



ACT
Government

Sport and Recreation Grants Program Review

ACT Government Response

October 2022

Introduction

The Sport and Recreation Grants Program (SRGP) is a primary means through which the ACT Government supports the Territory's community sport and recreation sector to build capacity and enhance participation. The SRGP has numerous categories and an annual budget (in 2022) of just over \$2.5 million.

The SRGP has been subject to periodic review over the years, with some changes to various grants categories, eligibility criteria and operational funding levels as a result. However, with no independent review being initiated in almost 15 years, the ACT Government identified this need as a priority. In June 2021, McLaughlin Sports Consultancy (MSC) was engaged to undertake an independent review of the SRGP.

The review sought to:

- Analyse the effectiveness of the SRGP in meeting its core objectives to support participation and increase capacity.
- Explore the suitability of existing funding categories and eligibility criteria in meeting these core objectives.
- Undertake a comparison across other jurisdictional sports grants programs and benchmark the SRGP.
- Review current returns on funding, particularly operational funding for State Sporting Organisations and the clarity of outputs (and associated reporting) for Territory investment.
- Identify and assess alternate models for the SRGP.
- Make recommendations for change to the SRGP as required.

MSC undertook extensive consultation as part of the review. This included initial benchmarking with other jurisdictions, a whole of sector digital survey, category specific surveys and 70 individual stakeholder surveys (face to face).

The Review made 12 recommendations. The ACT Government's response to each of the recommendations and identified strategies provide in the report are listed below.

While noting that some of these recommendations reflect work already in progress, Sport and Recreation will begin working to implement changes to the SRGP for 2023.

RESPONSE TO THE REPORT RECOMMENDATIONS

Focus Area One – Sport and Active Recreation Sector Planning Framework

Recommendations	Identified Strategies	ACT Government Response
1.1 ACT Sport and Recreation Strategic Plan	The Report emphasises the importance of a Strategic Plan to provide clarity of purpose to Sport and Recreation (and the sector) on its role and priorities. A clear strategic purpose and priorities would inform the future focus of the funding program (which MSC refers to as the 'ACT Sport and Recreation Industry Investment Scheme').	<p>Supported.</p> <p>A consultant was engaged to lead a Strategic Planning Process in 2021. Document review and benchmarking began in late 2021, moving into consultation from late February 2022. With Government endorsement, the Plan will commence from 2023 through to 2028.</p> <p>Available grant funds should be targeted at areas identified as Government's strategic priorities.</p>
1.2 ACT Sport and Recreation Infrastructure Plan	Development of a Sport Infrastructure Plan is recommended, directly linked to the Strategic Plan (1.1), to provide strategic direction to Government and the sector relating to the provision of community facilities.	<p>Supported In-Principle.</p> <p>A key finding through the review is that facilities are a major barrier to many state sporting organisations and clubs in seeking to grow participation.</p> <p>The 'Facilities Roadmap' released in June 2022, reflects the immediate term of Government, with committed and funded initiatives, including major works funded through the budget process, more local improvements, and upgrades. This will continue to be updated to provide clarity as to Budget and recurrent investment in the current term of Government.</p> <p>Community sport facilities will be considered in any refresh of the ACT Infrastructure Plan.</p>

1.3 Organisational planning	The Report highlights the value of local peak bodies' strategic plans aligning with their national bodies and the ACT Sport and Recreation Strategic Plan. These areas of clear overlap between the ACT Sport and Recreation Strategic Plan and individual organisational plans are suggested as the target for Government investment.	Supported. Individual sport plans highlight areas of organisational priority – often these include a strong high-performance focus, facilities, or governance reform. The intersection of sport and government's plans will inform areas for partnerships.
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Focus Area Two – Purpose

Recommendations	Identified Strategies	ACT Government Response
2.1 ACT Sport and Recreation Investment Scheme Purpose	<p>The Report pitches the future of the existing Sport and Recreation Grants Program being an 'ACT Sport and Recreation Investment Scheme'. This proposed purpose of this Scheme is to strategically support the ACT Sport and Active Recreation delivery system to:</p> <ul style="list-style-type: none"> - Get more people who are currently disengaged from organised sport and active recreation <i>in the game</i> - Keep more people who are currently engaged in organised sport and recreation <i>in the game</i> <p>The recommended focus is on the delivery system for sport and active recreation – organised structures. The Review highlights the available budget of the current grants program, noting that it cannot be “all things to all people”. As such it is recommended that future funding be limited only to organisations involved in delivery of <u>organised</u> sport and active recreation.</p> <p>Support for commercial providers of organised sport and recreation offerings is noted as a future opportunity for consideration.</p>	<p>Supported.</p> <p>The emphasis of the SRGP moving forward is on <i>delivery</i>. This necessitates a level of organised structure/programming associated with the activity.</p> <p>While there are many less organised places/spaces and activities that support the ability for Canberrans to physically move, the SRGP cannot reasonably be expected to support such diversity (noting frequent cross-over to other areas of Government).</p>

Focus Area Three – Structure and Budget Framework

Recommendations	Identified Strategies	ACT Government Response
3.1 ACT Sport and Recreation Industry Investment Scheme (ACTSRIIS) – Structure and Budget	<p>The Report recommends a Scheme structure comprised of four categories:</p> <ul style="list-style-type: none"> - Industry Partnership Program - State Organisation Support Program - Community Sport Facilities Program - Club Enhancement Program 	<p>Supported.</p> <p>The current structure of the SRGP has an excess of categories which reflects the creation of new programs over time targeting specific outcomes. As result, several categories are duplicative (e.g. women's, inclusion).</p> <p>The proposed structure removes duplication across categories, creating a simpler and more identifiable category structure.</p> <p>The name (ACTSRIIS) remains subject to further consideration however it is supported that clearer identification of Government funding as an 'investment' makes clearer the true intent of the program.</p>
3.1a "Game Changer" Industry Partnership Program (IPP) – Structure and Budget	<p>The Report identifies the opportunity to better strengthen the partnership between Sport and Recreation and large to medium State Sporting Organisations.</p> <p>The proposed IPP would support <i>projects of significance</i> through investment of larger funds over a longer term (three years) in innovative, collaborative and co-investment projects. Projects would need to be scalable and sustainable, focused on working with peak bodies that are assessed to have necessary capability and capacity.</p> <p>Critically, it is proposing that funds are not for operational funding.</p>	<p>Supported.</p> <p>This recommendation reflects that the amount of funding currently provided in 'operational support' is significant.</p> <p>The core business of an organisation, particularly larger and more established bodies, should be largely self-sustaining. The continued operational investment made by government through the current SRGP is not 'project specific' and is difficult to link to clear impacts on organisational capacity, participation, program development or even the ultimate cost to consumers.</p>

	<p>It is recommended that the number of funded projects is limited to 15-20 in total, with a more robust performance, review and assessment model that reflects both the partnership and the scale/term of investment.</p>	<p>The proposed IPP structure recommends targeted funds into peak bodies with the ability to deliver outcomes aligned with the Sport and Recreation Strategic Plan. The smaller number of funded projects would allow Sport and Recreation to take a more genuine partnered approach.</p> <p>The proposed name (IPP or “Game Changer”) remains subject to further consideration.</p>
3.1b State Organisation Support (SOS) Program – Structure and Budget	<p>57% of surveyed funding recipients under the current Sport and Recreation Operational Program (SROP) identified that their operations would be at risk if they did not receive SROP funding.</p> <p>The Report recommends the establishment of the SOS to provide operational support (not tied to a specific project) for determined peak bodies (<i>Category 3</i>) over a three-year term. Funding could be provided for a maximum of two terms (six years), supporting the organisation to improve their capacity and capability over time.</p> <p>The Report notes that any peak organisation not receiving SOS (or IPP) could access the Club Enhancement Program.</p>	<p>Supported.</p> <p>The report highlights a level of fragility in the business models of several peak bodies and a concerning lack of financial sustainability. This recommendation could establish a timebound means to help build the business of these sports and transition them toward a more sustainable footing.</p> <p>The proposed name (State Organisation Support) remains subject to further consideration.</p>
3.1c Community Sport Facilities Program – Structure and Budget	<p>The Report makes several recommended adjustments to the current Capital Assistance Program within the SRGP. These include:</p> <ul style="list-style-type: none"> - The inclusion for funding eligibility of ‘non-sport’ (ancillary) components on facilities such as social spaces, viewing areas and kitchens - Support for repairs and maintenance - Support for facility components that support revenue diversification of sports - The small available budget for the current Capital Assistance Program and the (increasing) cost of capital works projects is also noted 	<p>Supported In-Principle.</p> <p>It is acknowledged that the current grants program budget is limited in ability to support ‘big projects’ with increasing capital costs. It effectively funds a range of smaller initiatives and is often over-subscribed. Amendments to the guidelines can however take effect within the current grants program budget.</p> <p>A larger capital grants program would enable Sport and Recreation to work more strategically with sports in exploring and addressing their facility priorities. However, any increase to the budget available for this grant category remains subject to future consideration by Government through Budget processes.</p>

	<p>- The Report recommends a \$2.5m budget for the Community Sport Facilities Program, a budget that would align the program per capita with similar programs in other jurisdictions</p>	<p>While a lower priority, there is support for broadening the scope of the program to embrace developments or upgrades that improve the sporting 'experience' beyond just the playing court or field – this would include places and space for social engagement. Support for repairs and maintenance will also remain a low priority.</p>
<p>3.1d Club Enhancement Program – Structure and Budget</p>	<p>The Report recommends the maintenance of a 'grass roots' club-focused program.</p> <p>The Club Enhancement Program would support initiatives including volunteer development/support, equipment, planning and activities to address participation barriers. It is recommended that activities accepted as 'core business' of the sport peak body should only be funded where it can be evidenced that the peak body does not have capacity to deliver.</p>	<p>Supported.</p> <p>Making available funding to clubs is where a greater diversity of funding recipients is found, often for smaller projects that can have larger impacts relative to their individual community.</p>

Focus Area Four – Administrative Systems Framework

Recommendations	Identified Strategies	ACT Government Response
<p>4.1 State Sporting Organisation Funding Categorisation Matrix</p>	<p>The Report recommends development of a <i>funding categorisation matrix</i> to objectively and transparently categorise organisations applying for the Industry Partnership Program or the State Organisations Support Program. It would ideally see three organisational categories, with four participation drivers (Financial Capacity, Community Reach, Governance, Planning) underpinned by focus areas and performance criteria.</p> <p>Organisations assessed as sitting with categories 1 and 2 would be eligible for the IPP, while those in category three would be eligible for the SOS.</p>	<p>Supported.</p> <p>The need for a more transparent way in which organisations are categorised for funding is recognised. The current system relies on assessment of key 'characteristics' but is problematic in comparing organisations that are vastly different in size and the nature of their sport/business.</p> <p>These issues would need to be considered in the context of development of the matrix.</p>

A matrix also allows for minimum benchmarks to be instilled as part of the initial application process – this may include policy maturity/development and governance structure (including consideration of Board equity).

While supporting this recommendation, Government recognises the need to build the categorisation matrix and how this process might translate, if at all, into the online application process.

4.2 Funding Program Specific Guidelines The Report notes that changes to the program will need to be reflected in new guidelines and administrative processes.

Supported.

Focus Area Five – Implementation

Recommendations	Identified Strategies	ACT Government Response
5.1 Post review communications and implementation strategy	The Report notes the need for changes to be conducted through sector communications and an implementation strategy to support these changes.	<p>Supported.</p> <p>The changes proposed in the Report, if adopted wholly or in part, would represent the first major change to the Sports Grants Funding Program for close to two decades.</p> <p>Helping organisations understand the rationale for any changes will be critical.</p>