- Activation fund: With the nine projects currently through their second year of implementation, we're developing case studies to share with the sector.
- Innovation Fund: All the projects funded have now been completed. The final report, capturing outcomes achieved, lessons learnt, key challenges and key success factors, is being finalised.

Nationwide campaign

Develop a nationwide integrated campaign.

Design/ Plan

Execute

Close & Maintain

- Qualitative research to better understand the wants, needs and barriers faced by young women when it comes to participating in play, active recreation and sport, has been completed.
- The insights developed through the discovery phase, alongside existing national data and other relevant research, have helped to inform and define the campaign's intent and desired outcomes.
- The design of the campaign is currently underway, with the launch currently scheduled for September this year.

Diversity and Inclusion Survey

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

Design/ Plan

Execute

Close & Maintain

Results from the first of three Sector Diversity and Inclusion surveys will be released in Q4. The survey shows that the sector is significantly older, over-represented by those of NZ European ethnicity and male dominated in some areas. Pay gaps between men and women and Pākehā and Māori also exist.

Women in HP leadership and coaching

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

Design/ Plan

Execute

Close & Maintain

Progress Reports for the first 12 months of the Residency Fund initiative were completed in January 2021, showing a positive impact for both the individual women and the NSO's HP programme. Conversations with NSOs is moving to the sustainability of the roles and future planning to support the eight women employed through the initiative. The first six-month progress report of the Te Hāpaitanga programme shows benefits to all those engaged in the initiative (coaches, mentors, NSO sponsors). HPSNZ has secured the continuity of this mahi by embedding the Women in HP project in the 2024 strategy.

Media audit

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

Design/ Plan

Execute

Close & Maintain

First of two annual reports released in Q3. The audit found that:

- Only 15% of sports coverage mentions female athletes, whereas 84% mentions male athletes
- 20% of sports coverage is by-lined by female journalists, 80% by males
- almost all areas of gender imbalance in the way athletes are portrayed (through words and imagery) as identified in the NZOC's Rio media analysis study have now disappeared

1.7 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 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 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's partnership with the eight RSTs implementing Phase One of its component of the initiative remains strong. 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.

All eight RSTs are now operating at full capacity following the deployment of a Community Connector workforce that started in January 2021.

Sport NZ has recently completed initial meetings with all RSTs as part of planning for Phase Two of Healthy Active Learning (2022-2024). It remains Sport NZ's intention to partner with all 14 RSTs to implement Healthy Active Learning across all regions of Aotearoa.

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.

The physical activity workforce component is progressing well



Phase One – school and kura engagement

- 331 schools and kura are engaged in the initiative. 213 of these are reported as having moderate to high engagement.



Tapuwaekura Pilot Project

- Initial evaluation findings indicate that kura leaders support and value the Atua Matua approach, and kaiako (teachers) understand and are building confidence to apply the approach into learning environments.



Regional collaboration

- RSTs and the Ministries of Health and Education are working collaboratively to align and connect other interventions and initiatives from across their respective sectors.



Workforce development

- Sport NZ led a successful national hui in February across three days in Wellington. 70 representatives from all RSTs attended and were joined by Ministers Grant Robertson and Chris Hipkins.



Evaluation

- Healthy Active Learning baseline data collection now complete.

1.8 High Performance Sport New Zealand

Updates against HPSNZ's key focus areas in Q3 2020/21 include:

- Leading the system's continued 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).
- Support for priority Tokyo campaigns delivered in accordance with demand, which was identified and mapped in Q2. Demand model will continue to play an important role in the implementation of HPSNZ's 2024 Strategy.
- Guidance for the sector to facilitate NSO compliance with health and safety obligations when considering international travel for athletes continued to be provided, and related webinars were hosted for the sector in conjunction with Sport NZ and WorkSafe.
- HPSNZ's Travel Advisory Group considered requests for HPSNZ staff to travel in support of athletes competing internationally and engaged 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). In Q3 the team secured emergency MIQ available and progressed priority access to COVID-19 vaccines for the Tokyo Olympic/Paralympic New Zealand Teams, with an application process in place for other athletes/teams who intend to travel internationally.
- Continued application of innovative solutions to replicate competition environments amid travel restrictions, and advocacy to wider government regarding the importance of continuity of training in the build up to the Tokyo Olympic and Paralympic Games.

- 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.

Evolving the system to generate greater performance outcomes and wellbeing

- Completed progress reporting on the Women in High Performance Sport Residency Fund and the first six months of Te Hāpaitanga coaching initiative. Responses to the two initiatives have been positive, with feedback demonstrating benefits for both the individual women involved and their NSOs.
- Launched HPSNZ's 2024 Strategy on 25 March, following further delays due to COVID-19 restrictions. The Strategy focuses on:
 - evolving how we work to enable and empower world class performance in an environment that values wellbeing
 - progressing 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.

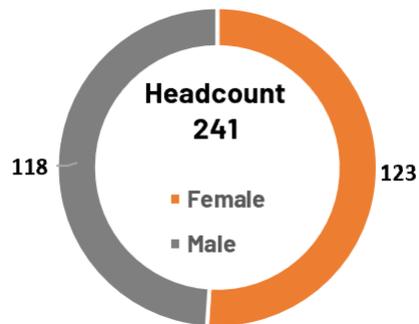
Ensuring HPSNZ's organisational structure, systems and processes are fit for purpose

- This work remains ongoing, but in order to mitigate the risk of 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 2021/22 after the completion of the Sport NZ Group structure and governance review.

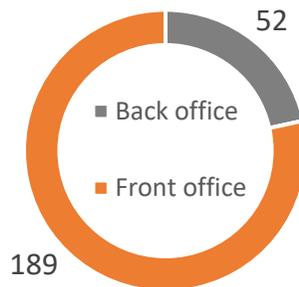
1.9 Key Risks and Issues

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>	MEDIUM ▼	<ul style="list-style-type: none"> Officials group (incl. Sport NZ, HPSNZ, NZOC, Para, MOH, MBIE) working collaboratively to plan and manage, including planning athlete vaccination programme with MOH; 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>	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.
<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.

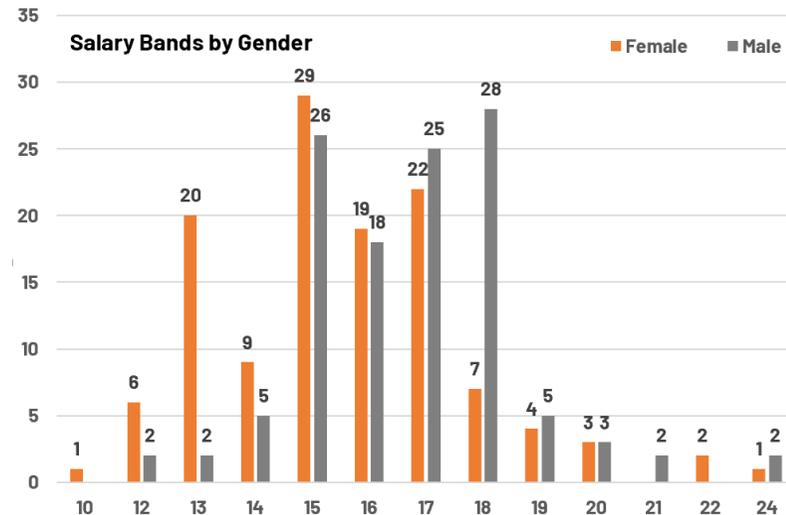
2.1 Our people – Sport NZ Group



Headcount is the total number of Sport NZ Group permanent and fixed term employees.

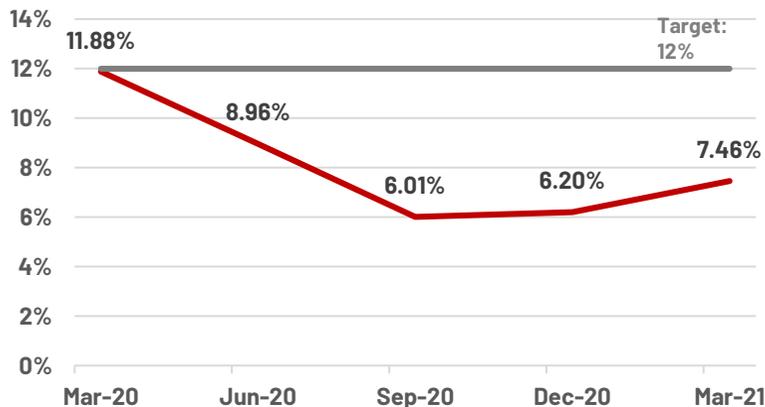


Front office staff are employees working directly with those in the sport system, such as our community sport and high performance partners, athletes and coaches. Back office refers to those in corporate or support positions.



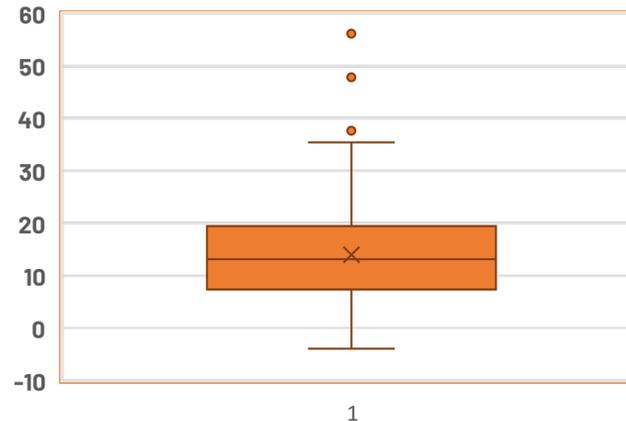
Current challenge faced by Sport NZ Group is one of gender distribution - there are more males than females in middle management/senior positions (bands 17-18). To reduce the gender pay gap Sport NZ Group needs to focus on appointing a greater percentage of females into senior roles. This is addressed in the current HR Diversity & Inclusion Action plan.

Annual employee rolling turnover



Sick leave
2.04 average days for 3rd quarter

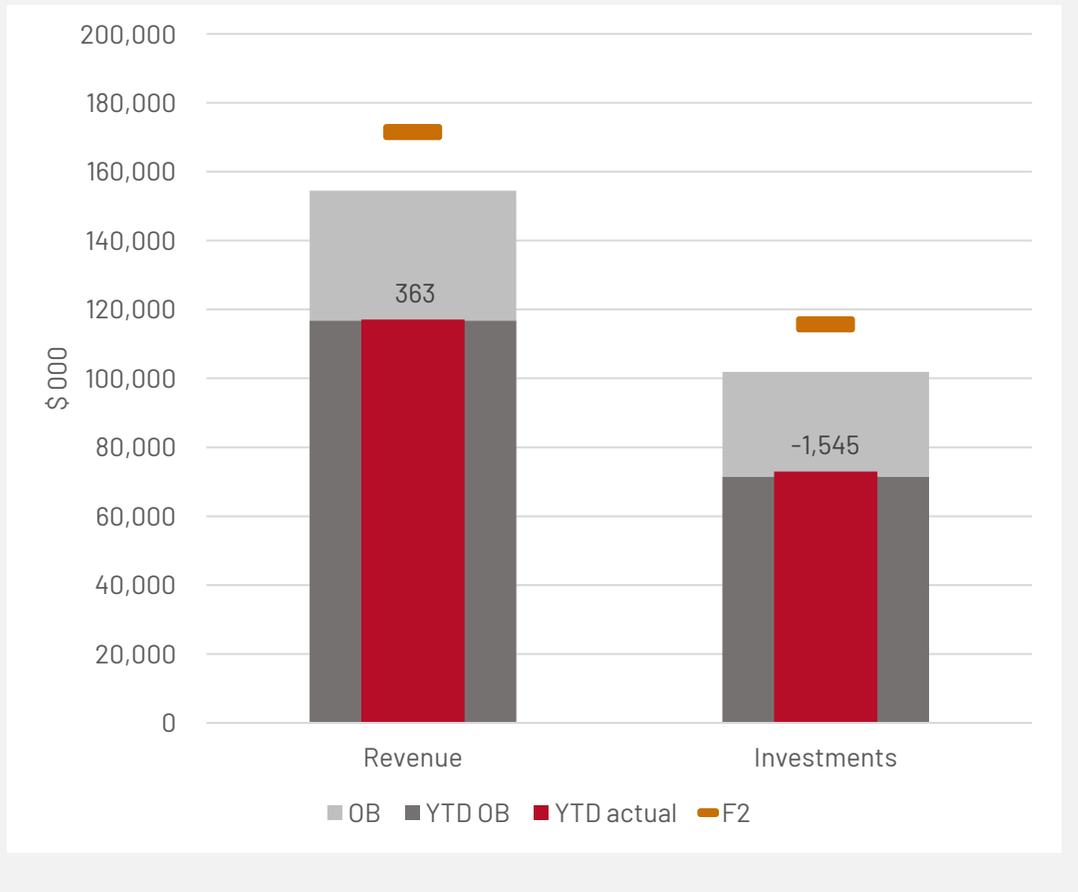
Annual leave balances



Annual leave balances are up from the same time last year due to travel restrictions associated with Covid-19. Average annual leave balance across the Sport NZ Group = 14 days

3.1 Revenue and investments

Revenue YTD actuals against YTD OB (excluding Recovery Package)



Commentary

Revenue

- Crown funding is consistent with Original Budgets (OB).
- Interest income is \$0.225m ahead of budget.

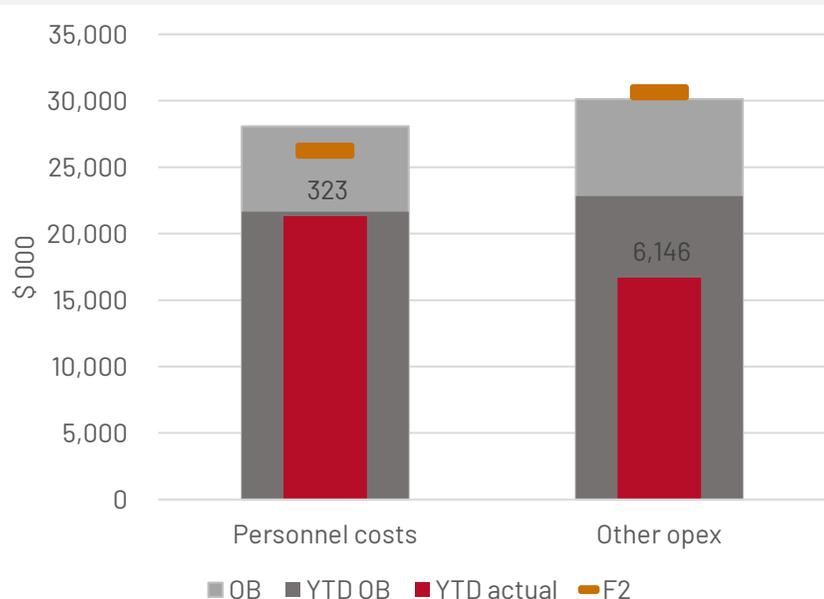
Investments

The Sport NZ COVID-19 relief package announced and forecast in 2019/20 had the following amounts incurred in 20/21:

- Partner Support Fund (\$4.132m),
 - Safe return to play (\$0.231m), and
 - Exceptional Partner Support Fund (\$1.881m),
- Offset by
- Timing of NSO HP initiatives (\$1.364m)
 - Timing of scholarship payments (\$0.780m)
 - Timing of HP infrastructure funding (Football \$0.5m & Yachting \$2.2m).

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	21,318	21,641	323	1.5%
Marketing and communications	746	3,182	2,436	76.6%
Professional and technical services	8,439	9,032	593	6.6%
Sector training	359	1,859	1,500	80.7%
Other opex	7,134	8,751	1,617	18.5%
Total operating expenditure	37,996	44,465	6,469	14.5%

Commentary

Personnel Costs – \$0.323m (1.5%) underspent

The underspend is largely due to:

- Delays in professional development (\$0.100m) and delays in filling vacancies.

Marketing & Communications – \$2.436m (76.6%) underspent

The underspend is comprised largely as follows:

- Active Girls campaign launch moved out to Q1 21-22 (\$1.830m), and
- Less support being required in Marketing & Comms (\$0.436m) and delays in social media strategy and phasing of invoices in brands and marketing (\$0.120m).

Professional & Technical services – \$0.593m (6.6%) underspent

The deviation from budget is largely due to:

- Reprioritisation of intelligence projects resulting in savings of \$0.431m.
- Disability budget reclassified to sector investments (\$0.300m),
- Delays to work programmes in Spaces & Places (\$0.271m) and timing of continuing projects (\$0.161m).

Offset by:

- Additional support for MIQ work and the Olympics project (\$0.175m),
- Unbudgeted cost for Interim Complaints Mechanism (\$0.168m) and Transgender project (\$0.051m),
- Increase in HP contractor costs to support Tokyo & pathway implementation work, and
- Timing of HP Women in Sports costs.

Sector training – \$1.500m (80.7%) underspent

The underspend is largely comprised as follows:

- NSO transformation project has been re-scoped as the project is closely aligned to Recovery and Futures projects (\$0.230m).
- Delays in training initiatives in Healthy Active Learning (\$0.249m).
- Sports development (\$0.593m) – budget reallocations in F2.

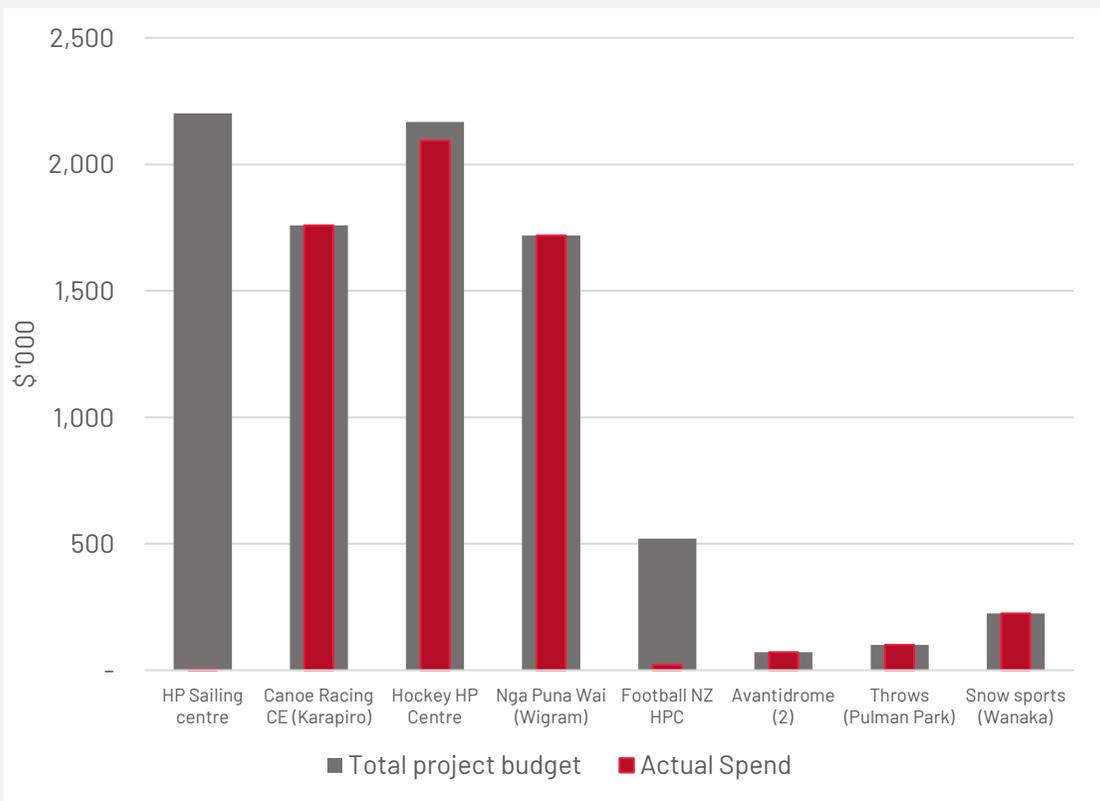
Other Opex – \$1.617m (18.5%) Underspent

Significant deviations from budget include:

- Phasing of IT service costs and licensing across the business (\$0.243m),
- Travel underspent by \$0.222m (\$0.092m permanent difference),
- Budget for pathway implementation reallocated to professional & technical services,
- Timing of seminars and conference and Goldmine delivery work,
- Timing of P2P programme and HP Women in Sport breakthrough costs.

3.1 Infrastructure investment

Infrastructure investment against total project cost



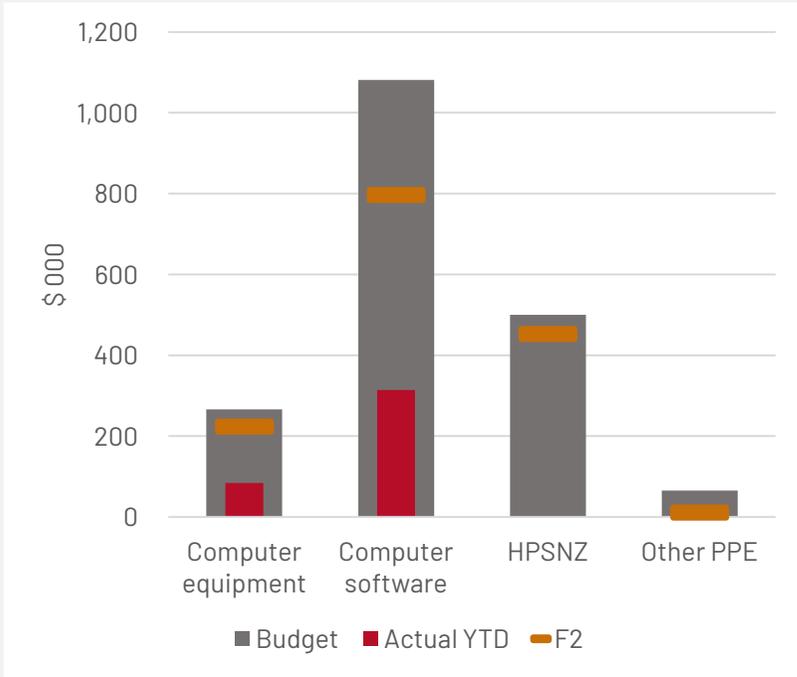
Commentary

The \$2.775m in 20-21 represents all unspent funds:

- \$2.2m allocated to Yachting NZ (YNZ) has been “tagged” to a new High-Performance Centre for a number of years. YNZ have been requested to provide a confirmed option and an agreement to proceed by 30 June 2021 or the investment will be withdrawn.
- \$0.500m tagged to Football NZ for the football HPC – at the end of 2020 we were advised by the CEO of NZ Football that they will not be calling on these funds until after the Women's World Cup in 2023.
- The final \$0.075m installment for the Hockey HPC at Albany is expected to be paid in Q4 upon receipt of code of compliance.

3.1 Balance sheet

Capital Expenditure



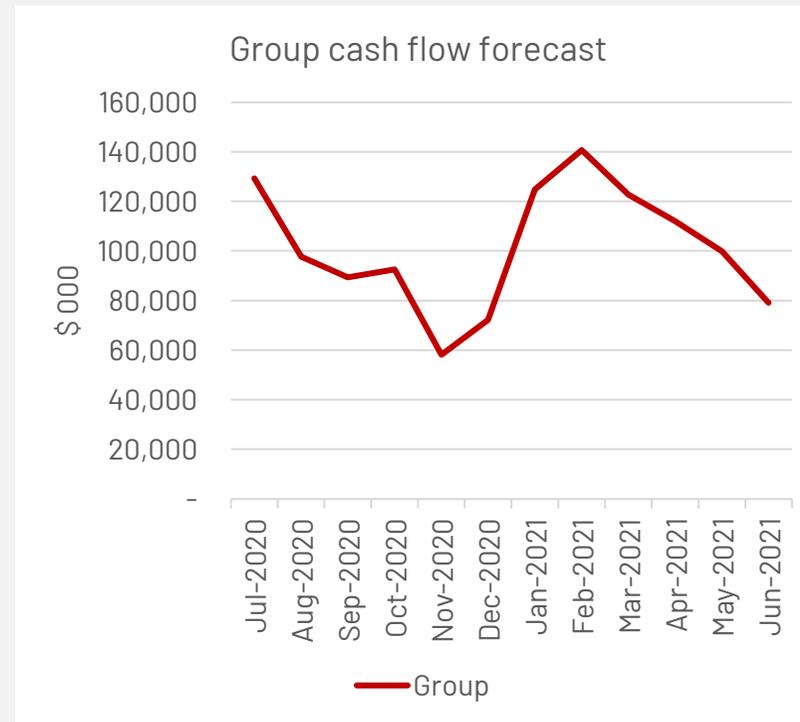
Commentary

CAPEX of \$0.409m has been incurred for the year and represents 21% of the OB CAPEX budget.

Significant expected OB shortfalls have been adjusted in F2. These are:

- \$0.200m - Maraefit project now accounted for as opex,
- \$0.093m - Reduced IT equipment requirement.

Cash flow



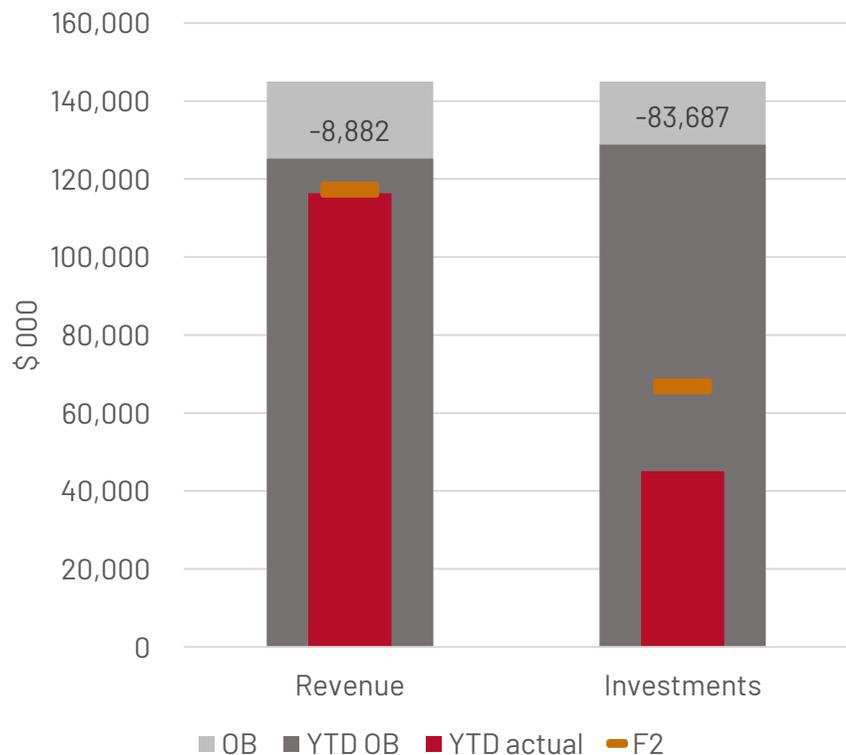
Commentary

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 \$8.882m.

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 regularly reported to the Sport NZ Audit and Finance Risk Committee. The latest full year forecast is represented by F2.

The numbers in the light grey boxes represent the difference between OB 2020/21 and actual balances, denominated in thousands of dollars.

Permanent full year differences currently expected to be:

- \$48.228m likely to be carried forward into out years including:
 - Alert Level Contingency \$23.470m
 - Strengthen and Adapt \$18.394m
- \$27.807m to Sport NZ out-years (2022/23 and 2023/24) as per joint ministerial approval.

A more detailed representation of the Recovery Investment Portfolio forecast is available on the next slide.

3.2 COVID -19 Recovery investment

Approved Fund Distribution 2020/21

