

# *Performance Information for Appropriations*

## *Vote Sport and Recreation*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Arts, Culture and Heritage (M4),  
Minister for Sport and Recreation (M64)

ADMINISTERING DEPARTMENT: Ministry for Culture and Heritage

MINISTER RESPONSIBLE FOR MINISTRY FOR CULTURE AND HERITAGE: Minister for Arts,  
Culture and Heritage

## Part 1 - Summary of the Vote

### Part 1.1 - Overview of the Vote

The Minister for Sport and Recreation is responsible for appropriations in the Vote for the 2008/09 financial year covering the following:

- A total of over \$53 million (70.53% of the vote) for policy advice on sport and physical recreation activities, and a wide range of functions to benefit sport and physical recreation within New Zealand, supplied by Sport and Recreation New Zealand (SPARC).
- A total of nearly \$16 million (20.87% of the vote) for the coordination and delivery of initiatives aimed at improved nutrition and increased physical activity of children and young people, delivered by SPARC.
- A total of over \$2 million (2.77% of the vote) for the drug testing of sports persons, providing information and education on the anti-doping regime, and servicing international anti-doping arrangements, supplied by Drug Free Sport New Zealand (DFSNZ).
- A total of over \$4 million (5.64% of the vote) to provide scholarships enabling talented New Zealanders to pursue tertiary study and elite level sport development, and/or to develop skills that contribute to the quality of New Zealand's sport performance at the elite level.
- A total of \$44,000 (0.06% of the vote) for miscellaneous grants supporting sport and recreation activity.

The Minister for Arts, Culture and Heritage is responsible for appropriations in the Vote for the 2008/09 financial year covering the following:

- A total of \$98,000 (0.13% of the vote) for advice on and monitoring of sport and recreation Crown entities by the Ministry for Culture and Heritage.

Details of these appropriations are set out in Parts 2-6 below.

## Part 1.2 - High-Level Objectives of the Vote

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 physical recreation, high-performance sports, sports anti-doping and children and young people's lifestyles. The Government goals that Vote Sport and Recreation contribute most directly to are National Identity and Families - young and old.

### Government Priorities and Outcomes - Links to Appropriations

Government Priorities - Themes/Sub-themes	Government Outcomes	Appropriations
<b>Theme:</b> National Identity - 'all New Zealanders to be able to take pride in who and what we are, through our ... sport <b>Sub-theme(s):</b> Who we are; What we do; How we are seen by the world	Increased participation and achievement in sport and physical recreation	Sport and Recreation Programmes
	Improved nutrition and increased physical activity among children and young people Improved health, high educational achievements and a valued 'Kiwi lifestyle'	Children and Young People's Lifestyles
	An environment that supports and encourages New Zealanders' participation and achievement in sport and physical recreation	Prime Minister's Sport Scholarships
	New Zealand is compliant with the World Anti-Doping Code, and drug free in sport	Sports Anti-Doping
<b>Theme:</b> Families - Young and Old - 'all New Zealanders and their families have the support and choices they need to ... reach their potential...' <b>Sub-theme(s):</b> Healthy confident kids; Better health for all	Increased participation and achievement in sport and physical recreation	Sport and Recreation Programmes
	Improved nutrition and increased physical activity among children and young people Improved health, high educational achievements and a valued 'Kiwi lifestyle'	Children and Young People's Lifestyles

## Part 1.3 - Trends in the Vote

### Summary of Financial Activity

	2003/04	2004/05	2005/06	2006/07	2007/08		2008/09			2009/10	2010/11	2011/12
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	26,109	38,250	45,784	55,305	63,709	63,709	98	70,995	71,093	62,599	61,166	61,218
Benefits and Other Unrequited Expenses	5,000	5,000	5,000	4,250	4,250	4,250	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	89	44	44	44	44	44	-	4,294	4,294	4,294	4,294	4,294
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>31,198</b>	<b>43,294</b>	<b>50,828</b>	<b>59,599</b>	<b>68,003</b>	<b>68,003</b>	<b>98</b>	<b>75,289</b>	<b>75,387</b>	<b>66,893</b>	<b>65,460</b>	<b>65,512</b>
<b>Crown Revenue and Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	6,490	6,490	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	-	-	-	-
<b>Total Crown Revenue and Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,490</b>	<b>6,490</b>	<b>N/A</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Budget Policy Initiatives

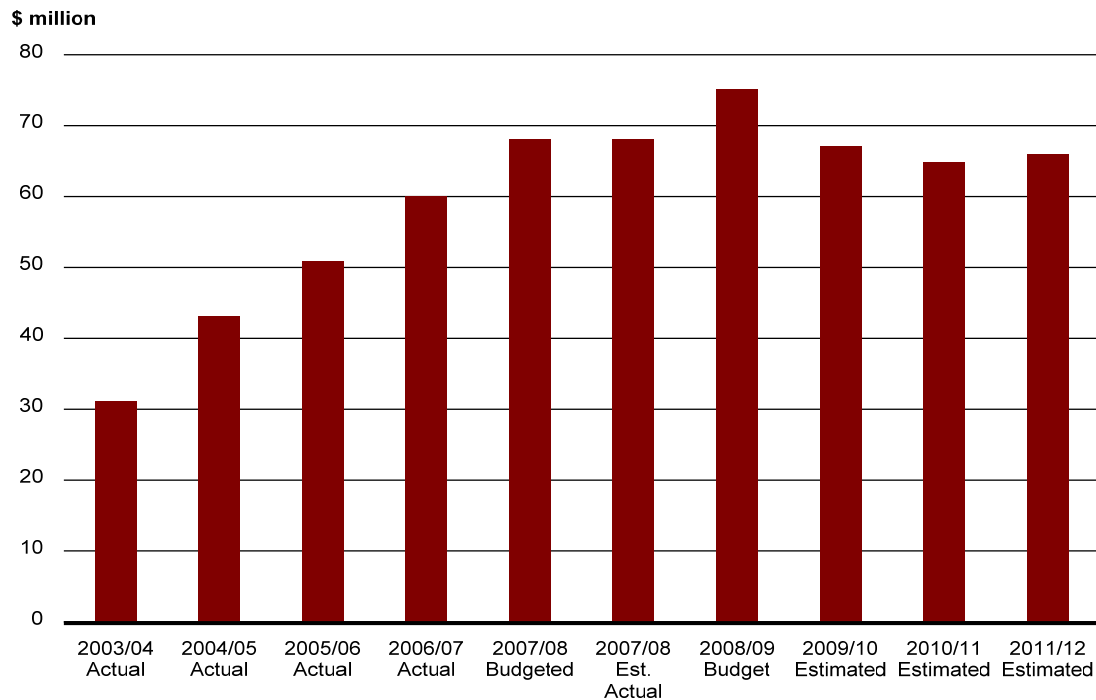
Policy Initiative	Appropriation	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
DFSNZ - administrative capability and legal contingency fund	<b>Sports Anti-Doping (M64)</b> Non-Departmental Output Expenses	-	392	502	372	424
Total Initiatives		-	392	502	372	424

## Analysis of Significant Trends

### *Total Vote: All Appropriations*

Trends in comparative actual and estimated total expenses are shown in Figure 1 below, including budgeted and estimated actual figures for the preceding year.

**Figure 1** - Trend in total Vote

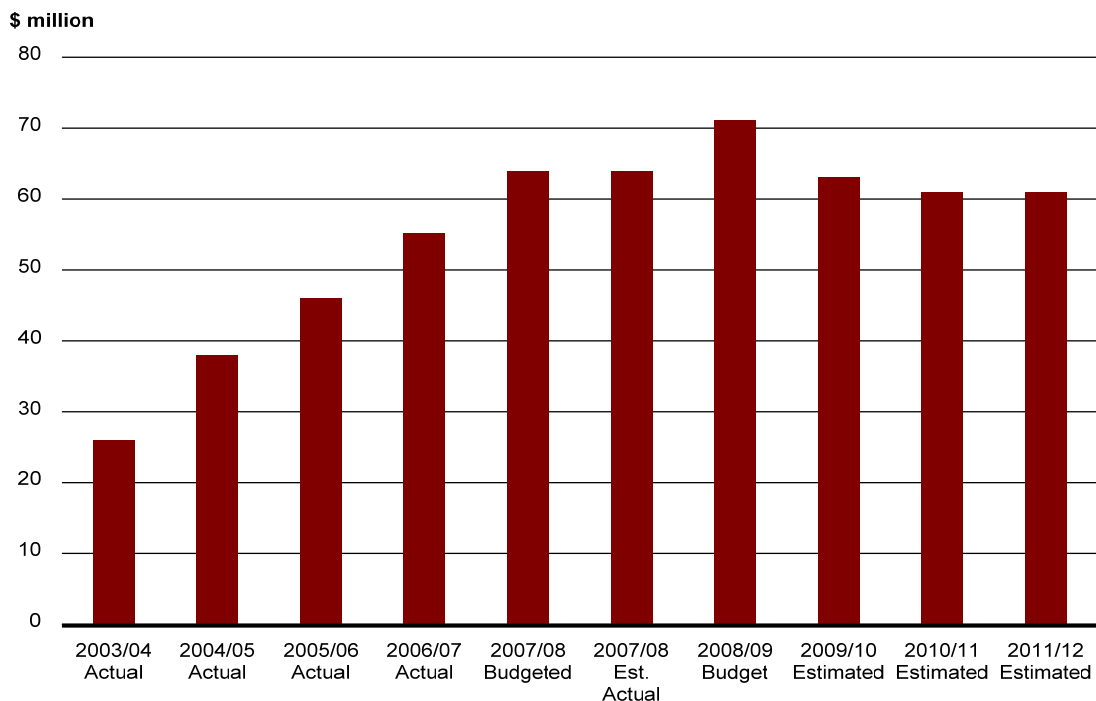


Source: Ministry for Culture and Heritage

All movements in the Vote Sport and Recreation total relate to non-departmental expenses; there has been no recent change to the appropriation for departmental output expenses, nor is any change expected.

### Non-Departmental Output Expenses

**Figure 2** - Trends in non-departmental output expenses



Source: Ministry for Culture and Heritage

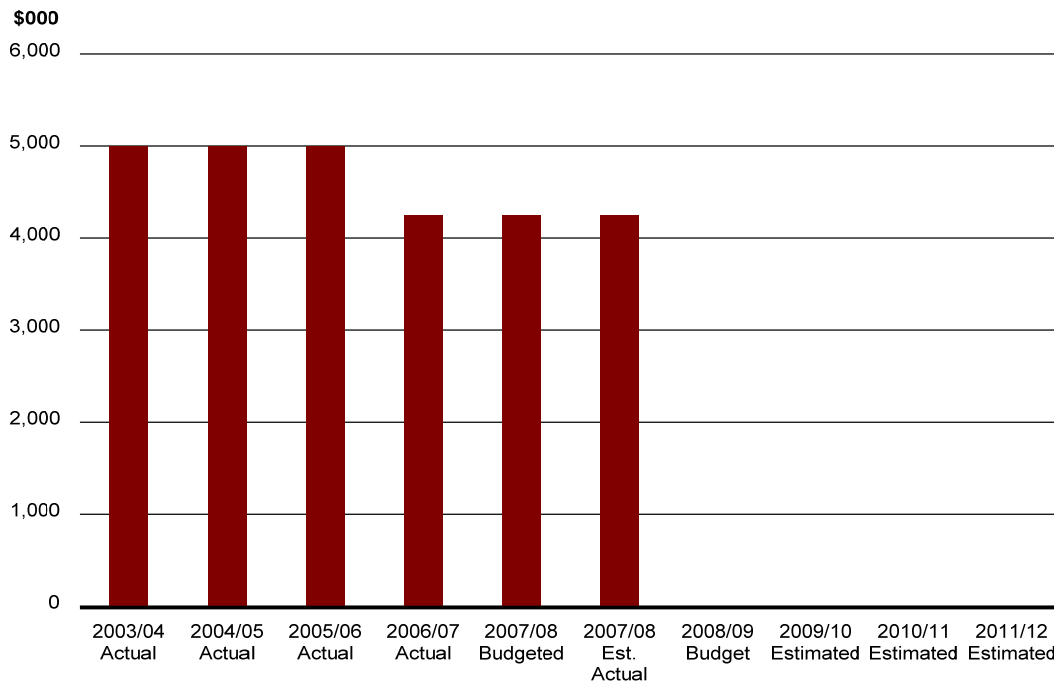
Investment in non-departmental output expenses has increased as SPARC has implemented the recommendations of the 2001 Ministerial Taskforce. This investment is directed at increasing participation in sport and physical recreation, developing effective sport and physical recreation systems, and winning high-performance sports events. Vote funding also increased from 2002/03 to 2005/06 to compensate for reductions in funding available from the New Zealand Lottery Grants Board. Additional funding was provided in 2005/06 to implement new initiatives for volunteers and in 2006/07 for regional sports development.

In 2006/07 a new non-departmental output expense Children and Young People’s Lifestyles (Mission-On) was introduced.

In 2008/09 additional funding will be applied to the Budget policy initiative as set out in the table above.

### Benefits and Other Unrequited Expenses

**Figure 3 - Trends in benefits and other unrequited expenses**



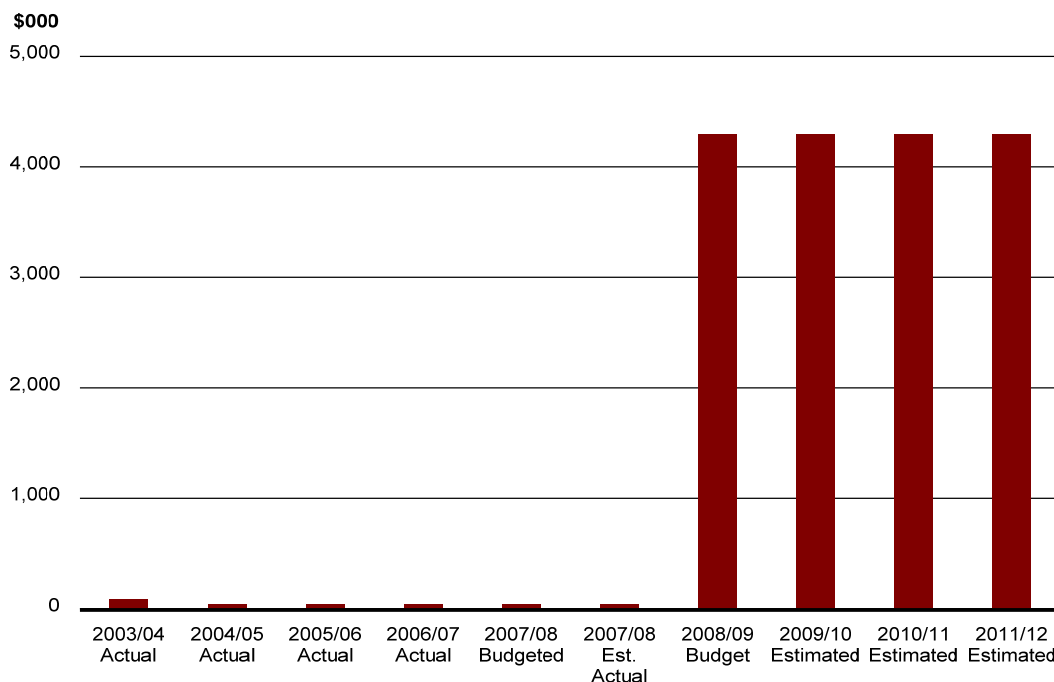
Source: Ministry for Culture and Heritage

This appropriation was reduced in 2006/07 from \$5 million to \$4.250 million as funds available for Sport Education Scholarships were consistently under-subscribed. The excess funds were made available for non-departmental output expense Children and Young People’s Lifestyles (Mission-On).

In addition, in 2008/09 Sport Education Scholarships has been re-classified as a non-departmental other expense and renamed Prime Minister’s Sport Scholarships.

### Non-Departmental Other Expenses

**Figure 4 - Trends in non-departmental other expenses**



Source: Ministry for Culture and Heritage

As mentioned above Sport Education Scholarships (a benefit and other unrequited expense) was reclassified in 2008/09 as a new non-departmental other expense and renamed Prime Minister's Sport Scholarships.

### *Crown Revenue and Receipts*

Estimated actual non-tax revenue in 2007/08 (\$6.490 million) is comprised of the return of SPARC funds held on behalf of the Crown for Prime Minister's Sport Scholarships that were not utilised.

## Part 1.4 - Reconciliation of Changes in Appropriation Structure

2007/08 Structure - Appropriations that have been Changed	2007/08 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Transferred	Amount Moved \$000	2008/09 Structure - Appropriations affected by the Changes in Appropriation Structure	2007/08 (Restated) \$000	2008/09 \$000
<b>Non-Departmental Output Expenses</b>						
Drugs Testing of Sports Persons	1,691	Transferred to Sports Anti-Doping (change in title only)	1,691	Sports Anti-Doping	1,691	2,085
<b>Benefits and Other Unrequited Expenses</b>						
Sport Education Scholarships	4,250	Transferred to Prime Minister's Sport Scholarships	4,250			
<b>Other Expenses to be Incurred by the Crown</b>						
				Prime Minister's Sport Scholarships	4,250	4,250

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-6.



## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<b>Objective:</b> The Minister for Sport and Recreation is well-informed about the performance of the sport and recreation Crown entities	Purchase Advice and Monitoring of Sport and Recreation Crown Entities

#### Purchase Advice and Monitoring of Sport and Recreation Crown Entities (M4)

##### *Scope of Appropriation*

Provision of purchase advice and monitoring of SPARC and DFSNZ. Excludes advice in relation to appointments to boards.

##### *Expenses and Revenue*

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	98	98	98
Revenue from the Crown	98	98	98
Revenue from Others	-	-	-

##### *Output Performance Measures and Standards*

Performance Measures	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Briefing reports to be provided during the year	10	10	10
Compliance with the Quality Standards for Analysis and Advice as assessed by the Minister two times during the year	100%	100%	Rated as meeting and frequently exceeding expectations

## Part 2.2 - Non-Departmental Output Expenses

### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<b>Outcome:</b> Improved nutrition and increased physical activity among children and young people <b>Outcome:</b> Improved health, high-educational achievements and a valued 'Kiwi lifestyle'	Children and Young People's Lifestyles
<b>Outcome:</b> Increased participation and achievement in sport and physical recreation	Sport and Recreation Programmes
<b>Outcome:</b> NZ is compliant with the World Anti-Doping Code, and drug free in sport	Sports Anti-Doping

### Children and Young People's Lifestyles (M64)

#### *Scope of Appropriation*

This appropriation is limited to the co-ordination and delivery of initiatives aimed at improved nutrition and increased physical activity of children and young people.

#### *Expenses*

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,632	9,632	15,733

#### *Reasons for Change in Appropriation*

The increase in funding for 2008/09 is mainly due to an expense transfer from 2007/08.

#### *Output Performance Measures and Standards*

Performance Measures	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Implement Children and Young People's Lifestyles (Mission-On) initiatives to improve nutrition and increase physical activity among children and young people	7	7	7

Further information and performance measures for this output class are included in SPARC's Statement of Intent for 2008-2011.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Baselining the funding for Mission-On and Stage Challenge	2010/11	-	-	-	7,153	7,153
Co-ordination and delivery of Children and Young People's Lifestyles (Mission-On) package initiative by SPARC	2006/07	11,111	6,603	7,153	-	-

## Sport and Recreation Programmes (M64)

### Scope of Appropriation

This appropriation is limited to delivery of programmes in accordance with SPARC's statutory functions 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.

### Expenses

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	52,288	52,288	53,177

The appropriated sum of \$53.177 million in 2008/09 represents approximately 54% (47%) of SPARC's income. Approximately 31% of SPARC's income is from the New Zealand Lottery Grants Board.

Note - Comparative figures for the previous year are shown in parentheses.

### Output Performance Measures and Standards

Performance Measures	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Allocate funds to organisations and regional bodies in line with SPARC's policies and strategies	At least 91% of total appropriation invested in sport and recreation sector	At least 91% of total appropriation invested in sport and recreation sector	At least 91% of total appropriation invested in sport and recreation sector
Promote and disseminate research relevant to physical recreation and sport	NZ Sport and Physical Activity Survey completed	NZ Sport and Physical Activity Survey completed	Publish 6 research papers based on NZ Sport and Physical Activity Survey
More New Zealanders are active in sport and physical recreation: Provision of a range of initiatives to encourage more New Zealanders to make sport and physical recreation part of their daily lives.	\$36.175 million	\$37.997 million	\$38.338 million
More NZ athletes and teams achieving better results on the world stage: Support for a high-performance sport system to deliver more successful performances by NZ's elite athletes.	\$33.494 million	\$37.413 million	\$38.338 million

Performance Measures	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
An efficient and effective sport and recreation delivery network: Support for sport and recreation organisations to deliver quality sport and physical recreation opportunities to New Zealanders.	\$21.483 million	\$20.146 million	\$18.251 million

Further information and performance measures for this output class are included in SPARC's Statement of Intent for 2008-2011.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Baselining the funding for Mission-On and Stage Challenge	2010/11	-	-	-	(1,303)	(1,303)
Regional Sports Development	2006/07	2,844	2,844	2,844	2,844	2,844
Volunteers Strategy	2005/06	1,644	1,644	1,644	1,644	1,644
Active Schools (funds re-appropriated to 2005/06)	2005/06	(889)	-	-	-	-
Healthy Eating - Healthy Action initiatives	2004/05	4,444	4,444	4,444	4,444	4,444
Direct Athlete Support Scheme	2004/05	4,222	4,222	4,222	4,222	4,222
Operating funding for the NZ Sports Hall of Fame	2004/05	44	44	44	44	44

## **Sports Anti-Doping (M64)**

### *Scope of Appropriation*

This appropriation is limited to purchasing from Drug Free Sport New Zealand the provision of: drug testing of sports persons; investigations of possible anti-doping rule violations; information and education on the anti-doping regime; and international anti-doping obligations and related activities.

### *Expenses*

Total Appropriation	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
	1,691	1,691	2,085

### *Reasons for Change in Appropriation*

The increase in 2008/09 is largely due to increased baseline funding for core capability (\$292,000), and funding to establish a legal contingency fund (\$100,000 in 2008/09 and 2009/10 only).

### Output Performance Measures and Standards

Performance Measures	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Drug tests administered during the year	1,000	1,000	1,000
No NZ athlete will commit an anti-doping rule violation while associated with a major international sporting event	-	-	-
Randomly surveyed athletes who are in the 'registered testing pool' report knowledge and understanding of test procedures and the banned drug schedule	90%	90%	90%
National sports organisations are satisfied that provision of and access to information on the doping control programme is good or better	95%	95%	95%

Further information and performance measures for this output class are included in DFSNZ's Statement of Intent for 2008-2011.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
DFSNZ - baseline increase to maintain capability under new legislation, two year funding for legal challenges and one-off funding to host Association of National Anti-doping Organisations committee meeting in 2009	2008/09	-	392	502	372	424
Additional capacity to maintain the drug testing programme	2006/07	250	252	228	228	228
To maintain the DFSNZ drug testing programme	2005/06	80	80	80	80	80
Expanded functions of DFSNZ in preparation for new legislation	2004/05	222	222	222	222	222
Increased funding to DFSNZ to meet increasing costs and international requirements for the testing programme	2003/04	79	79	79	79	79

### Summary of Service Providers

Provider	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
DFSNZ	1,691	1,691	2,085	Annual report	
• Sports Anti-Doping					
SPARC				Annual report	
• Children and Young People's Lifestyles	9,632	9,632	15,733		
• Sport and Recreation Programmes	52,288	52,288	53,177		

The above table summarises funding to be allocated through Vote Sport and Recreation to non-departmental providers, along with an indication of the mechanism to be used for reporting actual performance and (where determined) the length of the funding commitment.

## Part 5 - Details and Expected Results for Other Expenses

### Part 5.2 - Non-Departmental Other Expenses

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<b>Objective:</b> Support is provided to sports-related initiatives including participation in sport and recreation activities by groups, individuals and organisations that are unable to obtain support through organisations such as SPARC, local government, or the NZLGB	Miscellaneous Grants
<b>Impact:</b> Talented NZ athletes, coaches, officials and high-performance support personnel are assisted to pursue tertiary study and elite level sport development and/or to develop skills that contribute to the quality of NZ's sport performance at the elite level	Prime Minister's Sport Scholarships

#### Miscellaneous Grants (M64)

##### *Scope of Appropriation*

Discretionary funding is provided on application to groups, individuals and organisations that are unable to obtain support through organisations such as SPARC, local government, or the New Zealand Lottery Grants Board, to support sports-related initiatives including participation in sport and recreation activities.

##### *Expenses*

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	44	44	44

##### *Expected Results*

	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Expected number of grants to be provided	20	20	20

#### Prime Minister's Sport Scholarships (M64)

##### *Scope of Appropriation*

This appropriation is limited to sport scholarships to enable talented New Zealanders to pursue tertiary study and elite sport development and/or to develop skills that contribute to the quality of New Zealand's sport performance at the elite level.

## Expenses

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,250	4,250	4,250

## Reasons for Change in Appropriation

In 2008/09 Sport Education Scholarships (a benefit and other unrequited expense) was re-classified as a non-departmental other expense as it did not meet the description of a benefit and other unrequited expense. At the same time it was re-titled Prime Minister's Sport Scholarships.

## Expected Results

	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Administration costs are less than 10% of the total funds being allocated	<10%	<10%	<10%
Minimum number of Prime Minister's Athlete Scholarships	250	300	250
Minimum number of Prime Minister's Coach, Support Team and Officials Scholarships	50	75	50

## Conditions on Use of Appropriation

Reference	Conditions
Prime Minister's Athlete Scholarships	Ability to complete a chosen course of study and to achieve creditable results in elite sporting competition
Prime Minister's Coach, Support Team and Officials Scholarships	Ability to develop skills that contribute to the quality of NZ's sporting performance at the elite level

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Baselining the funding for Mission-On and Stage Challenge	2010/11	-	-	-	(750)	(750)
Coordination and delivery of Mission-On package initiatives by SPARC	2006/07	(750)	(750)	(750)	-	-

## Reporting Mechanisms

Appropriation	Reporting Mechanism
Prime Minister's Sport Scholarships	SPARC annual report
Miscellaneous Grants	Not required

The above table indicates the mechanisms to be used for reporting actual performance for each non-departmental other expenses appropriation.