

Investing in an Active State

a sport and recreation investment strategy

for South Australia



Government
of South Australia

Office for Recreation,
Sport and Racing

BACKGROUND

The Government of South Australia supports the delivery of sport and recreation services to the community through a suite of grant programs with an ongoing annual budget of approximately \$13 million. In order to ensure these programs continue to meet the Government's objectives as well as addressing the needs of the community, the Office for Recreation, Sport and Racing (the agency) has undertaken a grants review.

The objectives of the review were as follows:

- ▶ Explore the priorities of Government and the South Australian community.
- ▶ Recommend any investment principles or policy positions.
- ▶ Recommend a suite of Grant Programs to be implemented; including each Program's purpose, term, frequency, budget, objectives (short, medium and long term) and details of how those objectives may be measured.
- ▶ Recommend any amendments to existing legislation that provide for funding for the agency's Grant Programs.
- ▶ Recommend any amendments to administrative processes to enhance either:
 - ▶ efficient, effective, economical and ethical investment decisions; or
 - ▶ the achievement of value, accountability, probity or transparency of investment decisions

Along the way, the following additional items and overlays were considered:

- ▶ *Game On: Getting South Australia moving,*
- ▶ *The South Australian State Sport and Recreation Infrastructure Plan,* and
- ▶ The impact of the COVID-19 pandemic and the subsequent stimulus initiatives and packages that were announced by the Government, some of which were directly administered by the agency.

The review also considered the Office's administrative environment to ensure compliance with whole of government grants policies and processes and to optimise the effectiveness and efficiency with which the investment is managed.



Extensive consultation with the sport and recreation sector and a comprehensive state-wide community consultation process was undertaken to inform the review. The results provided valuable information regarding the challenges faced in creating an active community and a range of ideas, suggestions and possible solutions for consideration. Two Review Teams were established to compile, influence and guide the outcomes of the review. The teams included a number of external stakeholders who offered valuable insight. The stakeholders included; the Department of the Premier and Cabinet, Department of Treasury and Finance, Local Government Association of South Australia, Minister for Recreation, Sport and Racing, South Australian Sports Federation (Sport SA), Recreation SA, and Inclusive Sport SA.

The review outlines a plan for the investment for sport and recreation outcomes over the next five years. Whilst acknowledging that changes to the budget are likely in the future, the investment strategy outlines programs for the budgeted \$86 million over the next five years.

The review found that support for volunteers and the further development of infrastructure were key priorities. In response, the review proposes a streamlined approach to infrastructure grants with one entry point and application process for all infrastructure grants. It is proposed to have one ongoing infrastructure program (a one stop shop for infrastructure grants) and two term limited infrastructure programs addressing specific needs identified in the *State Sport and Recreation Infrastructure Plan*. One specifically addressing the needs of grassroots sporting clubs and the other specifically targeting regional and district level facilities.

350+

infrastructure
projects

More than 350 infrastructure
developments and upgrades.

\$214m

infrastructure
package

An additional \$214 million
approved in the 2020-21 State
Budget for infrastructure.

It is anticipated that over 350 infrastructure projects will receive government assistance over a five year period. Delivering both economic growth and creating prosperity for all South Australians, by contributing to our high standards of liveability.

Elements of the review have already been implemented into existing programs. One example is the streamlining of all infrastructure grants programs to simplify the process for applicants.

The review also identified the need for significant investment in fit for purpose, high quality facilities from grassroots to national and international standard venues. The Government of South Australia has already responded and committed significant additional resources to sport and recreation infrastructure. The

2020-21 State Budget delivered a \$214 million infrastructure package, on top of the ongoing, existing grants programs.

Since March 2018 more than \$360 million invested into sport and recreation.

\$360+

million has been
invested since
2018

Since March 2018 more
than \$360 million invested
into sport and recreation.

\$100+

million in
infrastructure
leveraged

Through leveraged
investment more than \$100
million worth of sport and
recreation facilities
developed.

The investment in infrastructure is expected to leverage more than \$100 million in extra investment from other organisations, local government or the Commonwealth of Australia.

In addition to infrastructure, funding programs that promote collaboration and efficient and/or scalable delivery of initiatives and services have also been developed.

The review also acknowledges the importance of a thriving and sustainable sport and recreation sector in South Australia, proposing the retention, of a sustainability program.

It is expected that over **250 jobs** will be supported through the construction of infrastructure and delivery of services and initiatives throughout South Australia.

The review also explored new methods and practices in relation to grants administration. This will ensure the Government continues to operate best practice administration, promoting transparency of the assessment and decision making process.

In all, endorsement is sought for 14 recommendations, including guiding principles, legislation amendments and changes to programs and resource allocations. The recommendations will contribute to achieving the outcomes in *Game On: Getting South Australia moving the State Sport and Recreation Infrastructure Plan*, and the Office for Recreation, Sport and Racing's Strategic Plan 2021-2026. They will also achieve broader State Government objectives and move towards meeting the needs of the South Australian community

250+

jobs supported
each year

More than 250 jobs within
construction and the sport
and recreation sector will be
supported annually.



1. The Office for Recreation, Sport and Racing affirms the Government of South Australia investment principles and the Government of South Australia's mandatory policy which applies to all multi-year funding agreements between government agencies and not-for profit organisations.
2. The Government of South Australia will prioritise projects that deliver rapid impact.
3. Grant processes will seek to reduce the administrative burden on volunteer organisations.
4. Affordable grassroots junior participation is a priority for funding.
5. Funded facilities will meet universal design principles and be compliant with sports standards.
6. All investments remain in the control of South Australians and provide benefit for the South Australian public.
7. Grant funding will not be provided for another department or agency's service delivery.
8. The Government of South Australia investigates an amendment to Section 73A of the *Gaming Machines Act 1992* to expand eligibility to asset owners.

9. The Government of South Australia allocates sufficient financial resources, as part of the grant agreement to meet the costs of future Public Works Committee submissions; that being \$30,000 for the first year and \$5,000 for every year thereafter until the parliamentary reporting has concluded for each submitted project.
10. That a transparent registration of interest process is undertaken prior to an infrastructure program's opening to improve and promote sector collaboration.
11. The Government of South Australia adopts the following grant programs¹ from 2021-22:
 - ▶ Active Club Program.
 - ▶ Community Recreation and Sport Facilities Program.
 - ▶ SASI Individual Athlete Program.
 - ▶ State Sector Program.
 - ▶ Partnership Program.
12. The Government of South Australia directs that Regional Support and VACSWIM be direct negotiations and managed through service agreements.
13. The Government of South Australia approves that 2021-22 be a transition year to full implementation in 2022-23.
14. That the Government of South Australia approves the following proposed funding allocation:

(Figures are in 000's)

Grant Program/ Fund	2021-22*	2022-23	2023-24	2024-25	2025-26
Active Club Program	1,025	1,051	1,077	1,104	1,131
Community Recreation and Sports Facilities Program	5,670	5,724	5,780	5,837	5,895
SASI Individual Athlete Program	135	138	142	145	149
Partnership Program*	2,303	3,591	3,681	3,773	3,867
State Sector Fund*	2,700	1,538	1,576	1,615	1,656
Direct Negotiation - VACSWIM	482	494	506	519	532
Direct Negotiation - Regional Support	500	513	525	538	552
Total	12,815	13,049	13,287	13,531	13,782

* Noting 2021-22 is a transition year

PROPOSED PROGRAMS

Active Club Program

Purpose:

The Active Club Program supports active recreation and sporting clubs to deliver programs and services through the provision of equipment and program grants.

¹ Refer to diagram on page 14

Directed at:

Local grassroots sporting and active recreational organisations.

Term:

The program would be ongoing with the ability to realign the objectives to respond to emerging challenges faced by the grassroots sport and active recreation sector.

Frequency:

At least two rounds per year to ensure seasonal activities are accommodated.

Budget:

Total annual budget: \$1,025,000 in 2021-22, indexed annually.

Maximum Amount: up to \$1,500 or up to \$3,000, depending on the membership of the club, to provide for greater access and frequency of funding.

Funding Source: The *Adelaide Oval Redevelopment and Management Act 2011* component of the Sport and Recreation Fund. This component has indexation built in.

Objectives:

To support and address critical non-infrastructure challenges identified by the sector. The current sector priorities are:

- ▶ Support for coach and committee (volunteers) has been raised.
- ▶ Equipment costs whereby reducing the cost to families for membership.
- ▶ Promotion for increased participation.
- ▶ Encouraging collaboration with state sporting organisations and peak bodies to foster better decision making.

Details:

Applicants are eligible for one grant per year.

Continue the simplicity of application form and process.

One application may be submitted annually that is automatically assessed in each round for the year (if unsuccessful in the first round). This will reduce the administrative burden on volunteers.

Maintain similar assessment principles; including when the organisation last received an Active Club Program grant, its affiliation with a state association and any specific population target.

The links to the StarClub Development Program will continue through the relevant assessment principle.

It is recommended that the investment allocation continue to be conducted on a state-wide basis, improving the equitable distribution of investment across South Australia.

This program is an ongoing requirement under the *Adelaide Oval Redevelopment and Management Act 2011*.



Community Recreation and Sport Facilities Program

Purpose:

To provide a single investment source for the planning, improvement and development of sport and active recreation infrastructure. The provision of a single source seeks to remove confusion and duplication of effort for volunteers completing numerous applications.

The budget in 2020-21 was amended to incorporate funding from the Sport and Recreation Fund.

Directed at:

All not-for-profit organisations, schools, and councils planning a development on community owned land.

Term:

Ongoing program.

Frequency:

There will be a registration of interest process where applicants can apply at any time. Assessment will take place once per annum.

Budget:

Total annual budget: \$5,670,000 in 2021-22 with all except \$3,500,000 from the Sport and Recreation Fund indexed annually.

Maximum Amount: \$1,500,000 per project or stage of project.

Leveraged Investment Required: Maximum request of 75% of the total project for recreational activities (trails). Maximum request of 50% of the total project cost for all other projects.

Funding Source: \$3,500,000 sourced from the non-indexed portion of the Sport and Recreation Fund (derived from the requirements of the *Gaming Machine Act 1992*) and the remaining budget will be derived from appropriation and that portion will be indexed annually.

Objectives:

- ▶ Plan for facilities.
- ▶ Upgrading existing and constructing new facilities.
- ▶ Developing active recreation infrastructure to increase the accessibility and diversity of physical activity opportunities.
- ▶ Encouraging flexible, multi-use, shared and integrated services and facilities.
- ▶ Fostering inclusive, diverse, accessible and responsible development through universal design, environmental sustainability, and strategically planned facilities.
- ▶ Encouraging collaboration with schools, service providers, facility managers and community organisations to deliver outcomes.
- ▶ Encouraging collaboration with state sporting organisations and peak bodies to foster better support mechanisms.

Details:

No restrictions will be placed on the number of grants received per applicant per year.

A registration of interest process will take place to encourage engagement and collaboration with state sport and recreation organisations, peak bodies and local councils.

Applications assessed annually.

Assessment criteria will align with the investment framework of the *State Sport and Recreation Infrastructure Plan*.



SASI Individual Athlete Program

Purpose:

To financially support emerging and elite athletes.

The program would provide funding to individuals seeking financial assistance to develop their performance within their chosen Olympic, Paralympic or Commonwealth games sport as an athlete.

Directed at:

Emerging and elite athletes. Emerging and elite athletes are those who are engaged in a comprehensive program of intensive training and international competition in an Olympic, Paralympic or Commonwealth Games sport and discipline.

Term:

Ongoing.

Frequency:

Annual program and direct negotiations throughout the year to manage seasonal talent identification.

Budget:

Total annual budget: \$135,000 in 2021-22 indexed annually.

Maximum Amount: \$10,000 – with a minimum of \$500.

Funding Source: Government Appropriation.

Objectives:

To support athletes with training and development costs, competition, and sport science services expenditure throughout their commitment to represent Australia.

Details:

No restrictions will be placed on the number of grants received per applicant per year.

The application process will be simple.

Assessment criteria will be flexible and adaptive to the cycle required and to support emerging talent in South Australia.



State Sector Program

Purpose:

To provide financial support to state sport and recreation organisations to help ensure a sustainable and thriving sector.

Directed at:

State sport or recreation organisations with complete control of organisational strategy and finances.

- ▶ Applicants with a three year average turnover less than \$75,000 will be ineligible, but will however be considered under the Active Club Program.
- ▶ Applicants with greater than \$5 million in turnover will be ineligible as they are deemed to be a sustainable organisation.
- ▶ 'One Management' and 'Unitary' organisations are ineligible where the state body does not have complete strategic and financial control.
- ▶ Organisations must adhere to the State Government's policy target on governing body board of a minimum 40% women, 40% men and 20% being discretionary.

Term:

Ongoing program.

Frequency:

One call of funding applications in 2021-22, the remainder being completed by ad-hoc negotiation until a renewal period.

Budget:

A transition year is proposed for the introduction of this program with funding provided in 2021-22 being equal to the previous funding provided through the Sport and Recreation Sustainability Program.

In the transition year state sport or recreation organisations with complete control of organisational strategy and finances will be provided the funding for unspecified purposes. ORSR will negotiate specific project outcomes for remaining organisations.

The available budget in 2021-22 is \$2.7 million.

From 2022-23 the budget will be \$1.54 million indexed annually.

Any budget that is unallocated will be added to the Partnership Program budget.

Maximum Amount: From 2022-23 a maximum of \$50,000 subject to assessment matrix for administrative support funding. A minimum of a three-year agreement with the maximum being a three plus three plus three-year agreement. Mandatory indexation included.

Funding Source: Appropriation.

Objectives:

- ▶ Continuing to support sport and active recreation organisations that cannot adequately support themselves, ensuring a diversity of physical activity opportunities for South Australians.
- ▶ Provide support services to member organisations.
- ▶ Where appropriate align a shared service model with other similar organisations.

Details:

One grant may be received per organisation.

The application process will include submission of three year average financial turnover minus government grants and other relevant documentation.

Discussion of assessment criteria: % allocation based on three year average financial income attributable to sport and recreation businesses minus government grants.

Partnership Program

Purpose:

To support projects that enhance the sport and recreation sector and industry through addressing priorities set out in *Game On: Getting South Australia moving*.

Directed at:

Any legal entity that supports sport, recreation or physical activity.

Term:

Ongoing program.

Frequency:

Permanently open for registration of interest to promote innovation, collaboration and co-investment. Assessed annually.

Budget:

- ▶ 2021-22 (transition year) - \$2.3 million.
- ▶ 2022-23 - \$3.59 million indexed annually.

Maximum Amount: \$300,000 per annum per grant.

Leveraged Investment Required: All projects will be required to have a level of co-investment from project partners to drive greater returns on government investment. Whilst no minimum percentage will be stipulated, the co-contribution will be scored as part of assessment.

Funding Source: Appropriation

Objectives:

- ▶ Addressing *Game On: Getting South Australia moving* initiatives.
- ▶ Encouraging innovation.
- ▶ Encouraging collaboration to deliver better outcomes.

Details:

No restrictions will be placed on the number of grants received per applicant per year. Organisations will be encouraged to share ideas through an Expression of Interest (EOI) process hosted on ORSR's website. This will allow organisations to connect and develop concepts before applying for funding.

Collaboration will be encouraged with the sector peak body.

Projects must be focused on innovation to increase participation in sport, active recreation and broader concepts of movement with the aim of improving physically literacy, capability and engagement.

The number, quality and commitment of partners will be a key consideration in assessment.

Regional Support

The regions have varying and unique issues. Sport and recreation within some regional towns provides the lifeline for many within those communities. Volunteers within these communities are stretched with some being on the committees for many clubs.

Regional local government authorities are currently provided an opportunity to become co-investment partners in a regional support resource (StarClub Field Officers) to assist grassroots sport and recreation organisations.

Given the processes and negotiations involved it would be a more effective and efficient process to negotiate with the partners and allocate funding via service agreements, rather than grant agreements.

VACSWIM

VACSWIM is a South Australian Government supported program to provide primary school-aged children (aged 5 to 13 years) with opportunities to develop a range of skills and positive experiences in reaction to water safety, confidence and competence in the water, personal survival activities and basic aquatic emergency procedures. The program is delivered by qualified instructors at pools, beaches and lakes throughout South Australia.

VACSWIM was operated by the Department of Education until 1999, when it was transferred to the agency. In 2014, the agency amended the delivery method to a grant program.

The current design of the program is administratively burdensome and requires redesign to facilitate more efficient processes; particularly to centralise the management of the program delivery and oversight of service providers.

Due to the risks involved and the level of oversight required for this program, grants are not considered to most appropriate form of funding allocation. Service agreements would be a better tool to provide the level of program control and oversight required of this funding.



TRANSITION OF PROGRAMS



Acknowledgements

Investing in an Active State: a sport and recreation investment strategy for South Australia is an initiative of the Office for Recreation, Sport and Racing.

The Government of South Australia acknowledges and respects Aboriginal peoples as the state's first peoples and nations, and recognises Aboriginal peoples as traditional owners and occupants of land and waters in South Australia. Further, the Government acknowledges that their spiritual, social, cultural and economic practices come from their traditional lands and waters; that they maintain their cultural and heritage beliefs, languages and law which are of ongoing importance, and that they have made and continue to make a unique and irreplaceable contribution to the state.

We acknowledge that Aboriginal people have endured past injustices and dispossession of their traditional lands and waters.

The agency would like to acknowledge the following contributions to the Investing in an Active State; The Directions Team: Wes Battams, John Cranwell, Michelle Crisp, Stuart Ferenci, Justin Stephens, Leah Cassidy. The Framework Team: Kylie Allanson, Donna Barchiesi, Rebecca de Laine, Jason Matte, Katherine Russell.

Interstate sport and recreation departments: Department of Local Government, Sport and Cultural Industries (Western Australia), Department of Tourism, Sport and Culture (Northern Territory), Office for Sport (New South Wales), Sport and Recreation (Australian Capital Territory), Communities, Sport and Recreation (Tasmania), Department of Housing and Public Works, Sport and Recreation (Queensland), Sport and Recreation Victoria, Sport Australia and the following South Australian Government Departments: Department of Human Services, Department of Health and Wellbeing, Department of Environment and Water, Department of Education, Department of Planning and Local Government (Formerly Department of Planning Transport and Infrastructure), South Australian Tourism Commission, Department for Innovation and Skills, Department of Primary Industries and Regions, Department of Treasury and Finance, Department of the Premier and Cabinet, South Australia Police Department.

Local Government elected members and staff, Local Government Association of South Australia, state sporting organisations, state recreation organisations, sector bodies, service providers and support organisations, community groups, clubs and individuals.

Thank you for investing in an Active State.

Image credits:

Marcus Wallis, Prashant Gurung, Halacious, Central Oval Port Augusta, ORSR Image Library, VACSWIM SA

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