



SPORT
NEW ZEALAND
IHI AOTEAROA

Sport NZ Group

Quarterly performance report

Q3: January to March 2024

Overview



The achievements from Q3 2023/24 covered in this report include:

- The new *Active As* secondary schools' partnership programme is ready to launch;
- The inaugural Manu World champs held in the main centres;
- He Oranga Poutama programme expanded into the Manawatu;
- HPSNZ focus is on the final build up to Paris Olympic and Paralympics; and
- HPSNZ have completed Mental Health strategy document for consultation, including with athlete representative groups.

This report also identifies that new data is available regarding:

- The combined economic and social value of sport and active recreation in Aotearoa New Zealand;
- The latest trends, barriers and motivations of how young people participate in physical activity; and
- The outcomes from the Tū Manawa Active Aotearoa evaluation;

Summary performance information for the Sport NZ Group indicates that:

- Employee rolling turnover continues to decline for both Sport NZ and HPSNZ;
- Average annual leave balance has reduced by c2.5 days from pre-Xmas levels;
- Average sick leave taken per quarter up slightly on Q2 and up 0.5 days in total since Q1;
- Revenue is \$5.26 million greater than expected due to higher interest income and Racing Act revenues; and
- Personnel costs \$1.57 million less than expected due to vacancies and other opex \$4.13 million less due to timing issues.

Sport NZ Ihi Aotearoa activity towards strategic themes



A Better Future

Economic Value of Sport

- Study commissioned by Sport NZ estimated the combined social and economic value of sport and active recreation in 2019 was \$20.8 billion.
 - \$3.85 Bn in consumer purchases
 - \$3.96 Bn in Gross Value Added
 - 2.5% of total employment in NZ

Hawaiki Hou

- Five projects have completed their seed phase and are developing business cases to scale their solutions.
- Hawaiki Hou programme rescaled to fit with organisation-wide budget reduction.

Integrity Commission

- Consultation with the sector on a draft Integrity Code Sport undertaken.
- Current working draft has details on minimum standards, role of ISRC, breaches and consequences, and adoption process for the Code.

Equitable opportunity and accessibility

Tu Manawa

- Tu Manawa promotes physical activity in local communities for tamariki and rangatahi. Evaluation insights include:
 - 4,855 projects funded in past 4 years
 - 1.7m young people impacted
 - \$56.6m spent, 25% on Kaupapa Māori

Women and Girls Action Plan

- Internal review and reflection session on the W&G Action Plan held at Sport NZ to share learnings and identify next steps.

Disability action plan

- Engagement with National Disability Organisations on the development of a collective action plan for disability sport and recreation being scoped.

Participation deep dive

- Insights developed on latest trends, barriers and motivation of how young people participate in physical activity.

Valuing physical activity

Local Play Workforce Project

- First cohort of tākaro Māori roles funded as part of Workforce project placed with 7 Māori providers.

Active as launch – April 2024

- Launch of Active As programme organised for early April.
- Active As is a new partnership between regional agencies and Sport NZ to support secondary schools to provide quality sport and active opportunities to students.

NZ Sport and Recreation Awards 2024

- Nominations for awards close 22 April.
- These awards celebrate leadership and recognise contributions to the sector.

Manu world champs

- Sport NZ sponsored the inaugural Manu World champs in the main centres during January-March

Honouring Te Tiriti o Waitangi

Governance

- New Treaty partner arrangements (to support Sport NZ delivery of Māori outcomes) agreed in principle with Te Atiawa and Ngati Whātua Ōrakei.

He Oranga Poutama

- Expansion of He Oranga Poutama programme (to implement physical activities culturally appropriate to Māori) into Manawatu and initial engagement with Taunui waka on expansion into Waikato.

Māori Sport and Recreation Conference

- Sponsored by Sport NZ, the inaugural National Māori Sport and Recreation Conference will take place in Rotorua on 12-13 April.

The combined value of sport and active recreation in Aotearoa New Zealand.

Social Value

\$9.02 billion

Physical health



\$3.32 billion

Subjective wellbeing
(individual life satisfaction)



\$3.09 billion

Volunteering



\$0.889 billion

Income, consumption and
wealth (individual development)



\$1.13 billion

Social capital
(social trust, belonging and
community engagement)



-\$0.602 billion

Individual safety
(injuries and accidents)



Economic Value



\$3.96 billion

Sport and active recreation
-related economic activity

Total Value

\$20.8 billion

Participation deep dive – age and gender

Overall participation

In 2022, 92% of young people (ages 5 to 17) participated in physical activity in play, active recreation or sport each week.

- On average, young people spent 10.6 hours a week being active
- Young people participated in an average of 4.7 sports and activities each week
- 56% of young people met the physical activity guidelines of 7-plus hours being active each week. However, this drops to 46% for rangatahi (ages 12 to 17)

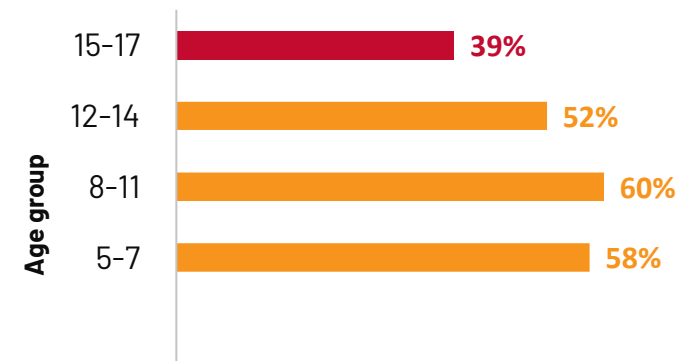
Participation by age

Tamariki (ages 5 to 11) are more active than rangatahi, largely driven by the drop in the four main participation statistics for rangatahi between ages 15 and 17.

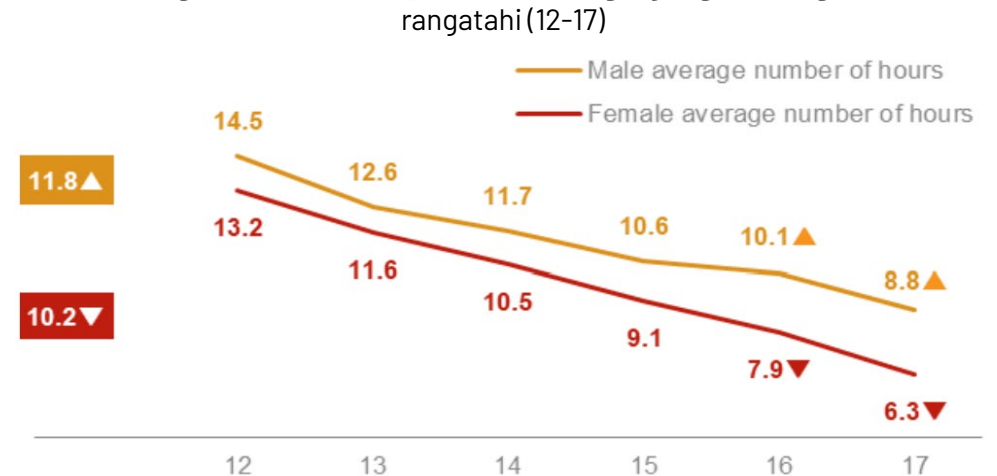
Gender differences

- Young males spend more time in weekly participation than young females, especially between ages 16 and 17. Young males are more likely to meet the physical activity guidelines.
- The gender gap appeared to close slightly over 2021 with COVID-19 shutting down organised sport, resulting in rangatahi males doing less. However, 2022 saw the re-emergence of the gender gap

% Meeting physical activity guidelines



Average time spent participating by age and gender



Participation deep dive – Inactivity

Less active ethnicities

Research shows that the Asian and Pacific communities are growing but both groups are less active than average, for completely different reasons.

- For young Asian, it is mostly cultural reasons that keep them from participating.
- For young Pacific, it is mostly deprivation that keeps them from participating.

Deprivation

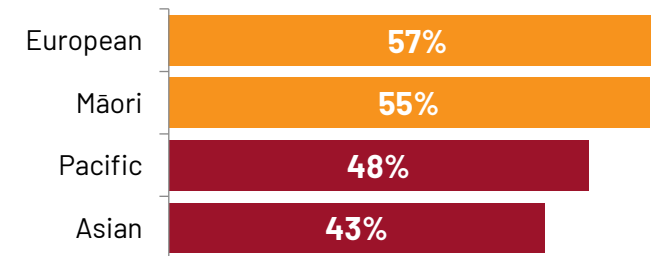
Young people from high deprivation areas are less active than those from low deprivation areas. They experience more barriers, especially around affordability, that keep them from participating.

Disability

- Time spent being active is comparable between disabled and non-disabled tamariki, however, the gap broadens over their lifespan.
- Disabled young people are more likely to want to increase their participation compared with non-disabled.

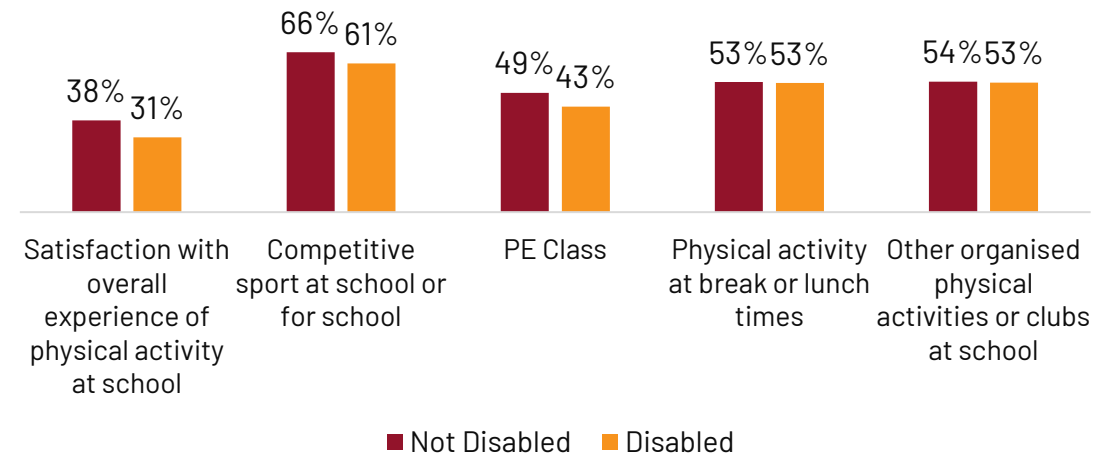
Meeting physical activity guidelines (7+ hrs per week)

Young people (5-17)



Satisfaction with school experience

(% very or extremely satisfied)



Tū Manawa Active Aotearoa Insights as at March 2024

Our shared commitments

Developed from insights from the Tū Manawa network, these eight shared commitments aim to make the most of the fund.

Te Ao Māori

Learn what it takes to work in a bi-cultural way. Use Te Whetū Rehua to guide us in different settings and kaupapa.

Staying connected

Keep building our network, the relationships and the practice, sharing our knowledge, resources and insights. Protect the mana of our Tū Manawa relationships.

Building networks

Identify new partnerships and find 'funding friends' for co-investment and support.

Innovate

A greater willingness to experiment and think differently about how the fund can be used.

Being Locally Led

Engage communities, tamariki and rangatahi. Taking a place-based approach that recognises difference. A one size doesn't fit all.

Flexibility

Review our funding portfolios. As a network, considering how we can move towards greater flexibility in funding agreements, multi-year funding and removing barriers to accessibility.

Environment

Adopt an environmental lens over our investments and working collectively to reduce our impact on the climate.

Tell our story

Amplify the work that we do. Tell the stories of Tū Manawa, its impact and our learnings.



Tū Manawa is an activation fund developed to promote physical activity in local communities – to improve the play, active recreation, and sport opportunities for tamariki and rangatahi.



\$16M



18

\$16 million is distributed annually by 18 Regional Sports Trusts (RSTs) across the country.



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Tū Manawa Approved Applications

Number of applications received:

7,922

Number of projects funded:

4,855

Number of tamariki and rangatahi impacted:

1.7m



Outcomes achieved by projects

78%

of Tū Manawa opportunities exceeded or met expectations with achieving their intended project outcomes.

Meeting intended project outcomes



90%

of providers reported that they improved access to play, active recreation and sport opportunities.

90%

of providers reported that they improved tamariki and rangatahi personal growth.

88%

of providers improved the skills of tamariki and rangatahi to be physically active.

84%

of activities supported rangatahi to have an improved sense of belonging and connectedness.

38%

of opportunities proved tamariki and rangatahi with improved access to culture and language.

Effective delivery of projects



Quality of evidence provided



Alignment of budget to expenses



■ Te Puāwai ■ Te Puanga ■ Te Pihinga ■ Te Kāhano



We are very thankful for Tū Manawa support and funding, and so are our rangatahi and their whanau. It helped us create opportunities and experiences that we wouldn't've been able to otherwise.

Tū Manawa applicant

Active As

Enhancing rangatahi wellbeing and learning through physical activity

A new project between regional agencies and Sport New Zealand Ihi Aotearoa supporting secondary schools and wharekura to provide quality active recreation and sport opportunities

How will it work?

40

secondary schools and wharekura will be supported to design and implement their own physical activity initiatives through to December 2026.

Why is it important?



Physical activity has a positive impact on the physical and mental wellbeing of rangatahi



Active rangatahi are more engaged in learning and achieve better outcomes in and outside of the classroom



Research shows that physical activity drops by 46 percent in teenage years



Two-thirds of rangatahi would like to be more active than they currently are

What are the aims?



To enhance the wellbeing of rangatahi through physical activity



To increase the physical activity levels of rangatahi, particularly those that are less active



To demonstrate the value of physical activity to educational priorities

Why is this relevant to education?

The success of past and existing initiatives in schools has highlighted the value of physical activity to education.



Active As will align to and further complement wider Sport NZ programmes and initiatives supporting schools and kura, including Healthy Active Learning.



What difference will it make?



Rangatahi being active in ways that reflect them and their aspirations



Increased physical activity levels and reduced participation drop off rates



Improved physical and mental health for rangatahi



Improved attendance, engagement and achievement at school

The facts

Here's what we know about sport in secondary schools and wharekura in Aotearoa:

47%

of rangatahi participate in school sport – this number has been static for the last 10 years

56%

of sport staff are employed part-time

60%

of sport staff are in the role for less than three years

50%

lower participation rates are seen at schools in high deprivation areas



FAST FACTS



Viaduct Harbour, Auckland
Qualifiers: 24 Feb - 3 March
Grand Final: 9 March



Waterworld, Hamilton
Qualifier: 3/4 February



Regional Aquatic Centre, Wellington
Qualifier: 27/28 January



Jellie Park Outdoor Pool, Christchurch
Qualifier: 10/11 February

- 41 days across 4 cities
- Kids, youth and adults' divisions
- 14 finalists from each qualifier headed to the Grand Final
- Splash height and volume judged by world-first ManuTech
- 6 Manu World Champions!

But one splash reigned supreme....

Wharepapa Reiersen
Mangere
Score: 112.2



HPSNZ activity towards strategic themes



Performance Pathways

Te Hāpaitanga programme

- Te Hāpaitanga aims to enable more women to pursue and succeed in high performance coaching roles.
- Te Hāpaitanga cohort 4 officially began their 18-month high-performance coaching programme on 1 March 2024.
- Applications for Te Hāpaitanga cohort 5 processed and successful coaches announced.
- NZ Herald to run a daily 5-part series on the Te Hāpaitanga programme from 8 April.

Wellbeing and Engagement

Athlete Voice:

- We continue to have good engagement with the Athlete Leadership Network (ALN) including feedback from the transition to 2025-2028 cycle consultation.

Wellbeing programme:

- The Wellbeing programme is continuing to provide individualised support to NSOs based on their needs and context.
- NSOs have fed back the value they are getting from the cross-code interactions and learning from one another.

Mental Health in HP environments:

- Our draft Mental Health strategy document has been completed and will now be circulated for consultation both internally and externally including to athlete representative groups.
- We are continuing to make progress on several implementation areas such as MH101, Readiness App, bespoke Mental Health First Aid training for athlete facing staff, reviewing mental health screening tool.

Funding and Investment

Paris 2024 Focus

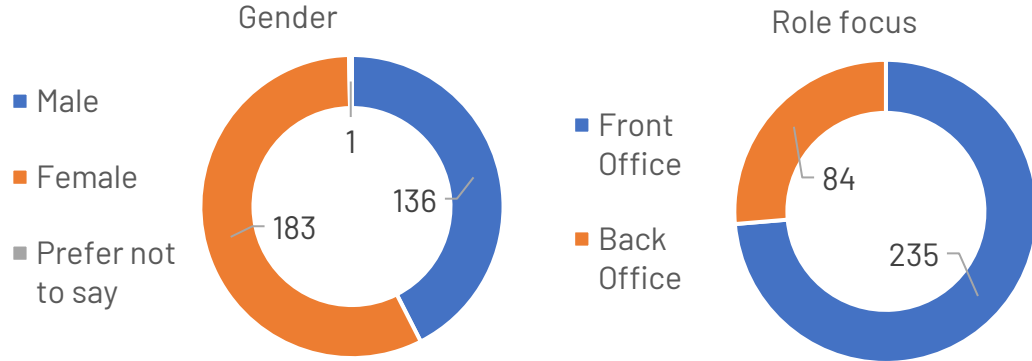
- Current projections estimate that New Zealand remains on track (noting some risks) to achieve the target of 13-18 medals at the Paris 2024 Olympic Games.
- Current projections estimate New Zealand remains on track to achieve the target of 14-18 medals at the Paris 2024 Paralympic Games.
- HPSNZ continues to partner with NZOC and PNZ on joint planning initiatives in the lead up to the respective Games.

Key strategic risks



Risk	Risk rating	Mitigation / management
<p>Funding uncertainty Risk that traditional funding sources for the sector are eroding with no replacement sources. This includes the Group’s funding not being sufficient to enable us to complete all planned work required to achieve our strategic objectives and outcomes.</p>	<p>Very High</p>	<ul style="list-style-type: none"> • The new 4-year Sport NZ strategy provides the framework for management to reprioritize work effort within new team funding envelopes and make prioritisation decisions for investments with external partners. • Continue to work with MCH and Treasury to input into the Government’s Fiscal Sustainability programme. • 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 (incl. advocating for Gambling Act changes). • Explore potential of promoting and/or partnering on cross-Govt initiatives to leverage joint resources.
<p>Sector integrity incidents Risk of incidents involving high performance athletes and/or sport, active recreation and play sector participants, resulting in safety and/or wellbeing impacts for affected people, reputational damage for organisations involved including Sport NZ Group and the sector, and potential funding and participation level impacts for organisation(s) involved or the wider sector.</p>	<p>High</p>	<ul style="list-style-type: none"> • Establishment of the Integrity Sport and Recreation Commission (ISRC) underway for a 1 July 2024 start date. • The transition programme for ISRC being led by Sport NZ and a MOU between the two entities is being developed. • An integrity code for the sector which will be monitored by ISRC is being developed. • Sport NZ has a code of conduct, employment checks and process to maintain visibility over conflicts of interest • HPSNZ has a NSO health check process and a wellbeing framework (with guidelines). • Athletes can access education and support services and the Sport and Recreation Complaints and Mediation Service.
<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 strategic objectives.</p>	<p>High</p>	<ul style="list-style-type: none"> • Sport NZ Group Emission reduction plan, baseline year and emissions report developed submitted. • An emissions reduction implementation plan being developed and internal messaging on reduction expectations. • 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 our partners 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>	<p>High</p>	<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; e.g. 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>	<p>High</p>	<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 (e.g. 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) • Heightened advocacy for the value of physical activity and sport, especially in Education settings

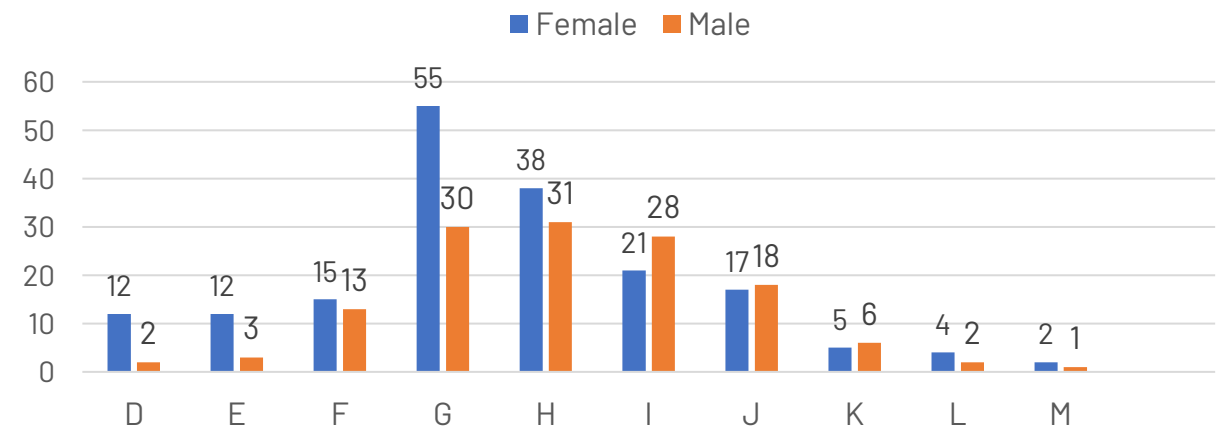
Our people



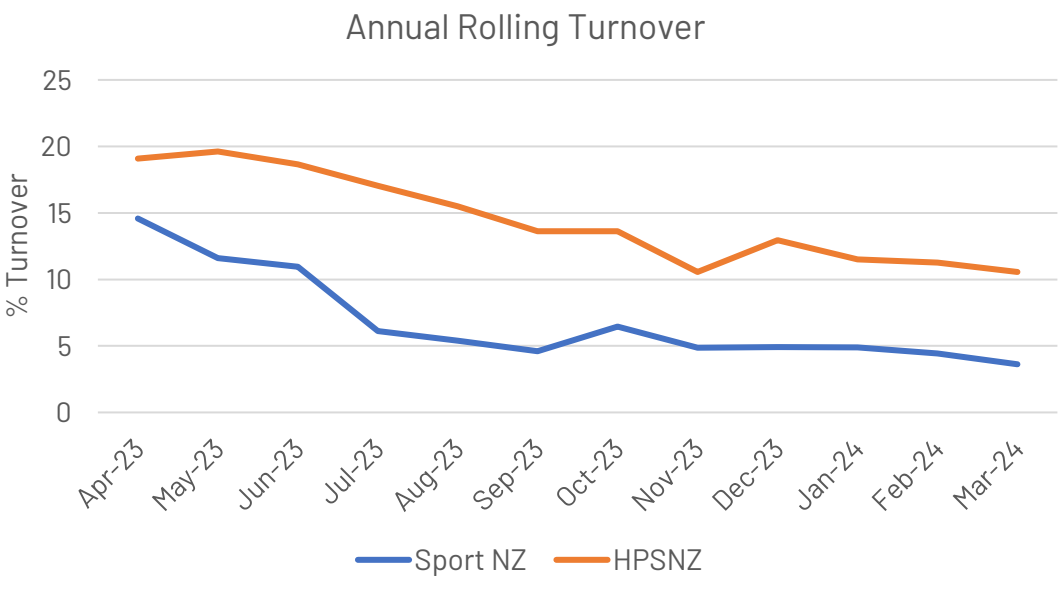
Total: 320
Headcount is the total number of Sport NZ Group permanent and fixed term employees. This total is as at March 2024.

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.

Band by Gender



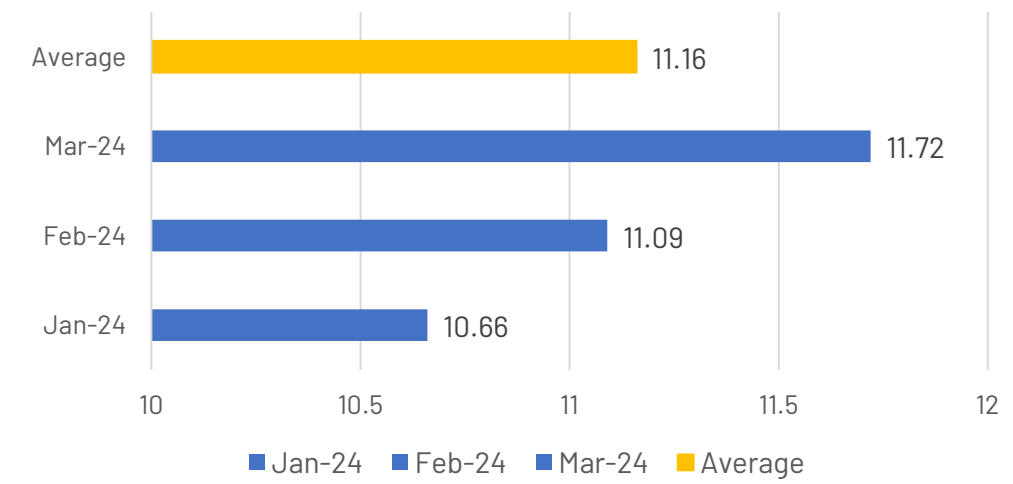
Across the Sport NZ Group there are more men than women in higher bands (I and above), and more women than men in the lower bands. To continue to reduce our gender pay gap, the Group needs to focus on appointing a more women into leadership roles. This is addressed in the Diversity, Equity & Inclusion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



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 **3.69 days** for the 3rd quarter

Quarterly Annual Leave Balances



Average annual leave balances across the Group are 11.16 days. This is a decrease from last quarter which was 13.84 days.



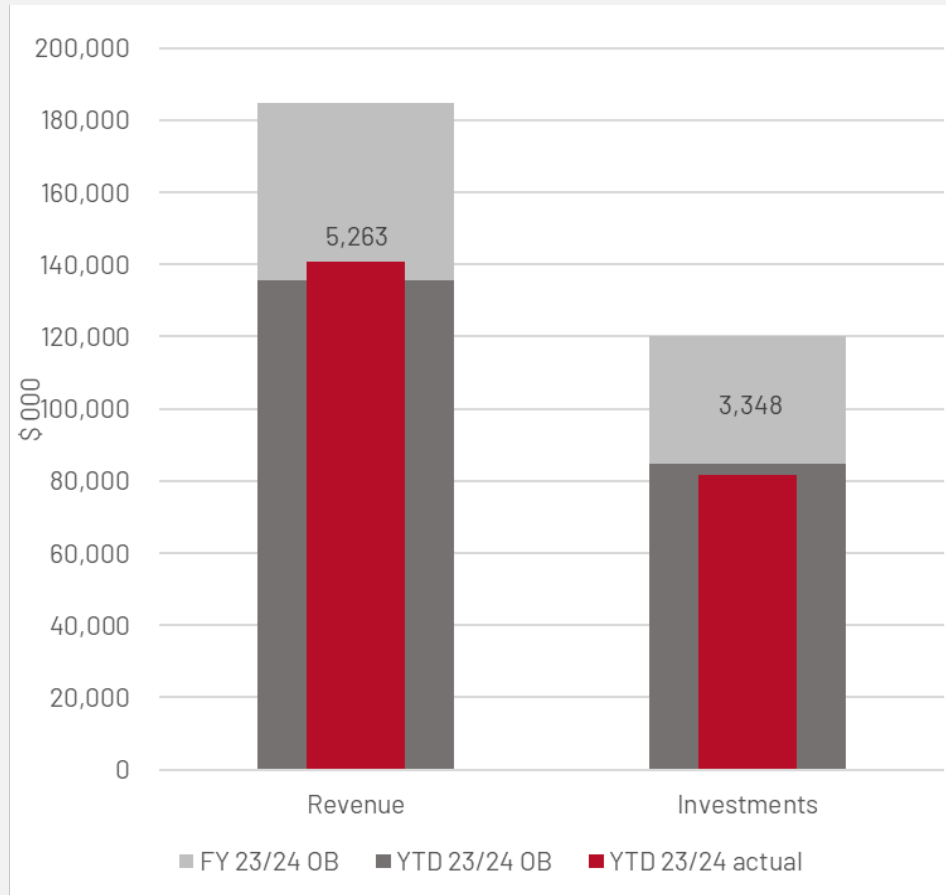
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Sport NZ Group Finance Report

This report presents the Sport NZ Group's financial performance for the nine months ended 31 March 2024 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 (\$3.250m);
- Higher than expected racing act revenue received from TAB and DIA (\$1.1m), \$0.4m in National Poi funding originally budgeted for in 2022/23, but received in 2023/24; and
- \$0.150m philanthropic funding for Cycling NZ into HPSNZ.

Investments

Variance largely due to timing delays in key investment streams including:

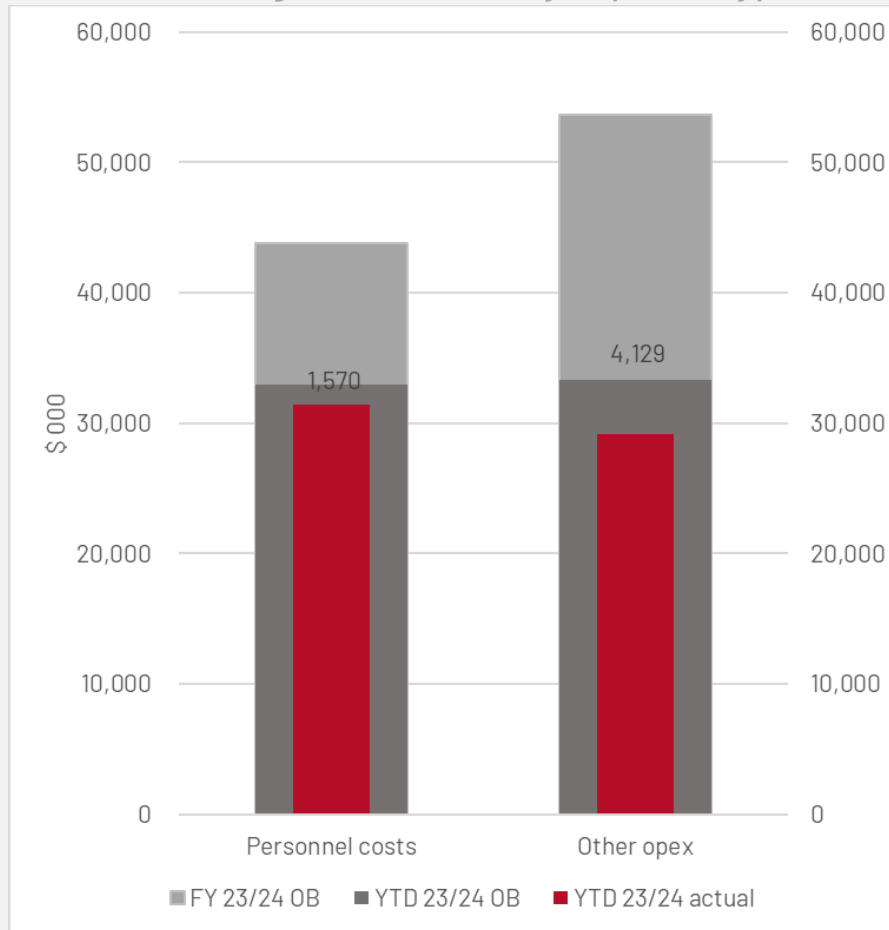
- \$2m infrastructure investment in Yachting NZ delayed as facility plans are finalised. The project has been slow to come to fruition as a suitable location has been difficult to find. YNZ have found a site and are working through gaining leases before construction can begin;
- \$0.957m delays in contracts to deliver Healthy Active Learning result in some payments being made later in FY24 than originally budgeted; and
- \$0.815m delayed due to timing of contract commencement of Active As investment, later than anticipated.

Partially offset by:

- \$0.3m increase in Athlete grants; and
- \$0.9m Wellbeing funding being reclassified as investment from programme delivery.

Operating expenditure

YTD actuals against YTD OB by expense type



Commentary

Personnel Costs

•The underspend in personnel costs relates primarily to holding some roles vacant to manage high levels of uncertainty in the current funding environment.

Other operating expenditure

Underspends principally due to:

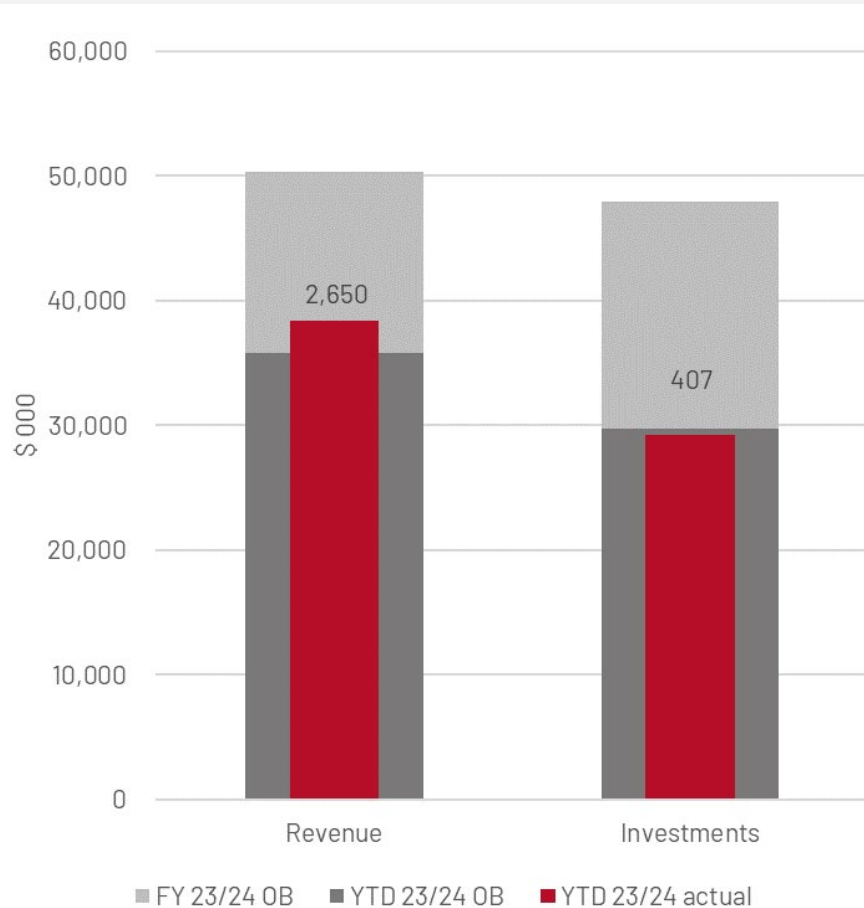
•\$3.129m - Delays in the delivery of some programmes (Local Play Workforce, Spaces and Places) together with deferred timing on two of our surveys (Active NZ, Outcomes Survey).

•\$1.967 - Delays in marketing and comms projects, primarily in Women and Girls, Play and Sport Development.

Sport NZ is taking steps to pull back full year FY23/24 Operating expenditure from the original budget given the likely implications of the Government's fiscal sustainability programme and out-year funding pressures arising. These changes will take full effect from 2024/25.

Sport NZ Recovery funding and investment

Revenue and investments YTD actuals against YTD OB



Commentary

Revenue

Recovery funding is \$2.650m ahead of budget due to the receipt of final Ministerial approved funding being released earlier than planned (relating to NZOC and Paralympics).

Recovery Investment Portfolio

Unbudgeted Cost Pressure funding (above) to support the build-up for the Olympics and Paralympic has been made to NZOC and Paralympics NZ; Offset by delays in the contracting and deliverables for the Strength and Adapt investment.