

# VOTE *Sport and Recreation*

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## *Sport and Recreation*

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### Overview

Appropriations sought for Vote Sport and Recreation in 2005/06 total \$50.828 million. The appropriations are intended to be spent as follows:

- \$98,000 (0.2% of the Vote) purchasing advice on and monitoring of Sport and Recreation Crown entities to be performed by the Ministry for Culture and Heritage.
- \$1.441 million (2.8% of the Vote) for the drugs testing of sports persons, providing information and education on the drug testing regime, and servicing international anti-doping arrangements.
- \$44.245 million (87% of the Vote) for policy advice on sport and recreation activities, and performing a wide range of functions to benefit sport and recreation within New Zealand.
- \$5.000 million (9.9% of the Vote) to provide sports scholarships enabling emerging and talented young New Zealanders to concurrently pursue post secondary school study and elite level sport development.
- \$44,000 (0.1% of the Vote) as discretionary funding for groups, individuals and organisations that are unable to get support - for their participation in sport and recreation activity - from bodies such as Sport and Recreation New Zealand (SPARC), local government, or the New Zealand Lottery Grants Board.

Details of appropriations spending appear in Parts B, C and D of this Vote.

## Terms and Definitions Used

<b>NZSDA</b>	New Zealand Sports Drug Agency
<b>SPARC</b>	Sport and Recreation New Zealand

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VOTE MINISTER: Minister for Sport and Recreation

ADMINISTERING DEPARTMENT: Ministry for Culture and Heritage

The Responsible Minister for the Ministry for Culture and Heritage is the Minister for Arts, Culture and Heritage

## Part A - Statement of Objectives and Trends

### Part A1 - Objectives for Vote Sport and Recreation

#### *Key Government Goals and Related Outcomes*

The appropriations to Vote Sport and Recreation will secure a broad range of services, including policy advice, which will contribute to government outcomes in the areas of public participation in sport and recreation, high performance sports, and sports drug testing.

Relevant outcomes identified by the Government and expressed as key goals are:

- Strengthen national identity.
- Reduce inequities, particularly for Māori and Pacific people in health, education, employment and housing.

This Vote also includes funding for miscellaneous grants to sports groups and individuals.

#### *Contributions to Key Government Goals and Related Outcomes*

Departmental output expense Purchase Advice and Monitoring of Sport and Recreation Crown Entities contributes to the Government's goals by funding and monitoring the work performed by those entities.

Non-departmental output expense Drugs Testing of Sports Persons contributes to the Government's goals and related outcomes by maintaining the drug free integrity of New Zealand participants in sports.

Non-departmental output expense Sport and Recreation Programmes contributes to the Government's goals and related outcomes by advising on ways to encourage public participation in sport and recreation, thereby strengthening national identity through sporting success, and in the areas of health and national identity through the revitalisation of recreation and sport programmes and the increased participation of Māori in physical activity programmes.

## Part A2 - Trends in Vote Sport and Recreation

A number of changes have occurred in Vote Sport and Recreation (formerly Vote Sport, Fitness and Leisure) between 1999/2000 and 2005/06.

There was an increase in funding in 1999/2000 for the Sydney 2000 Olympics team, and additional funding for 1999/2000 only for high performance sport to support New Zealand teams and athletes competing in key international sporting events.

The administration for the Vote was transferred from the Department of Internal Affairs to the Ministry of Economic Development on 1 July 2000. This had no impact on appropriations. From 2000/01, additional funding was provided for the expansion of the He Oranga Poutama programme aimed at encouraging Māori to participate in physical activities, and additional funding has been provided from 2002/03 for the implementation of recommendations from the Ministerial Taskforce on Sport, Fitness and Leisure.

Investment in the Vote has increased since 2001/02 as SPARC has implemented the recommendations of the Ministerial Taskforce. This investment is directed at increasing participation in sport and physical activity, developing effective sport and physical recreation systems, and winning high performance sport events. Vote funding has also increased since 2002/03 to compensate for reductions in funding available from the New Zealand Lottery Grants Board. Additional funding has been provided in 2005/06 to implement new initiatives for volunteers and Active Schools.

The implementation of the task force recommendations has included a change in administration for the Vote from the Ministry of Economic Development to the Ministry for Culture and Heritage with effect from 1 January 2002, and a change in the Vote name in 2002/03 from Vote Sport, Fitness and Leisure to Vote Sport and Recreation.

Funding for the Sports Drug Agency has also increased in recent years as that organisation's role in international anti-doping activity has expanded, and to compensate for increases in the cost of the drug testing regime.

## New Policy Initiatives by Appropriation

Initiative	Appropriations as shown in Part B	\$000 increase/(decrease)				
		2004/05	2005/06	2006/07	2007/08	2008/09
To Maintain the New Zealand Sports Drug Agency's Drug Testing Programme	Non-Departmental Output Expense - Drugs Testing of Sports Persons	-	80	80	80	80
Volunteers Strategy	Non-Departmental Output Expense - Sport and Recreation Programmes	-	1,556	1,644	1,644	1,644
Lottery Top-up for SPARC	Non-Departmental Output Expense - Sport and Recreation Programmes	-	2,667	-	-	-
Regional Sports Development	Non-Departmental Output Expense - Sport and Recreation Programmes	-	-	1,422	2,844	2,844
Active Schools	Non-Departmental Output Expense - Sport and Recreation Programmes	-	889	-	(889)	-
<b>Total Initiatives</b>		-	<b>5,192</b>	<b>3,146</b>	<b>3,679</b>	<b>4,568</b>

## Trends in Vote Sport and Recreation - Summary of Financial Activity

	2000/01	2001/02	2002/03	2003/04	2004/05		2005/06 Appropriations to be Used				2006/07	2007/08	2008/09	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
<b>Appropriations</b>														
Output Expenses	1,898	3,952	10,830	26,109	38,250	38,250	98	-	45,686	-	45,784	52,627	53,827	54,716
Benefits and Other Unrequited Expenses	1,000	3,000	5,000	5,000	5,000	5,000	N/A	N/A	5,000	-	5,000	5,000	5,000	5,000
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	44	67	2,311	89	44	44	-	-	44	-	44	44	44	44
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>2,942</b>	<b>7,019</b>	<b>18,141</b>	<b>31,198</b>	<b>43,294</b>	<b>43,294</b>	<b>98</b>	<b>-</b>	<b>50,730</b>	<b>-</b>	<b>50,828</b>	<b>57,671</b>	<b>58,871</b>	<b>59,760</b>
<b>Crown Revenue and Receipts</b>														
Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
<b>Total Crown Revenue and Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Part B - Statement of Appropriations

### Part B1 - Details of Appropriations

	2004/05				2005/06		Scope of 2005/06 Appropriations
	Budget		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
<b>Departmental Output Expenses (General)</b>							
Purchase Advice and Monitoring of Sport and Recreation Crown Entities	98	-	98	-	<b>98</b>	-	Provision of purchase advice and monitoring of Sport and Recreation New Zealand and the New Zealand Sports Drug Agency.
<b>Total Appropriations for Departmental Output Expenses (General)</b>	98	-	98	-	98	-	
<b>Non-Departmental Output Expenses</b>							
Drugs Testing of Sports Persons	1,361	-	1,361	-	<b>1,441</b>	-	Provision of drugs testing of sports persons by the New Zealand Sports Drug Agency.
Sport and Recreation Programmes	33,235	-	33,235	-	<b>44,245</b>	-	Delivery of programmes to enhance sport and recreation in New Zealand, and the provision of policy advice on and information relating to sport and recreation, including ministerial servicing. Reasons for Change: 2005 New Initiatives (NIs) \$2.445 million (Volunteers Strategy and Active Schools); 2004 NIs \$566,000 (Increases for Healthy Eating and Direct Athlete Support Scheme offset by one-off funding of outstanding GST Liability); transfer of High Performance Sport from 2005/06 \$3.556 million; and \$4.443 million net increase in funding associated with the 2001 decision to implement the recommendations from the Ministerial Taskforce on Sport, Fitness and Leisure.
High Performance Sport	3,556	-	3,556	-	-	-	Funding for High Performance Sport has been transferred to the Non-Departmental Output Expense Sport and Recreation Programmes from 2005/06 onwards.



<b>Total Appropriations for Non-Departmental Output Expenses</b>	38,152	-	38,152	-	45,686	-	
<b>Benefits and Other Unrequited Expenses</b>							
Sport Education Scholarships	5,000	-	5,000	-	<b>5,000</b>	-	Sport Education Scholarships to enable emerging and talented young New Zealanders to concurrently pursue tertiary study and elite level sport development.
<b>Total Appropriations for Benefits and Other Unrequited Expenses</b>	5,000	-	5,000	-	5,000	-	
<b>Other Expenses to be Incurred by the Crown</b>							
Miscellaneous Grants	44	-	44	-	<b>44</b>	-	Discretionary funding is provided on application to groups, individuals and organisations that are unable to obtain support through organisations such as Sport and Recreation New Zealand, local government, or the New Zealand Lottery Grants Board, to support sports-related initiatives including participation in sport and recreation activities.
<b>Total Appropriations for Other Expenses to be Incurred by the Crown</b>	44	-	44	-	44	-	
<b>Total Appropriations</b>	43,294	-	43,294	-	50,828	-	

## Part C - Explanation of Appropriations for Output Expenses

### Part C1 - Departmental Output Expense

#### *Purchase Advice and Monitoring of Sport and Recreation Crown Entities*

This output expense involves the provision of purchase advice and monitoring of SPARC and the NZSDA.

### Part C2 - Non-Departmental Output Expenses

#### *Drugs Testing of Sports Persons*

The Minister will purchase the following outputs from the NZSDA:

- drugs testing of sports people
- providing information and education to sports competitors and to national sporting organisations on the drug testing regime to enable them to understand and comply with its requirements, includes responding to media and public enquiries and requests for presentations to community groups, and
- servicing international anti-doping arrangements and related activities.

#### **Provider**

NZSDA.

#### **Quantity, quality, timeliness and cost**

Performance measures will be included in the NZSDA's Memorandum of Understanding for 2005/06.

#### **Cost**

This output expense will be provided within the appropriated sum of \$1.441 million (GST exclusive).

		<b>\$000</b>
<b>2005/06</b>	Total output expense (GST exclusive)	\$1,441
<b>2004/05</b>	Total output expense (GST exclusive)	\$1,361

### *Sport and Recreation Programmes*

The Minister will purchase this output expense from SPARC. SPARC will:

- develop and implement national policies and strategies for physical recreation and sport
- invest in sports organisations and regional bodies in line with policies and strategies
- promote and advocate the importance of participation in physical activity by all New Zealanders for their health and well-being
- promote and disseminate research relevant to physical recreation and sport
- provide advice to the Minister on issues relating to physical recreation and sport
- recognise the role of sport in the rehabilitation of people with disabilities
- facilitate co-ordination between national, regional and local physical recreation and sport organisations
- represent the Government's policy interests in physical recreation and sport internationally, and
- provide services to elite athletes through the New Zealand Academy of Sport.

#### **Provider**

SPARC.

#### **Quantity, quality, timeliness and cost**

Performance measures will be included in SPARC's Statement of Intent and Memorandum of Understanding for 2005/06.

#### **Cost**

This output expense will be provided within the appropriated sum of \$44.245 million (GST exclusive), which represents approximately 60% of SPARC's income. Approximately 40% of SPARC's income is from the New Zealand Lottery Grants Board.

		<b>\$000</b>
<b>2005/06</b>	Total output expense (GST exclusive)	\$44,245
<b>2004/05</b>	Total output expense (GST exclusive)	\$33,235

## Part D - Explanation of Appropriations for Other Operating Flows

### **Part D1 - Benefits and Other Unrequited Expenses**

#### *Sport Education Scholarships*

\$5 million is provided for Sport Education Scholarships to enable emerging and talented young New Zealanders to concurrently pursue tertiary study and elite level sport development. These scholarships will be managed by SPARC throughout 2005/06.

### **Part D3 - Other Expenses**

#### *Miscellaneous Grants*

\$50,000 is provided for discretionary grants approved by the Minister for Sport and Recreation for groups, individuals and organisations that are unable to get support - for their participation in sport, fitness and leisure activity - from bodies such as SPARC, local government, or the New Zealand Lottery Grants Board.

## Part E - Explanation of Capital Flows

### Part E2 - Statement of Estimated and Forecast Net Worth of Entities Owned

	<b>Balance Date</b>	<b>Estimated Net Worth 2005 \$ million</b>	<b>Forecast Net Worth 2006 \$ million</b>
Crown Entities:			
SPARC	30 June	8.584	7.584
NZSDA	30 June	0.220	0.100

