



# SPORT WALES ANNUAL REPORT 2021- 2022

LOTTERY DISTRIBUTION ANNUAL REPORT AND ACCOUNTS

HC 677



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# **SPORTS COUNCIL FOR WALES LOTTERY DISTRIBUTION ACCOUNT 2021-22**



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**PRESENTED TO PARLIAMENT PURSUANT TO SECTION  
26(1) AND SECTION 26(3) OF THE NATIONAL LOTTERY  
ETC. ACT 1993 (AS AMENDED BY THE NATIONAL  
LOTTERY ACT 1998).**

**ORDERED BY THE HOUSE OF COMMONS TO BE  
PRINTED ON 11 OCTOBER 2022.**

**HC 677**

# SPORTS COUNCIL FOR WALES LOTTERY DISTRIBUTION ACCOUNT 1 APRIL 2021 - 31 MARCH 2022

## ANNUAL REPORT AND ACCOUNTS

### HISTORY & STATUTORY BACKGROUND

The National Lottery etc Act 1993 (as amended) nominated the Sports Council for Wales (known by its trade name, Sport Wales) as the body responsible for distributing funds generated by the lottery to sport in Wales. The duties of Sport Wales in performing its Lottery functions are carried out pursuant to the account directions issued by the Secretary of State for Digital, Culture, Media and Sport, in accordance with Section 26(1) of the National Lottery etc Act 1993 and the Statement of Financial Requirements issued under Section 26(3) of the Act.

### MANAGEMENT

The management and administration of the Lottery function is carried out through the Sports Council for Wales and the panels established by Sport Wales to assist in distributing Lottery funds to good causes in Wales.

### REGISTERED OFFICE

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ISBN: 978-1-915287-09-0

Printed in the UK on behalf of the Controller of His Majesty's Stationery Office.



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# A MESSAGE FROM LAWRENCE CONWAY, SPORT WALES CHAIR...

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This has been another year overshadowed by Covid-19. I am grateful for the continued support of the Welsh Government and the additional financial resources made available over the last two financial years to help us meet this crisis. My thanks go also to the sport sector itself, and the Welsh Sports Association, who have worked closely with us. The sector has shown remarkable resilience and I believe that through this collective effort we are now in a good place, as we return to pre-Covid-19 sporting normality.

Throughout this period, we have been undertaking surveys of physical activity levels which have once again shown the marked disparities in physical activity levels between social groups, and in particular, the impact upon children from more deprived communities. Against this backdrop, we have been working with the wider education sector to support the introduction of the new curriculum and the contribution of sport and wider physical activity within it.

We have also contributed to the work involved in establishing the Welsh Government's pilots - exploring ways in which we might extend the school day to include more cultural and physical activity pursuits. Through this, we have led on establishing 'active beyond the school day' pilot projects at several schools in Wales.

This year we have also taken forward Sport Partnerships. The Sport North Wales Partnership has been established and will be going live in April 2022. I am confident that our work over this past year will see the establishment of the other four Sport Partnerships covering the rest of Wales during 2022/23.

These are major initiatives which will contribute hugely in terms of reaching communities and individuals who, for cultural and economic reasons, have not been able to enjoy the benefits of sport or a more physically active life.

In the wider international sporting arena, it has been another fantastic year for Wales. In football, at the time of writing - there is the very real prospect of qualifying for the Women's and Men's World Cup finals in 2022. Our Welsh athletes, despite all the logistical and other difficulties of high-level training through the pandemic, had a fantastic Olympic and Paralympic games in Tokyo as part of Team GB. All Welsh athletes performed with distinction, winning 22 medals in total, eight of which were gold. They along with their friends, relatives, coaches, and everyone else in the high-performance sector can be enormously proud of their achievements and for bringing such pleasure to so many of us during this difficult time.

Finally, this year saw the departure of our CEO Sarah Powell following her appointment to the role of CEO at British Gymnastics. I would like to thank Sarah for her unwavering dedication and commitment to sport in Wales and to the work of this organisation. We have a lot to thank her for and I wish her every success in her new role. It has been a pleasure, and we are very fortunate, to have had Brian Davies commence interim appointment as the CEO since September.







SPORT WALES

# PERFORMANCE OVERVIEW



# A MESSAGE FROM BRIAN DAVIES, SPORT WALES ACTING CEO...

## COMMITTED TO THE VISION

As I reflect on the past year, I am reminded of the quote from former CEO, Sarah Powell in a previous Annual Report:

**"AS WE LOOK TO THE FUTURE, WE WILL USE THE LESSONS FROM THIS PAST YEAR AS WE RECOVER, RE-ENGAGE, AND RE-INVIGORATE THE SECTOR..."**

Little did we know then, we would still be facing continual setbacks and disruption related to Covid-19 recovery within sport. Without doubt, the disruptions have been challenging. The pandemic has tested the resilience of Welsh sport and required us to be agile and innovative with our resources. However, despite this I can confidently say - sport has provided many examples of what an important role it plays in the general fabric and wellbeing of our communities and, society in general.

Sport Wales is committed to ensuring that sport makes a positive difference to the people of Wales. We cannot do this without the support of Government, our partners, and our wider networks. Our partners and stakeholders have responded magnificently once again to challenges over the year and the Sport Wales staff and Board are very grateful to all in the sector for their combined, effective efforts.

This year, the beneficial aspects of accelerated **collaborative** working, established when the pandemic first hit in 2020, continued to grow. We must continue to explore and innovate in this **collaborative** space, and we look forward to working with our partners to ensure that sport emerges even stronger from the unusual circumstances of late. It is clear that by working together, we will ensure continued delivery of the Vision for sport in Wales.

No annual report would be complete without also paying tribute to the thousands of volunteers and coaches across Wales who give their time to support quality and enjoyable play, active recreation, and sport experiences. These experiences, facilitated by you - have never been more important.

As well as challenges, we must also celebrate the successes of the last year. A personal highlight for me is Menna Fitzpatrick, who this year, became Britain's most decorated Winter Paralympian winning a silver and bronze medal at the Beijing 2022 Games to add to her brace from PyeongChang in 2018.

The past 12-months has focused attention on how success of our athletes on the world stage needs to be developed holistically, thereby providing **sustainable** success and the inspirational tonic that we value. Equitable opportunity, and a person-centred approach to sport will continue to be our focus at Sport Wales as we look ahead to the next 12 months.

Finally, I must pay tribute to Sarah Powell for her 11 years of service to Sport Wales, with 8 of these in the capacity as CEO. Sarah's enthusiasm, commitment, energy, and zeal will be missed by us all and especially me, but we are glad she is still playing a key role within the sector. It would also be remiss of me not to thank all the staff and Board at Sport Wales for their steadfast support to me as I have fulfilled the role of acting CEO.

It really is a joint effort at Sport Wales, and within the sector, and I am truly thankful to all my teammates.

# RECAPPING THE VISION FOR SPORT IN WALES

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**AN ACTIVE NATION  
WHERE EVERYONE  
CAN HAVE A LIFELONG  
ENJOYMENT OF SPORT**

The vision for sport in Wales underpins our work as an organisation, the **collaborative** work of the sport sector, and the **involvement** of wider stakeholders. The vision is not just for Sport Wales to work towards, rather it is the collective vehicle for cross sector engagement in transforming Wales into an active nation.



## ACTIVE NATION

WE WANT AS MANY PEOPLE AS POSSIBLE TO BE INSPIRED TO BE ACTIVE THROUGH SPORT.



## EVERYONE

THE VISION IS FOR EVERYONE. FROM PEOPLE WHO DON'T SEE THEMSELVES AS SPORTY TO THOSE THAT WIN MEDALS.



## LIFELONG

THE VISION IS FOR LIFE, IT RESPONDS TO THE NEEDS OF PEOPLE AT DIFFERENT STAGES OF THEIR LIFE.



## ENJOYMENT

THE VISION FOCUSES ON CREATING A RANGE OF POSITIVE EXPERIENCES SO EVERYONE CAN ENJOY SPORT.



## IMPORTANTLY THE VISION IS BUILT ON THE 5 WAYS OF WORKING IN LINE WITH THE WELLBEING OF FUTURE GENERATIONS (WALES) ACT 2015:

- **LONG TERM.**

The vision ensures we, alongside our partners, plan for the long term, developing opportunities that respond to the needs of all people in a changing society.

- **PREVENTION.**

The vision is about ensuring sport is accessible, fun, and affordable, and leaves no one behind. It also ensures we put resources into preventing problems occurring, or from getting worse

- **INTEGRATION.**

The vision unites decision makers and organisations through its ambitions. It is built on the **collaborative** impact of what we can achieve when we work together.

- **COLLABORATION.**

The vision belongs to and needs the support of everyone in Wales – working, investing, learning and succeeding together.

- **INVOLVEMENT.**

The vision was built following conversations with individuals from every part of Wales and continues to promote **involvement** into shaping the future of Wales being an active nation.

The vision underpins our strategy, and our annual business plan. Throughout this report you will read about the core areas of our work which facilitate our work towards the vision.

**WE ARE ENORMOUSLY GRATEFUL AND VERY PROUD OF THE COLLABORATIVE EFFORT FROM THE WELSH SPORT SECTOR IN BEING COMMITTED TO THE VISION.**

# OUR INTENTIONS

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As part of our role delivering on the Vision for Sport in Wales, we work to six strategic intent statements. These organisational statements demonstrate what you can expect to see from the work in which we deliver, and the work that we are part of.

These statements also act as our **Wellbeing Objectives**, and we utilise them to frame our **Wellbeing Future Generations (Act) Wales 2015** public duties reporting. You will find many examples of how we work towards these objectives within the body of the report and, on page 55 under 'Our work as a Public Body.'

## OUR STRATEGIC INTENT STATEMENTS ARE:

### #1 BE PERSON CENTRED

The needs and motivations of the individual lead the delivery, whether just starting out, aiming to **progress**, or striving for excellence on the world stage.

### #2 GIVE EVERY YOUNG PERSON A GREAT START

Every young person has the skills, confidence, and motivation to enable them to enjoy and **progress** through sport; giving them foundations to lead an active, healthy and enriched life.

### #3 ENSURE EVERYONE HAS THE OPPORTUNITY TO BE ACTIVE THROUGH SPORT

Sport is inclusive and provides a great experience for all.

### #4 BRING PEOPLE TOGETHER FOR THE LONG-TERM

There is a collaborative, **sustainable** and successful sport sector, led by collective insight and learning.

### #5 SHOWCASE THE BENEFITS OF SPORT

The impact of sport is evidenced, and sport's reach is fully understood, showcased and celebrated through Wales.

### #6 BE A HIGHLY VALUED ORGANISATION

Sport Wales is a respected organisation, striving to overachieve by delivering an exemplary service through valued staff.

# INTEGRATED ANNUAL REPORTING

This Annual Report integrates our **Welsh Language Standards Report** alongside our annual reporting on the **Public Sector Equality Duty**, and **Wellbeing of Future Generations Duty**. Our **Biodiversity Report** is also integrated into our **Sustainability Report** within the Annual Accounts Section.

This **integration** brings public duties reporting into one document to give a more holistic picture of our work. It also reflects the way in which we work as an organisation.

## WE BELIEVE THAT THIS IS A UNIQUE AND LEADING APPROACH ON PUBLIC BODY REPORTING IN WALES.

Many examples and principles of our work will be embedded using language, for example: '**collaboration, involvement, long term, prevention and integration**' or highlighted with the following logos:



WBFG



Equality



Welsh Language



# OUR FOCUS ON EQUALITY, DIVERSITY AND INCLUSION

Ensuring that sport can be for everyone is our focus at Sport Wales. We believe that our strategy - built to deliver the Vision for Sport in Wales, ensures the work we prioritise meets the needs of our society.

This year, we have continued to accelerate our approach to making sure sport is inclusive.

This includes - taking an equitable approach to investment, developing new partnerships, and continuing to listen and learn from communities across all areas of our business.

Importantly, a core focus of our approach is to **embed** taking an intersectional approach into how we work, and what we work on. This annual report will showcase just that.

**EQUALITY, DIVERSITY, AND INCLUSION ARE PART OF SPORT WALES BECAUSE SPORT IN WALES IS FOR EVERYONE.**

## ACCESSIBILITY



This year, we have continued to focus on how we tell the stories of Welsh sport by putting accessibility at the heart of how we work. 1 in 5 people have a disability and we're committed to making sure everyone can access our stories about sport through social media, our website, and our emails.

To accelerate our approach to accessibility, this year we secured a three-year partnership with digital accessibility experts who will test our website annually, offer support, and deliver training. Our accessibility partners are currently completing the first annual review of the website and recently our communications team received a training session on making our social media content more accessible. More sessions are planned for the next year.

We have also made sure to include accessible practices as requirements for external providers. We regularly work with design agencies whose designers have been specifically trained on producing accessible documents. Going forward, accessibility will always be a first consideration for how we communicate.

# THE IMPACT OF THE COVID-19 PANDEMIC

The Covid-19 pandemic has required the sport sector to be agile, innovative, and to work together. The resilience of the sector this year, has once again been remarkable. It is this resilience that has collectively allowed us to think, and act differently – advocating for sport in new spaces, accelerating our work with new initiatives, and of course, celebrating the successes of each other as partners, and of our athletes.

## THANK YOU TO EVERYONE INVOLVED IN WELSH SPORT FROM US AT SPORT WALES.

Covid-19 has prompted new methods of working, and some new initiatives too. Some of these are:



- The Development of The National Sport Group. In response to changing alerts levels, and subsequent restrictions placed on sport throughout the pandemic, The National Sport Group was established. This group, a **collaboration** made up of Sport Wales, the Welsh Government, the Welsh Sports Association and Commonwealth Games Wales, was **responsible** for managing the elite status designation process for a measured, and gradual return to competitive sport. Additionally, the group collated evidence of the impact of the return to competitive sport to inform the Welsh Government's periodic reviews of the regulations and guidance.
- The development of snapshot insight. At the start of the pandemic, we worked with **Savanta ComRes** to help initially understand the impact the pandemic had, or was having, on activity levels. We have since understood that aside from the questions we were asking in relation to the pandemic, this national activity tracking poll was a useful addition to the population level surveillance surveys offered by the National Survey for Wales and the School Sport Survey. As such it will continue to feature as part of our insight collection.
- Being agile with investment. We continued to operate our Be Active Wales Fund under the banner of three streams - **Protect, Prepare and Progress** to ensure we met the needs of communities in Wales who required different levels of support at different times during the pandemic. Flexibility across community funding is now part of our approach.
- Encouraging Wales to get **#BackInTheGame**. In 2021 we launched a campaign to help people reconnect with sport once restrictions had eased and return to play was permitted. The campaign aimed to boost people's confidence, motivation and awareness and was aimed at people whose activity level had dipped during the pandemic.



**PENBLWYDD HAPUS SPORT WALES  
NATIONAL CENTRE**



# CHANGES TO THE NATIONAL CENTRE

This year, the Sport Wales National Centre in Cardiff was pleased to be back in operation after significant closures during the pandemic. Throughout the pandemic, our operational staff have continued to work tirelessly to keep the doors open to athletes, and to safely welcome back members of the public.

## OVER THE YEAR, WE HAVE ALSO BEEN BUSY MAKING SOME ADDITIONS TO THE CENTRE...

We opened the new Hwb café on the ground floor and have shifted to utilising local food suppliers to support smaller local businesses. We are now proud to use a local coffee supplier, as well as a local artisan baker. We have also made changes to our accommodation block, and the revamp has benefited all our patrons, especially athletes. The bedrooms went through a 'mini makeover', removing darker colours and replacing with a cleaner, whiter finish. The toiletries introduced into the rooms are from a Welsh social enterprise company too, where all sale proceeds are reinvested into the local community.



# OUR AREAS OF WORK

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- **SPORT FOR PUBLIC HEALTH AND WELLBEING**
- **SPORT TO BUILD ACTIVE YOUNG PEOPLE**
- **SPORT TO CONNECT COMMUNITIES**
- **BUILDING A RESILIENT SPORT SECTOR**
- **WELSH SPORT ON THE WORLD STAGE**



# PUBLIC HEALTH AND WELLBEING

Sport plays a fundamental role in supporting the health and wellbeing of Wales. We know that encouraging more people to become more active can lead to population level improvement in health outcomes and overall wellbeing.

## THIS YEAR, WE HAVE ACCELERATED OUR WORK TO:

- Advocate for sport at the heart of health **prevention**.
- Reinforce the essential support role of sport across mental wellbeing.
- Improve cross sector **collaboration** between sport and health.



## OUR WORK ON SOCIAL PRESCRIBING

Social prescribing is a means of enabling health and social care professionals to refer people to a range of local, non-clinical services. We know that physical activity plays a key role in the **prevention** of some non-communicable disease and that sport can have significant impact as a component of social prescribing.

In 2021-2022, Sport Wales strengthened our commitment to supporting the development of Social Prescribing within Wales by joining the Social Prescribing task and finish group, chaired by the Deputy Minister for Mental Health and Wellbeing. The role of the task and finish group is to support the creation of a national framework for Social Prescribing in Wales, which aims to understand how social prescribing can aid Wales in its recovery from Covid-19, and how social prescribing can play an important role in helping shift the emphasis from treating illness, to promoting better wellbeing and preventing ill-health.

## OUR WORK IN DELIVERING ON HEALTHY WEIGHT, HEALTHY WALES

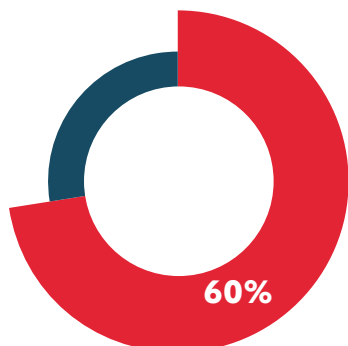
This year, we have contributed to the development of the 2022-2024 Healthy Weight Healthy Wales delivery plan which recognises the impact of Covid-19 on physical and mental health. We are a lead partner on 5 of the 7 National Priorities including:

- **NATIONAL PRIORITY 2.**  
Enable active environments and spaces to encourage more movement in daily life.
- **NATIONAL PRIORITY 3.**  
Promote and support families to provide the best start in life, from pre-pregnancy to early years.
- **NATIONAL PRIORITY 4.**  
Enable our education settings to be places where physical and mental health remains a priority.
- **NATIONAL PRIORITY 5.**  
Remove barriers to reduce diet and health inequalities across the population.
- **NATIONAL PRIORITY 7.**  
Enhance the development of the system of **prevention** which enables leadership at every level.





## OUR WORK SUPPORTING MENTAL HEALTH AND WELLBEING



Sport has a role and responsibility in supporting mental wellbeing and the benefits of physical activity in supporting mental health are well documented. During the pandemic, our data indicated that 60% of surveyed adults said that they were exercising to manage their mental health, and in early 2022 - this figure was still over 50%.

We know that sport itself, particularly at an elite and high-performance level can also have its own additional stressors. Our person-centred approach to athlete development and performance, takes a holistic view on developing the whole person along their sporting journey.



### OUR WORK SUPPORTING A MENTAL HEALTH AND WELLBEING PANEL

A Mental Health and Wellbeing Panel is currently being developed with representatives across Sport Wales. To ensure we are informed by an evidence base and psychological theory, this will include expertise from a Clinical Psychologist who was appointed into the organisation at the start of 2021. The panel also aims to consult with athletes to ensure **involvement** from athletes, and that the athlete voice is heard, valued, and represented



# CASE STUDY

## WELLBEING AND MENTAL HEALTH IN PERFORMANCE SPORT



To understand the factors which influence the wellbeing and mental health of athletes, in 2022, we conducted a research project alongside two National Governing Bodies. In response to the **Duty of Care Review (2017)** and **Future Generations (Wales) Act (2015)**, the project aimed to:

- Examine the factors which influence the wellbeing and mental health of athletes.
- Devise, implement, and evaluate a bespoke, evidence-based intervention that can maintain/enhance athletes' wellbeing and mental health.

### TO DO THIS WE:

1. Collected data by working collaboratively with athletes through interviews, observations, and athlete diaries.
2. Implemented and evaluated an evidence-based intervention which aimed to enhance athlete psychological wellbeing/mental health and elicit **long term** changes within the sporting environment.
3. Produced an educational series via a podcast platform to improve knowledge of wellbeing and mental health. This series was developed with a range of sports science and medicine practitioners and mental health researchers involved.
4. Developed an online resource, which provided detailed information in relation to mental health symptoms.
5. Provided sport-specific, evidence-based environmental recommendations to each National Governing Body to promote.

### WHAT DID WE LEARN?

- A range of cultural, environmental, and individual factors can positively and negatively affect athletes' wellbeing and mental health.
- Interventions need to target multiple factors when aiming to enhance and protect athlete wellbeing and mental health.
- Recommendations to maintain/enhance wellbeing and mental health need to be environmental specific, as factors can vary across sports.

### SUPPORTING MENTAL HEALTH AND WELLBEING WITHIN LOCAL AUTHORITIES

We continue to work closely with Sport and Leisure, Health and Wellbeing and Education teams within each of the 22 Local Authorities in Wales. We are enormously grateful for the work that goes in to ensuring that sport can **thrive** within local communities and acknowledge the important role sport and leisure colleagues play in advocating for sport in supporting mental health and wellbeing

# CASE STUDY

## WELLBEING AND MENTAL HEALTH THROUGH OUTDOOR TRAILS

The provision of outdoor spaces has seen significant attention during the pandemic. In response to this, Merthyr Tydfil County Borough Council expanded their work on outdoor trails, which saw more people accessing trails across the borough along with a 49% increase in Taff Trail usage. An Active Merthyr survey showed that there was a significant number of people who reported that walking or running was their main source of exercise during the pandemic - which was a similar finding to that of our surveys throughout 21/22. As such, walking opportunities have been actively promoted since. These included themed walks for children, as well as filmed routes across the borough to promote trails available. Added to this, a 2022 family walking challenge led to over 200 families signing up in the first two days. There have been significant increases in local virtual running challenges, social cycling and general use of trails and outdoor spaces throughout Covid-19, inadvertently showcasing the opportunities that exist locally.



### OUR WORK WITH MIND CYMRU

To help raise awareness of mental health, this year we **collaborated** Mind Cymru for a campaign to highlight the significant mental health benefits of moving more and being active. Three short feature films were made and were published on the social media channels of both organisations at the beginning of the new year. The features showed real-life case studies, research, and examples of the power of exercise to reduce stress, loneliness, anxiety, and depression



### OUR WORK ON THE 60+ ACTIVE LEISURE SCHEME

This year, we have continued to support the 60+ Active Leisure Scheme. This initiative enables this population group to live longer, better, and happier lives by improving their activity levels, confidence, strength, and balance.

**THE TOTAL INVESTMENT TO SPORT WALES OVER  
THE DURATION OF THE 60+ ACTIVE LEISURE SCHEME  
FOR 2021-22 WAS**

**£500,000**

with a proportion of this utilised in distributable grants to 22 Local Authority delivery partners through individual projects, and a proportion used for evaluation measures.





## OUR WORK SUPPORTING FREE SWIMMING

This year, we have continued to support the Free-Swimming initiative working with Local Authority partners in taking a targeted approach with their investment. Throughout 2021-22 there have been a variety of offers to make swimming fun and engaging to a broader audience including the upskilling of staff and making small changes to pool areas.

Pembrokeshire and Powys Local Authorities for example, have attempted to tackle rural deprivation, seeking to understand the barriers to swim participation and working with customers to overcome these. Other areas such as Merthyr and Gwynedd have partnered with food banks, housing associations and social services to develop voucher schemes and deliver targeted swimming sessions, and lessons for those who live in areas of deprivation.

Specific targeted work for Under 16 and Over 60 age groups has also taken place, as well as specific sessions for children with additional learning needs, autism friendly sessions, dementia friendly sessions as well as girls only and closed sessions for ethnically diverse communities. These specific sessions have been tailored to respond to the varied needs of communities.

## THE INVESTMENT INTO THIS SCHEME OVER THE LAST YEAR HAS TOTALLED

# £1.5 MILLION



## OUR INVOLVEMENT IN THE HEALTHY AND ACTIVE FUND

The Healthy and Active Fund (HAF) is an established, **collaborative** programme of work co-managed between Welsh Government (health and sport), Sport Wales and Public Health Wales. This year, we have continued to have responsibility to administer grants to projects. This year, we have committed £1.3m to 17 projects, which could aid in strengthening and developing community assets, whilst aiming to improve mental and physical health by enabling the adoption of healthy and active lifestyles for the **long term**. Funding was awarded to organisations who actively promote and enable healthy activity for one or more of the following groups:

- Children and young people
- People with a disability or **long-term** illness
- People who are economically inactive or who live in areas of deprivation
- Older people and those around the age of retirement from work

The HAF is managed in several layers including a Project Board, Delivery Group, Evaluation Group, and Case Officers, with Sport Wales providing representation within each of these layers. UKRCS are the appointed Independent Evaluators for the programme.

Despite ongoing challenges facing projects such as flooding and the pandemic, many have still managed to make a difference to their communities. These challenges were recognised through HAF. To aid in the **long-term** sustainability of projects; an additional fourth year of funding was committed in April 2021 with 16 of the 17 projects set to continue.

# ACTIVE YOUNG PEOPLE

Sport can create healthy, **resilient** young people. We know creating an active education system that ensures participation in sport in the early years is the opportunity young people in Wales need to **thrive**.

**This year, we have accelerated our work to:**

- Focus on promoting good quality, **equal** opportunities for young people to access sport and physical activity throughout the foundations phase.
- Provided expertise on sport and physical activity by supporting the implementation of the new curriculum.
- Led a pilot phase of work which looks to expand the offer of sport to communities, by utilising school facilities.
- Continued to focus on the importance of the young person's voice within sport.



## OUR WORK ON FOUNDATIONS AND PARTICIPATION

This year we have developed our approach to foundations and participation in sport. In 2021 we involved a variety of partners in this work, including Local Authority representatives, National Governing Bodies, and wider stakeholders. We **collaborated** to outline a series of questions to better understand how we give every young person a great start and the barriers young people **preventing** them in becoming active.

In December 2021 we contracted a range of consultants and researchers to undertake several research questions and develop an evidence base as a response to the professional enquiry question posed. The outcome of this work is to develop insight which will allow our partners to deliver a sporting offer which meets the needs of participants. This work is due for completion in July 2022.



## WINTER OF WELLBEING

In 2022, we continued to work with the sector in supporting the delivery of activities aligned to the Winter of Wellbeing Fund.

# £1 MILLION

**WAS ALLOCATED TO SPORT WALES AS PART OF A WELSH GOVERNMENT PACKAGE DESIGNED TO INSPIRE CHILDREN AND YOUNG PEOPLE TO GET INVOLVED WITH SPORT, AND TO GET ACTIVE INCLUDING IN THE MEDIUM OF WELSH.**



## OUR WORK ON SUPPORTING ACTIVE EDUCATION SYSTEMS

### Active Education Supporting the Implementation of the New Curriculum for Wales

The new curriculum in Wales presents an opportunity to create the right experiences to support young people in developing the skills, confidence, motivation, and ability to enjoy being physically active for life.

We recognise the potential to implement the principles of **prevention** and **long-term** is a huge opportunity for sport within the school setting.

Research from our partners Youth Sport Trust identified that education practitioners are keen for more support as they move towards the implementation of the new Curriculum, in particular - resources, online resources, and the opportunity to share good practice. To meet this demand, we have started to develop an online platform to house a range of educational resources with a specific focus around the Health and Wellbeing and Expressive Arts Areas of Learning Experience.

Initially this platform will prioritise existing Sport Wales resources and will then extend to house resources provided through Sport Wales partners such as National Governing Bodies of Sport. In building this platform collaboratively, education practitioners will provide user feedback through facilitated service discovery groups, which will identify any gaps in resource provision.

The platform is due for completion and launch in May 2022.

## ACTIVE EDUCATION BEYOND THE SCHOOL DAY

We want to ensure that young people in Wales have access to high quality sport and physical activity opportunities beyond the school day. To facilitate this, this year we have led and coordinated a 'pilot phase' of an Active Beyond the School Day initiative.

### THIS HAS BEEN SUPPORTED BY A

# £300,000

### WELSH GOVERNMENT INVESTMENT AND IS SPECIFIC TO WORK OUTSIDE OF THE CURRICULUM.

## WITHIN THIS AREA OF WORK, SPORT WALES HAS:

- Completed a research paper exploring national and international practice in this area.
- Initiated a data capture survey, working closely with Local Authorities and schools. 20 Local Authorities responded to the data capture survey to provide insight on 'schools that provide access to sport and physical activity opportunities beyond the school day, through the utilisation of their facilities when necessary to serve the needs of their community.'
- Supported 14 schools who were successfully short-listed as pilot schools. The pilot schools include primary and secondary schools from across all regions of Wales. The monitoring and evaluation of the pilot schools will take place until August 2022.
- The Welsh Institute of Physical Activity Health and Sport has been commissioned to support the monitoring and evaluation of the pilot schools, with a final report due on the 1st September 2022.



## OUR WORK ON SUPPORTING ACTIVE YOUNG PEOPLE ALONGSIDE LOCAL AUTHORITIES

We recognise that Sport Development Teams within Local Authorities are working closely with schools and community settings to build a strong sporting foundation for young people to enable them to be physically active for life. This year we have worked closely with Local Authority teams to prepare for **collaborative** delivery of the fifth iteration of the School Sport Survey (live 28th March 2022).



## OUR WORK ESTABLISHING A SPORT WALES YOUTH PANEL

Ensuring 'everyone has a lifelong enjoyment of sport' and giving 'every young person the best start' were the core drivers for the establishment of a Sport Wales panel in 2021. The purpose of the panel is to give a voice to young people across our work by linking directly to the Sport Wales Board.

The panel takes place five times a year and comprises of 14 members, reflective of Sport Wales board meetings, and board composition. Members of the panel are aged between 14-26 and were recruited through a competitive interview process. We place a strong commitment on ensuring gender parity and diversity throughout the panel. The current panel has a representative voice with a balance of skills, experience, backgrounds, ethnicity, and gender.

Communication between the panel and the Sport Wales Board is led by the panel Chair and nominated Board member. The panel Chair also attends the Sport Wales Board meetings to represent youth voice, and similarly, the nominated board member attends the panel to ensure consistent communication and a strong relationship.

Since the Sport Wales panel's inception in the summer of 2021, the panel have met three times. The mantra of the panel is 'for the young people, by the young people', and whereby possible the agenda is shaped by the panel with the support of Sport Wales staff. Agenda items have included:

- New School Curriculum
- Community Focused Schools
- School Sport Survey
- Children's Commissioner
- Young Ambassador programme
- Panel Legacy

Youth voice has been captured from such agenda items and has been considered in the decision-making process. Board feedback has highlighted several changes because of panel involvement. For example, the 2022 School Sport Survey questions have been amended because of input from the group. Additionally, the panel have been able to share their experiences of the Young Ambassador Programme as part of a national review which will shape the future of youth leadership in Wales. The panel will continue to raise the visibility of youth voice and plan to work closely with the Children's Commissioner and Minister of Education over the next year.



## THE 2022 SCHOOL SPORT SURVEY

The School Sport Survey is one of the largest, per capita opportunities in the world for young people to have their say on sport. On March 28th 2022 our fifth iteration of the survey launched, inviting schools across Wales to take part. Grounded in being person-centred, ensuring everyone has the opportunity to be active through sport, and giving every young person a great start, the survey helps understand and realise our ambition of being an active nation where everyone can have lifelong enjoyment of sport.

The School Sport Survey is an online, national survey, primarily interested in the attitudes, behaviours, and opportunities young people have with regards to sport. The survey not only helps us and the sector understand who, where, and how young people take part in sport, but helps us 'tell' and 'sell' a compelling story of sport, and importantly for this iteration, gives us insight into the impact of the pandemic.

The survey asks which sports pupils have taken part in (including where and how often), which sports they would like to do more of, and a series of wellbeing questions including enjoyment of sport in different settings, their confidence in taking part in new sporting activities, and barriers to participation in sport, among many others.

The survey constitutes two parts, including a pupil completed survey and a teacher completed survey. All primary, secondary, and special schools in Wales are invited to take part – as are independent schools on request – and pupils from years 3 to 11 have the opportunity to share their voice.

The last iteration of the survey took place in 2018, where over 120,000 pupils from over 1,000 schools in Wales took part. Though the survey was hugely successful, we wanted to understand what improvements could be made for this year. Subsequently, we consulted with a range of partners and key stakeholders in Autumn 2020 to understand some of the challenges associated with the survey, and where improvements could be made. That consultation process shaped the preparatory work for the 2022 School Sport Survey, suggesting changes to the delivery of the survey, the dissemination of results, and to the questionnaire itself. The consultation report can be found on our website.







In further response to the consultation, all aspects of the survey were closely inspected and refined, resulting in a series of improvements to the questionnaire, fieldwork, and reporting of the survey. Although not an exhaustive list, the key changes include:



- One, easy-read survey for all, including images throughout the survey
- Tested and updated the list of sports
- Added sport participation 'check question'
- Added frequency of sport question
- Established 'core questions' and grouped them at the start of the survey
- Extended survey period (17 weeks)
- Local authorities to receive school links 2 weeks before schools
- Live monitoring system available to all schools (including responses needed)
- Dedicated telephone and email support helpline for schools and local authorities
- Schools to receive reports as soon as possible after fieldwork finishes
- Local authorities to receive school reports / data overview at the same time as schools
- National governing bodies and constituencies to receive individualised reports
- Disseminate tables exclusively presenting insight relevant to the new investment model

Changes to the questionnaire itself have also gone through a rigorous piloting process. Throughout the winter of 2021/22, in-person observations of pupils completing the survey took place with over 100 pupils from 12 schools across Wales. Schools involved included primary, secondary, and special schools, as well as both Welsh and English medium schools, and schools from areas of high deprivation.

The 2022 School Sport Survey will run from 28th March to 22nd July 2022, with individualised reports being shared with schools in Summer 2022, and national, local authority, national governing body, and constituency reports arriving in Autumn 2022.









# COHESIVE AND CONNECTED COMMUNITIES

Sport and physical activity connect communities, foster social unity, and provide a platform for social change. Sport also contributes economic capital to communities and tackles the social determinants of health such as crime, poverty, and systemic inequality.

**This year, we have accelerated our work to:**

- Develop a regional Sport Partnership approach.
- Successfully establish Sport North Wales.



## OUR WORK DEVELOPING SPORT PARTNERSHIPS

Sport Partnerships will transform the way community sport is developed, delivered, led, and funded - responding to the needs of each community within 5 regions across Wales. This year, we have accelerated **progress** towards the creation of these Sport Partnerships.

Through Sport Partnerships, we are planning for future generations by taking steps to prevent inequalities in participation in sport and physical activity across Wales.

Tasked with bringing about system change they will be the catalyst to tackling 2 long standing issues:

- Ensuring there is the right support and opportunities in place for those who are not regularly physically active with a clear focus on removing barriers for those who need the most help.
- Taking steps to meet the high latent demand from those who are active but want to do much more.

A Sport Partnership brings together a **collaboration** of key stakeholders within a defined region, who understand the importance and have a focus on, delivering the benefits of sport and physical activity. Led by insight they will provide strategic leadership and planning at a regional level, with a common purpose that at a local level, everyone can be **involved** in sport and physical activity through a range of opportunities that best meet their needs.

As of March 2022, Sport North Wales is up and running as the first region to “go live”, with a new leadership and Governance structure in place representing a diverse group of stakeholders. Significant work is now underway to use current insight and data to refine and deliver a regional approach in North Wales, which truly meets local need and demand and raises the profile of sport and physical activity. Mid and West Wales region are also both **progressing** well through the development stages with a view to being established over the next year. These will be closely followed by Gwent and Central South regions, to complete this new and exciting regional landscape



## HIGHLIGHTS FROM OUR WORK CONNECTING COMMUNITIES AT LOCAL AUTHORITY LEVEL

Local Authorities across Wales receive Sport Wales investment and make a vital contribution to the Vision for Sport in Wales. They are a significant delivery partner and provide an effective conduit for encouraging a multi-partnership approach to the delivery of sport and physical activity for the people of Wales.

The Covid-19 landscape during 2021-22 was one of constant change. During this time, Local Authorities showed considerable resilience, using insight, and learning to adapt to ever changing circumstances - ensuring provision and support was offered to schools and communities.

# CASE STUDY

## FAMILY FITNESS TRAIL, SPORT NORTH WALES

Sport North Wales have utilised Sport Wales investment to work through their delivery partners and inspire families to 'Get Active'.

In 2021, the Bywniach team in Gwynedd expanded their already established family fitness trails. Three locations in each area throughout Gwynedd Arfon, Dwyfor and Meirionydd were selected:

**LON LAS BETHESDA**

**LLANBERIS**

**GLYNLLIFON, LLANBERIS**

The launch of these trails will be in Easter 2022, with six more to follow in the summer. As part of the launch, pamphlets will be made with each trail mapped out for families to follow and tick off once completed, and a QR code which will link to a certificate of completion.



### OUR WORK TO INCREASE THE REACH AND IMPACT OF COMMUNITY INVESTMENT

In 2021, Sport Wales approached the Centre for Digital and Public Services [CDPS] to seek **collaboration** on a fundamental question:

**How can Sport Wales increase the reach and impact of our community investment.**

The **collaboration** began in July 2021 with the Discovery phase, and a multi-disciplinary team of across Sport Wales and the CDPS being assembled.

The aim within Discovery was not to jump to solutions, but instead, begin by understanding the needs of users and the organisation through user research. During Discovery, we identified three main user groups:

- Current users that have successfully applied for funding
- Current users that were unsuccessful when applying for funding and,
- Potential users that haven't applied for funding who could be eligible.

Over the 8-week phase, we received 228 survey responses and conducted 59 qualitative interviews across those three user groups. We also spoke with 58 community partners and Local Authorities, with six public sector organisations and seven third sector bodies

who themselves provide grant funding, and held internal conversations about our current processes, our digital reach, and our insight and evaluation needs.

Through our research we saw the limitations of the current reach and understanding of Sport Wales' community grants. We also highlighted 'pain-points' within the application process and concluded that there was room for improvement in the end-to-end process. We explored any potential technical issues that are contributing to users' frustration and understood that the current system's inability to display pertinent grant data in 'real time' was proving a to be a blocker to an efficient process.

Following the success and insight gathered from Discovery, we chose to continue the work into a 12-week Alpha phase. While the main aim of the project remained constant (i.e., increasing the reach and impact of our community investment), this phase of the work had three key objectives:

- 1.** To build, test, and iterate a prototype of an end-to-end application process that meets the needs of users and delivers organisational outcomes.
- 2.** To work closely with digital communications, partners, and other organisations to test how the reach of Sport Wales can become more effective.
- 3.** To work through how changes to the technical system can meet the needs of the organisation and users to a greater extent.

To address these objectives, modifications to the team were made, including the recruitment of an interaction designer and user researcher, a content designer, and the support of two junior researchers. We built, tested, and evaluated four different application prototypes with 15 separate users from various sports, geographies, and experiences. We also spoke with:

- Senior individuals internally to explore the policies and governance obligations in place for community investment.
- The communications team to explore the content and analytics available on the Sport Wales website in relation to community investment.
- Partner facing staff to understand the current landscape in terms of reach, activity delivered, and engagement with local communities.
- The current grant system supplier to understand their aspirations for the product in the future.
- Funding organisations about their experience with various grant systems.

The culmination of this work and these conversations were a series of recommendations including the need to continue with the design and evaluation of an end-to-end user journey, the procurement and implementation of a new grant application and management system, and to make technical changes to the current system in the short-term. These recommendations have resulted in Sport Wales and CDPS preparing for the next phase of work, affectionately named Alpha+, which will solely focus on designing and evaluating the remainder of the application process and began in late February 2022.



## OUR WORK TO DEVELOP NEW PARTNERSHIPS

### NEW NATIONAL PARTNERS

We recognise that to make sport accessible and equitable for everyone in Wales, we need to better understand what solutions can be put in place to tackle a wide range of societal inequalities. We are continuing to **progress** this through our current national network of funded partners but are also continuing to scope new opportunities to reach new people, places, and organisations.

**Through investigating new partnership and engagement opportunities over the past 12 months, we have:**



1. Invested **£200,000** through our Capital Funds for 3 National Partners to **collaborate** and help us understand barriers and tackle inequalities with a focus on race across Wales.



2. Engaged in positive conversations with **20** new organisations to share insight, connect sport sector personnel and explore a variety of engagement and partnership opportunities. These partners range from supporting Refugees and Asylum seekers through to behaviour change organisations.



3. Invested **£32,000** into **SPORTED** for a 12-month project piloting a volunteer programme. Sported are the largest network of community sports groups in the country focused on tackling inequality.

# CASE STUDY

## THE BLACK SWIMMING ASSOCIATION AND SPORT WALES WORKING IN PARTNERSHIP



In early 2022, The Black Swimming Association (BSA) and Sport Wales announced a new partnership which aims to make swimming and other aquatic sports more ethnically diverse in Wales.

The partnership is considered a milestone for both organisations. Not only does the agreement represent a significant commitment to tackle the existing inequalities in the aquatics sector, but it's also the first time the BSA has a presence in Wales.

The partnership has seen the creation of a BSA Programme Delivery Manager post based in the Welsh capital of Cardiff, where the Sport Wales head office is also located. Not only does the role ensure that the BSA's existing aquatics programmes are developed in Wales, but it also has an emphasis on community engagement by building long-lasting relationships with African, Caribbean and Asian communities in South Wales.

The work will also contribute towards preliminary social research activities across Cardiff, Newport and Swansea, which will feed into research and findings the charity is already conducting in England.

### CURRENTLY, LESS THAN 3% OF LIFEGUARDS, SWIMMING COACHES AND VOLUNTEERS IN THE SECTOR ARE FROM AFRICAN, CARIBBEAN AND ASIAN COMMUNITIES.

In addition to its research programme and aquatic clinics, the BSA is also looking to address the racial inequalities in the UK's aquatic workforce by increasing the number of people of Black and Asian heritage by 25% by 2024.



### OUR WORK FINDING OUT 'WHAT MATTERS' TO PARTNERS

Throughout this year, we have specifically focused our attention on an approach to partnership working that embodied the principle and core question of 'What Matters?' This has meant hosting a series of conversations with our partners about: What matters to them, what matters to us, and where we share core common objectives. These conversations have influenced the priorities set out in our business plan to ensure we work in a way which is **collaborative** and **integrative** of the needs of the whole sector.



### SPORT FOR EVERYONE

This year, Sport Wales teamed up with The Football Association Wales to promote LGBTQ+ **equality**. The Rainbow Laces' campaign aims to make sport everyone's game, whilst focusing on inspiring, educating and encouraging allyship to support LGBTQ+ inclusion in sport.



# CASE STUDY

## WORKING IN PARTNERSHIP WITH URDD GOBAITH CYMRU



Our partnership with Urdd Gobaith Cymru is significantly important. This year the Urdd celebrated a centenary year of delivering a range of offers to the young people of Wales through the medium of Welsh.

### THIS YEAR, WORK WITH THE URDD FOCUSED ON: COMMUNITY PROVISION

The initial national focus after the pandemic restrictions was on getting the 15,000 weekly participants back in to regular Welsh medium activities through extensive and varied community sports provision.

**Early years:** A national programme of Dechrau'n lach, Byw'n lach to engage with nurseries and flying start centres across Wales to incorporate a programme of Physical Literacy and wellbeing.

**Chwarae yn Gymraeg:** a national programme of leadership training (school years 5 and 6) that provides activity and development of Welsh language skills through sport. Exit routes provided into The Urdd's community provision.

**Outdoor Activity:** Delivered opportunities to participate in new outdoor type activities across hard to reach urban and rural areas of Wales.





## TACKLING INEQUALITY – SOCIO-ECONOMIC DEPRIVATION

Through their national network of community participation, The Urdd have identified that over 50% of their delivery is in areas of deprivation (Welsh Index of Multiple Deprivation). The Urdd are targeted programmes in Urban and Rural areas across Wales with a focus on sustainability and inclusive opportunities for children and young people from all social and cultural backgrounds.

### INCLUSION

- Deliver Welsh medium insport series events to welsh medium children and young people across Wales.
- Continue to offer fully inclusive Community provision.
- Improve and develop our marketing materials to include inclusive physical activity and raise awareness of the inclusive provision we offer.
- In partnership with DSW the implementation of the Play Together Resource in the medium of Welsh.

### WOMEN AND GIRLS

The Urdd will continue to develop and grow a national programme to inspire, support and empower young women and girls. This work has been established under the #FelMerch banner and the National Conference held in March 2022 provided great profile and impetus. This new programme includes weekly face to face and digital activities and holiday hubs; regional and national forums; a leadership training programme for girls. The Urdd have also identified the national target of getting more women and girls active through regular participation, and the offer of Welsh-medium opportunities will support and help balance the gender inequality in sport. The Urdd's insight through successfully delivered projects indicates that girls who attend Welsh Medium education feel more confident participating in activity through the medium of Welsh.

# A RESILIENT SPORT SECTOR

Part of our role as the national organisation **responsible** for promoting sport in Wales is to think strategically about what the future might hold for our sector. This year, we have continued to **progress** our work in understanding how the delivery of sport should continue to adapt to meet environmental, economic, and societal needs.

**This year, we have accelerated our work to:**

- Understand the main societal, technological, digital, environmental, economic, and demographic trends that impact on sport.
- Understand the skills and support required to build a **resilient** sport work force.

## OUR WORK UNDERSTANDING SECTOR RESILIENCE



### FUTURE GAZING

To best establish how Sport Wales can support the development of a '**resilient** sector' in 2021 we worked with Cavill Associates on an insight gathering project to understand two questions:

- What are the main societal, technological, digital, environmental, economic, demographic (and other trends) we are seeing which will impact on sport and physical recreation in the next 5-10 years?
- What has been the role of Covid-19 in changing/accelerating these trends?

This project was not about trying to predict the future, but rather to analyse trends which may impact on sport and physical activity. The intelligence obtained from this work was synthesised into a report which is available to access, and will inform how we best support the work of our partners going forward.

Following the production of the report, we organised 'Future gazing' workshops for our partners (National Governing Bodies, national partners, and Local Authority representatives) in September 2021. The **collaborative** workshops aimed to **involve** partners were based on the themes of the Cavill Associates report, focusing on three key areas:

1. Environment and transport needs.
2. Social and economic trends; and
3. Technology trends.

The workshops' provided a platform for discussion as we explored how different areas may have varying impacts, and what we can achieve together in responding to them.

The information gathered from the sessions has allowed us to proceed with planning work and developments that respond to sector needs. We are currently exploring, with third parties, how we can support partners with improving their digital know-how as well as considering how we can support partners as they aim to improve their/the sector's environmental sustainability.

## OUR APPROACH TO DIGITAL TRANSFORMATION

We recognise the need to support the sector in responding to digital advances. This year, we have created learning opportunities for many staff working with partners, through our relationship with the Centre for Digital Public Services. This has led to a better understanding of service design and the importance of user research across the organisation to enable us to have better conversations with partners about their digital needs. We are also working with a speciality organisation to create a 'playbook' highlighting the key areas for our partners to consider around their digital work. Where partners have identified specific digital needs, we have been able to help identify and help source the skills they need to **progress**. In addition, we have continued to provide training opportunities to support partners with their digital communications.

## THE SUSTAINABLE FUTURE OF PLAS MENAI

We have continued to **progress** our efforts towards sustainability in the face of the climate emergency this year, with **£1.3 Million** amount of capital investment ringfenced to support this work.

Our centre at Plas Menai is currently installing ground and water source heat pumps due for completion within the next year. Through this, a cut in carbon emissions and energy use will be achieved.

In addition, development has begun on Sport Wales first Decarbonisation strategy as a key pillar of our 2022-23 Business Plan.

## BUILDING RESILIENCE THROUGH PEOPLE DEVELOPMENT

### MENTALLY HEALTHY CULTURES AT WORK

As well as many others in society, leaders within sport have faced additional challenges and stresses over the course of the pandemic. In 2021, we established a programme of face-to-face sessions, facilitated by a psychologist with expertise in the field of supporting leaders to perform at their best during challenging times. 12 CEOs from partner organisations engaged in this, with future plans being to widen this support to those in national lead roles within partner organisations in 2022.

We have also supported our own staff through several initiatives throughout the year, including workshops for dealing with stress, regular articles focusing on wellbeing and mental health in our monthly newsletter, and a facilitated session supporting employees to look after their wellbeing and reduce stress during periods of change.



# CASE STUDY LEADERSHIP AND SPORT



**“IF CHANGE IS THE NEW CONSTANT, HOW CAN WE EQUIP OURSELVES AND THOSE AROUND US TO PERFORM WELL IN THIS ENVIRONMENT?”**

May 2021 saw the delivery of a Sport Wales Learning Series, framed around this question.

We hosted a three-day virtual Learning Series for all partners and Sport Wales staff to attend, which included live sessions, pre-recorded material, podcasts, and recommended reads, with content covering topics which aligned with partner need, our business plan priorities, and our strategic intents.

2021 was also the year for Sport Wales to launch its first ever leadership programme targeted specifically at tackling inequality in sport. The ‘Becoming an Inclusive Leader’ programme, currently being delivered by AKD Solutions on behalf of Sport Wales, aims to challenge leaders to develop their inclusive leadership skills, and create inclusive working environments reflective of the communities they serve. The programme runs through until July 2022.

Internally, we also **collaborated** with a range of other sponsored bodies to provide a Strategic Leadership & Management programme for our staff.

## DEVELOPING THE INFRASTRUCTURE FOR FUTURE SPORT

In 2021-22, the Welsh Government invested **£7 Million** plus additional

# £4.5 MILLION

of capital funding to Sport Wales which was used to support a range of projects to enhance sport facilities. The plans from across Wales selected to receive funding, will help to achieve the ambition of providing access to a variety of high-quality sports facilities to every person in Wales.

Sports developments being supported include multisport venues, cycling tracks, indoor venues, running tracks, swimming pools, and 3G pitches, among others.

Following an expression of interest process that took place at the end of 2021, priority projects were identified. A panel from across the sport sector in Wales agreed on the beneficiaries of this funding, ensuring a geographical spread and that different sports and activities are supported.

## CAPITAL INVESTMENT IN BMX

A National standard BMX track will be developed in Cardiff through a recent investment into Sport Wales, with

# £978,000

Capital funding. With BMX growing in popularity since it was first in the Olympics in 2012, Welsh Cycling has highlighted the need for a national track in Wales. This facility will now allow them to host national level competition and will provide riders in Wales with the opportunity to begin racing. The development will be led by Cardiff BMX Racing Club alongside Welsh Cycling with the track being built in Llanrumney.

## RESPONDING TO THE ELEMENTS

The impact of Storm Eunice and Storm Franklin on sport in Wales in February 2022, was significant. Thanks to The National Lottery, we were able to respond within hours of severe weather warnings, by opening a storm specific protection fund.

In total, 195 club were allocated grants to help with repairs to clubhouses, equipment and other items that were exposed to the elements

# £506,706

was awarded through this fund to help clubs recover from the damage.



# WALES ON THE WORLD STAGE

Sport is for everyone – from people who don't see themselves as sporty to those that win medals. We believe a person-centred approach, combined with a multisport offer that places inclusion at the heart of delivery will ultimately be our success on the world stage.

**This year, we have accelerated our work to:**

- Approach sporting success from a place of inclusion, ensuring that a person-centred approach informs what we do, and how we do it.
- Celebrate the holistic successes of our athletes and sports teams.

## OUR WORK WITHIN THE SPORT WALES INSTITUTE

The institute is a team of science and medicine practitioners. Historically, certain sports in Wales received institute services based on their priority status in accordance with the historic elite sport strategy which has now been superseded. Under this system a limited number of sports were allocated a pre-defined amount of institute support services, delivered by a multidisciplinary team, in partnership with sport personnel. This led to many examples of partnership working to achieve impactful service delivery, particularly with regards to success on the world stage and the delivery of medals at Olympic and Commonwealth Games.

In line with the Sport Wales strategy, and as part of our contribution to the vision for sport in Wales, in 2021-22 institute services were prioritised to focus on projects to impact **Inclusive Athlete Development**.



## OUR APPROACH TO BUILDING AN INCLUSIVE SPORT SYSTEM (ISS)

Within the Inclusive Sport System (ISS) approach - bespoke, individual athlete support will be provided to Welsh athletes on UK Sport's World Class Programme (WCP athletes) - this will allow us to focus institute resource.

Between now and the Birmingham Commonwealth Games, we will work with partners to ensure that those athletes who are not on WCP but have had access to individualised support as part of their preparations to date, will continue to be supported up to the Games.

We see holistic Athlete development as the process of helping people to get better at sport. We want to enable environments which provide positive experiences that allow people to get better, whilst also giving them benefits that transcend sport. Inclusive Sport System (ISS) references the idea that at present, people from certain backgrounds are under-represented in sport performance programmes in Wales. We want to support action and change that enables performance programmes to become more inclusive to athletes from under-represented backgrounds.

This pivot in approach has allowed the services to reach a wider range of Welsh governing bodies, coaches and athletes than ever before.

# CASE STUDY

## PERFORMANCE PROJECT PORTAL



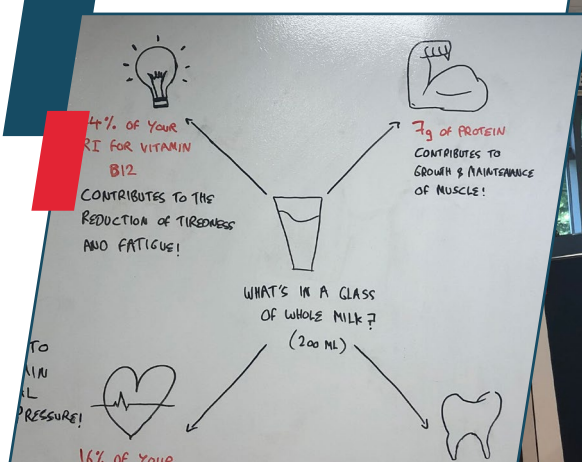
2021 - 22 has seen our institute services partner with technology companies CyberDuck and Empyrean on discovering user need for a performance project portal. To ensure we are truly a shared service working across the system in Wales, it is vitally important that we are consistent and transparent with the deployment of Institute Services. The Performance Project Portal will aid us and our partners to submit, track and review performance projects throughout their lifecycle.

The development phase of the project is now over, and it is now time to test it! We plan to do this in two distinct phases and will **involving** partners in this for feedback in mid-2022.

## CASE STUDY

### WHATS COOKING IN THE ATHLETE KITCHEN?

The **Athlete Training Kitchen facility** at Sport Wales National Centre has also launched this year with initial taster sessions led by our Performance Nutritionists for Volleyball, Boxing and Football. The kitchen can be booked by any Welsh governing body to incorporate cooking into team building and learning new skills, developing the person as well as the athlete





# CASE STUDY

## ATHLETE MANAGEMENT SYSTEM

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Following on from the successful trial phase with Fusion Sports - Welsh Boxing and Disability Sport Wales, we have agreed to approve Smartabase as our preferred Athlete Management System (AMS) provider. The AMS provides a central data management, analytics, and communication platform for those NGBs and Partners who have identified a need to gain greater insight and intelligence into their athlete development activities.

**WALES GOLF, WELSH TRIATHLON AND WELSH GYMNASTICS ARE IN THE PRELIMINARY STAGES OF EMBEDDING THE AMS INTO THEIR RESPECTIVE PERFORMANCE PROGRAMMES, OF WHICH EACH HAS THEIR OWN UNIQUE REQUIREMENTS THAT SMARTABASE CAN CATER FOR.**

The ability to access large volumes of accurate, credible, and valid performance data presents excellent opportunities for sport in Wales to adopt a more insight-led approach to athlete development.

Over the next 12 months we will support more NGBs and Partners to understand the data opportunities that exist and subsequently embed the AMS into their daily environments.




# CASE STUDY

## ATHLETE DEVELOPMENT

### NEWSLETTER

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To adopt our shared services approach, and to regularly connect with the sporting system, we have improved our distribution channels, specifically launching the **'Athlete Development'** newsletter. The newsletter is read by a wide-ranging audience; Performance Leads, National Coaches, Pathway Coaches, Support Staff and Practitioners, from within NGBs and Key Partners. The content is organic in its creation and serves the purpose of enhancing the knowledge and practice associated with the principles of inclusive athlete development.

Work has also started to explore how we create a space for athlete's voices to be expressed, heard, and listened to. Led by the Athlete Experience Lead, a small group of athletes have come together to kick start the discovery phase of this work in 2021 and shape what and how this mechanism will operate to influence Sport Wales' decision making. Learnings from the Youth Athlete panel and Team Wales' Athlete commission have been invaluable.

### THE IMPACT OF CLINICAL PSYCHOLOGY

The appointment of a Clinical Psychologist to support Sport Wales and the practitioners within the Institute has led to developments in the organisation's approach to supporting athlete's mental health and wellbeing over the last year. The Clinical Psychologist also works within the local University Health Board which provides ongoing opportunities for developing cross sector relationships that aim to support mental health and wellbeing. The following are examples of the Clinical Psychologist's role within the Institute since being appointed:

- The creation of 'Touch Base Space', which is a forum for conversations surrounding athlete's mental health and wellbeing which prioritises shared, person-centered decision making when considering support options.
  - Support for the development of a Mental Health and Wellbeing Panel and attendance within these forums to offer expert, psychologically informed advice.
  - Ongoing work regarding supporting Institute staff in understanding mental health and wellbeing and how to appropriately respond and support this within their roles.
  - Growth in the connections between and within sectors that have a role in supporting mental health and wellbeing.
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# CASE STUDY

## THE IMPACT OF MENSTRUATION ON SPORT



**OVER THE PAST YEAR RESEARCH HAS CONTINUED TO SUPPORT INDIVIDUALS WHO MENSTRUATE TO PARTICIPATE IN PHYSICAL ACTIVITY.**

The Welsh Institute of Performance Science supported Olympic athletes in preparation for Tokyo to incorporate menstrual cycle symptoms and phases into their training plans to maximize adaptation, injury **prevention** and competition performance. This followed the collection of data from elite athletes' experiences and perceptions of the menstrual cycle on training and sport performance.

**MORE EXTENSIVELY, A FUNDAMENTAL ASPECT HAS FOCUSED ON EDUCATION. EDUCATION WORKSHOPS, WEBINARS AND RESOURCES HAVE BEEN PROVIDED TO COACHES AND SUPPORT STAFF TO IMPROVE KNOWLEDGE AND AWARENESS OF THE MENSTRUAL CYCLE WITHIN PERFORMANCE AND COMMUNITY SPORT, WORKING WITH UK COACHING TO DEVELOP INFORMATION RESOURCES ONLINE. THIS HAS INCLUDED RESEARCH WITH FEMALE COACHES TO DETERMINE TANGIBLE, EMOTIONAL AND INFORMATIONAL SUPPORT THEY PROVIDE TO THEIR FEMALE ATHLETES**

In combination, this has created a shift in perceptions of the menstrual cycle, **preventing** it being a taboo subject and instead a topic viewed as a normal biological process which is part of an open and supportive environment in sport. Alongside this, research has explored the current provision of menstrual education in schools, identifying a lack of teacher education, resources, confidence, and time as barriers to delivering adequate and informative menstrual cycle education.

The research has spanned across community, athlete development and performance sport, growing in pace of research and support, primarily this work has aimed to have a broader impact ensuring the health and wellbeing of individuals who menstruate is not negatively affected because of their menstrual cycle.

# CASE STUDY SPOTLIGHT ON COACHING

## ATHLETE TO COACH WITHIN ATHLETICS

In 2021, Welsh Athletics launched several coaching development programmes including a female coaching initiative and an Athlete to Coach pathway for Wales' competitive athletes to develop into the next generation of coaches. The athlete to coach programme pathway aims to ensure that the passion, knowledge, and experience as an athlete is fed back into the sport as a coach.

Several current and former Welsh international athletes are already taking part in the Athlete to Coach initiative. They include World Athletics Championships and Commonwealth Games marathon runner **Josh Griffiths** and Commonwealth Games hammer thrower **Carys Parry**, who has already had success coaching Welsh hammer record holder **Osian Jones**.

## GYMNASTICS WITH A GROWTH MINDSET

We have recently worked with Welsh gymnastics after they highlighted that they wanted their senior athletes to possess high levels of 'grit,' as an important skill to support them both in sport and in wider life. It was also identified that they wanted to make sure gymnasts stayed in the system as long as possible, so they had opportunities to develop. To help increase gymnasts' levels of perseverance, of managing failure along the development journey, and to help them continuously learn, the importance of having a growth mindset was acknowledged.

Welsh Gymnastics established that this needed to be linked to the coaching set up, and that coaches played a critical role in the development of an athlete's mindset. There was an existing coach development programme being run supporting coaches who had been identified as individuals that Welsh Gymnastics wanted to invest in.

## THE IMPACT

Coaches reported the following:

1. Increased communication with their gymnasts, involving them more in the decision-making process and providing more regular feedback.
2. Investing more time in understanding the individual's needs.
3. Considering the **long-term** needs and adopting a **long-term** focus to athlete development.
4. Increased personal reflections, confidence, and self-awareness as a coach.
5. Viewing mistakes as a key part of learning.
6. Continued work on their own mindset as a coach, their gymnasts' mindsets, and the mindsets developed across their club/ other clubs, beyond this project.
7. Links between coaches and clubs further established and peer networks developed.

## SPOTLIGHT ON ATHLETE SUCCESS, LEADERSHIP AND LEARNING

There were highs, lows, new heroes, and old faithfuls for Welsh sport in 2021 – but the real story was about survival. To survive as a sports enthusiast this year was all about adaptability and resilience. Whether you were a Welsh athlete winning gold at the Olympics like boxer Lauren Price, or someone looking for a swim or game of bowls down your local sports centre, determination and perseverance was the name of the game.



# THE 2021 OLYMPICS...

**Matt Richards** spent months before the Olympics in a home-constructed giant paddling pool, swimming for hours each day. It meant he could keep swimming when all the pools were closed during lockdown. The 19-year-old Swim Wales star's reward was a gold medal for Great Britain in the 4 x 200m freestyle relay.

There were other Welsh triumphs in Tokyo, plus some despair. That's the nature of sport.

**Hannah Mills** sailed her way to gold in the women's 470 class. It was a second successive Olympic gold for Hannah and her status in the sport was reflected later in the year when she was voted World Sailor of the Year. Other Welsh medal winners in Tokyo included cyclist **Elinor Barker**, who took silver as part of the women's team pursuit.

**Tom Barras**, who came to Wales to study at Cardiff University, also took silver in rowing in the quadruple skulls, while fellow Welsh rowers **Oliver Wynne-Griffith** and **Josh Bugajski** seized bronze in the men's eight crew. **Leah Wilkinson** and **Sarah Jones** – who have spent years spreading the gospel for Welsh hockey at the Commonwealth Games – finally had reward at Olympic level, as they won bronze with the Great Britain women's squad.





## AND, FOR WALES

The Paralympics usually means **Aled Sion Davies**, and usually means gold. The Bridgend shot put legend did not disappoint – taking his third successive Paralympic title. But maybe even the mighty Aled was overshadowed this year, by **Jim Roberts**. The Welshpool wheelchair rugby phenomenon was his team's tryscoring hero as Great Britain won gold for the first time. Jim announced his retirement at the end of 2021 - talk about going out at the top!

There was gold, also, for **Laura Sugar**, as she won her KL3 sprint final - the multi-talented athlete who played hockey for Wales, became a track and field para athlete, and then turned to para-canoeing.

Paralympic medals were also won by table tennis players **Paul Karabardak** (silver and bronze) and **Tom Matthews** (bronze) and well as bronzes for **Holly Arnold** (javelin), **Olivia Breen** (long jump), **Harri Jenkins** (100m) and **Georgia Wilson** (equestrian), who won two bronzes.

**Jasmine Joyce** was also in Tokyo with Team GB, her try-scoring exploits in 2021 made her possibly the most exciting rugby player in Wales. In effect - the Tokyo Olympics will be remembered as the Games where Welsh women re-wrote their country's history.



# LEADERSHIP AND TEAMWORK...

Impressive leaders were not in short supply in Wales in 2021. Under the captaincy of **Sophie Ingle** – the Wales women's football team showed impressive form and are realistically-placed to achieve a first World Cup qualification. The men's football team – under Robert Page's coaching and **Gareth Bale's** captaincy – are also in a similar situation with a play-off to come in April.

2022 year began with a new Welsh world champion as **Gerwyn Price** scaled the highest peak in professional darts. There was mid-summer joy for Welsh cricket fans when **Glamorgan** won the Royal London One-Day Cup – the county's first trophy for 17 years.

Squash player, **Joel Makin**, broke into the men's world top 10, joining **Tesni Evans** in the women's game, athlete Jake Heyward reached the Olympic 1500m final, cyclist **Zoe Backstedt** became a junior world champion, and **Laura Daniels** became world indoor bowls champion for the second time.

**Wales Hockey Men** qualified for the World Cup for the first time in their history – clinching their seats on the plane to India for the 2023 World Cup with a semi-final shootout victory over Ireland in October 2021.









# INVESTMENT IN COMMUNITY SPORT



## THE BE ACTIVE WALES FUND

The BAWF offers grants from £300 to £50,000 for projects run by community organisations or not-for-profit clubs in Wales that intend to do at least one of the following:

- **REDUCE INEQUALITY**
- **CREATE LONG-TERM SUSTAINABILITY**
- **INTRODUCE NEW OR DIFFERENT WAYS OF OPERATING**

Funding is available to not-for-profit clubs or community organisations in Wales with a project or activity that hasn't yet started, will take place in Wales, and will not only benefit pupils of a school where a project takes place. Funding could be used to upskill volunteers, buy equipment enabling more people to take part in sport, develop new or different ways to deliver physical activity, or reach people under-represented in sport and physical activity.

**This year, the BAWF has continued to operate via two streams:**

**'PROGRESS'** 60 successful applications totalling **£636,494** in Capital. And 407 applications totalling **£1,958,231** for Revenue.

**'PROTECT'** Receiving 222 applications to the sum of **£562,513**



**The Local Authority areas with the highest level of funding via application for this financial year were:**

- **Pembrokeshire - £323,633.00**
- **RCT - £175,832.00**
- **Caerphilly - £173,456.00**
- **Swansea - £149,533.00**
- **Torfaen - £142,455.00**

**The sports with the highest level of community funding via application for this financial year were:**

- **Football - £458,730.00**
- **Cricket - £389,073.00**
- **Rugby Union - £337,511.00**
- **Golf - £138,465.00**
- **Gymnastics - £111,892.00**



## A PLACE FOR SPORT – CROWDFUNDER

Crowdfunding is a way of raising money for good causes and ideas, whilst helping organisations and/or projects connect with local communities. In September 2021, Sport Wales partnered with Crowdfunder UK to launch 'A Place for Sport: Crowdfunder', with the aim of supporting not-for-profit community clubs, organisations and activities raise money for off field, facility improvements.

With support from Crowdfunder UK, eligible organisations set up their own project page, with the aim of encouraging members of the community to pledge money towards their cause. Sport Wales assess each Crowdfunder application and determine whether to support a project based on certain criteria. If a project is successful, Sport Wales will pledge between 30% - 50% of a projects total target. Match-funding percentages are determined based on the Welsh Index Multiple Deprivation data and the ability for a project to support underrepresented groups in sport.

**AS OF THE 31ST OF MARCH 2022, SPORT WALES  
HAVE PLEDGED TOWARDS 15 'A PLACE FOR SPORT:  
CROWDFUNDER' PROJECTS FOR CAPITAL/OFF FIELD  
FACILITY IMPROVEMENTS. FROM THESE PROJECTS, A  
TOTAL OF**

**£195,765**

**HAS BEEN RAISED - £127,765 FROM COMMUNITY,  
BASED DONATIONS AND £68,000  
FROM SPORT WALES INVESTMENT, CREATING AN  
ALMOST 2:1 AMPLIFICATION OF PUBLIC FUNDING.**

**£127,765  
FROM COMMUNITY**

**£68,000  
FROM SPORT WALES**

# CASE STUDY

## A PLACE FOR SPORT 1

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### YNYSHIR ALBIONS F.C.

**Project:** Ynyshir Albions F.C. aspirations were to raise funds for the implementation of basic sanitary facilities at their football ground, to enhance spectator experience.



**OVERALL PROJECT TARGET TOTAL: £18,000**

**SPORT WALES MATCH-FUNDING CONTRIBUTION: 50% (£9,000)**

**TOTAL FUNDS RAISED: £18,031**

**SUPPORTERS: 114 COMMUNITY-BASED SUPPORTERS**

Link to project page:

<https://www.crowdfunder.co.uk/p/ladies-and-disabled-sanitary-facilities>

# CASE STUDY

## A PLACE FOR SPORT 2

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### WYE GYMNASTICS & GALAXY CHEERLEADING

**Project:** Wye Gymnastics & Galaxy Cheerleading aspired to transform a newly acquired portacabin into a clean, fresh, welcoming community café for club members, spectators and members of the local community to utilise and enjoy.

**OVERALL PROJECT TARGET TOTAL: £10,000**

**SPORT WALES MATCH-FUNDING CONTRIBUTION: 40% (£4,000)**

**TOTAL FUNDS RAISED: £10,577**

**SUPPORTERS: 179 COMMUNITY-BASED SUPPORTERS**

Link to project page: <https://www.crowdfunder.co.uk/p/the-coffee-beam>

# OUR INSIGHT

## NATIONAL SURVEY FOR WALES

We continue to provide official statistics to the Welsh Government on Sport and Physical Activity. One of the ways in which we do this is by contributing to the National Survey for Wales. In the past year, quarterly figures have been released, and July 2022 will see the publication of the next round of annual data.

## COMRES

Our ComRes surveying exemplifies how we saw the importance of understanding the dramatically changing needs of people in Wales for sport and physical activity and the opportunity for them to participate during Covid-19. The surveys were rapidly commissioned and communicated to the sports sector and beyond, and they were repeated and enhanced as the pandemic moved through different stages to understand further impacts such as views on volunteering, motivation, and participation.

In 2021-22, we completed three iterations of this survey. Insight from this work highlighted the impact that Covid-19 had on participation, engagement, motivation, and confidence in relation to sport. It has also provided an insight into wider considerations such as the impact of weather, and desire to volunteer. This data adds to the way in which we take an insight led approach to tailoring what we do. One example of this is broadening our community investment grants to fund coach education, as well as providing PPE equipment to provide confidence around the environment to return to activity. We have also made changes to support the workforce through our people development team to reflect this emerging evidence.

## WELSH INSTITUTE OF PHYSICAL ACTIVITY, HEALTH AND SPORT (WIPAHS)

**Over the past 12 months our partnership with the Welsh Institute of Physical Activity, Health and Sport (WIPAHS) has continued to grow, providing timely and impactful research to inform our policy development.**

The institute, supported by all 8 universities in Wales, undertook research evaluating the understanding of the impact of the Covid-19 pandemic on sedentary time and health outcomes in both children and adults; delivered a project exploring people's experiences of recovering from Covid-19, reviewed the effect of lockdowns on children and adolescents' physical activity levels, their mental health and wellbeing and developed a framework to identify target audiences and behaviours to influence as a priority in emerging from the pandemic.

In addition, WIPAHS has begun working with new organisations as part of its expression of interest approach. This has expanded the reach of how the institute, and by association Sport Wales, supports research development and influence across the sport sector and beyond. This included a new partnership with the Policing in Wales Sport Board and a research project with Welsh Triathlon studying the impact of online training platforms and their influence in promoting overtraining during the Covid-19 pandemic.

Furthermore, to ensure that evidence derived from Wales is internationally recognised and influences international policy and practice, in the past year WIPAHS has become a member of the Health Enhancing Physical Activity (HEPA) Europe, which is a European network for the promotion of health enhancing physical activity.



# REFLECTING ON THE YEAR

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## WE'VE REFLECTED ON THE LAST YEAR AND LEARNED:

### **We need a person-centred approach to staff wellbeing -**

Understanding the wellbeing need and demands of Covid-19 restrictions on staff, staff with children, or with other caring responsibilities is fundamentally important to us. Returning to office work locations has been handled sensitively, with staff being involved in giving their views in discussion and through surveys to understand what the feelings on work locations were. Subject to the needs of the business, staff have been able to decide on the work locations that are right for their wellbeing and for them to **thrive** whilst a new Hybrid working approach is developed with staff input - our staff engagement group have been pivotal in this.

### **We need to continue to recognise the intersectional needs of communities -**

We have been open about some of our previous limitations in this space and recognised the need to develop stronger networks with ethnically diverse communities. We have taken immediate action to address this. Historical aspects of our approaches to **collaboration** have been reviewed and thus, different approaches are being taken currently involving the support of a consultancy organisations and a range of partners who have trusted relationships within specific communities. We are also reviewing our own internal systems and processes, actively looking at ways in which we can work in a more intersectional way.

# OUR WORK AS A PUBLIC BODY

## OUR WORK TO EMBED WELSH GOVERNMENT EQUALITY ACTION PLANS

As part of our role as a Welsh Government sponsored body, we work to collectively agreed actions within our remit letter. We recognise that we have a role to play in embedding the recent drafting of the Welsh government core **Equality** Action plans (namely – the Race Equality Action Plan and LGBTQ+ Action plan) due for final publication in 2022.

## OUR WELLBEING OBJECTIVES



Following the review on progress towards our wellbeing objectives set out below, we have determined that the current objectives remain appropriate.

### **#1 BE PERSON CENTRED - THE NEEDS AND MOTIVATIONS OF THE INDIVIDUAL LEAD THE DELIVERY, WHETHER JUST STARTING OUT, AIMING TO PROGRESS, OR STRIVING FOR EXCELLENCE ON THE WORLD STAGE.**

We have made **progress** against this objective, evidenced by our work with elite athletes (page 40) and new investment approach, which uses participation data and latent demand data from national surveys as the basis for the funding of our partners.

User need is becoming a stronger principle in our work and this approach featured strongly in the Review of Community Investment (page 30). We have also shown a person-centred approach through partnership working specifically asking, listening, and understanding what matters to our partners. We strive to engage more effectively with a wider network of partners to ensure we better understand the needs of the Welsh population. Part of this work has focused on forming new and stronger relationships with ethnically diverse communities (page 32). Diversifying partner networks also has a regional and local dimension as the Sport Partnership initiative will seek to work with the organisations who are best placed to be person-centred to those communities and individuals who aren't currently involved in sport or physical recreation.

### **#2 GIVE EVERY YOUNG PERSON A GREAT START - EVERY YOUNG PERSON HAS THE SKILLS, CONFIDENCE, AND MOTIVATION TO ENABLE THEM TO ENJOY AND PROGRESS THROUGH SPORT; GIVING THEM FOUNDATIONS TO LEAD AN ACTIVE, HEALTHY AND ENRICHED LIFE.**

The wide range of workstreams in the education space, (page 23), evidence that **progress** is being made to achieve this objective, both through our direct **involvement** and advocacy, and also our work in partnership with organisations in the education sector. This is despite the pandemic challenges to school sport and junior sport.

The new workstream - ISS, (page 40), will contribute to this area of work as it develops. It will also include developing messaging, resources and interventions that support the sport environment within a foundation setting, recognising the key role schools and the curriculum play in this work.

It is a huge positive that the new Investment approach takes the collective voices of children from the School Sport Survey and uses that information as a basis for the allocation of funding. This demonstrates the importance of the **involvement** principle in our work. It also ensures that we are taking a Future Generations approach to our investments, directing our funding towards what young people state are the activities they participate in, or would like to play, to shape the provisions they need to create habitual relationships with physical activity.

### **#3 ENSURE EVERYONE HAS THE OPPORTUNITY TO BE ACTIVE THROUGH SPORT -SPORT IS INCLUSIVE AND PROVIDES A GREAT EXPERIENCE FOR ALL.**

This objective has continued to be the highest priority for the organisation during 2021-22. Board members and staff have an increased awareness of the greater importance of work in tackling inequality. This is an area that we admit hasn't had the necessary impact previously, and thus have increased the strategic importance of this. Having acknowledged this in 2020 and established the Tackling Racism and Racial Inequality initiative in Sport in 2021, a key part of its implementation is an extensive piece of work on community investment with the support of the Centre for Digital Public Services (CDPS)(page 30).

An indication of our strong commitment to tackling inequality, is the basis for the prioritisation of funding in our Investment Approach. Using survey data on participation from national surveys, funding awards to NGB's are weighted in favour of sports that are more popular for disadvantaged groups (girls; socio-economic deprivation; ethnically diverse communities and people with a disability). This approach is in harmony with the 7 Areas of Change set out by the Future Generations Commissioner as it shows how the ways of working and wellbeing objectives are being built into financial planning for the long term.

The Sport Partnerships initiative is another fundamental work stream that is driven by tackling inequality, and **progress** towards this objective and the success of Sport Partnerships will be closely related. Sport Wales has sought to build in principles such as **long-term** and **prevention** by looking to make 5-year funding commitments to Sport Partnerships.

**Equality**, Diversity, and Inclusion was a core part of our Business Plan in 2021/22 and has stimulated a steady increase in work programme focus throughout the year. Some of these projects are beginning implementation whilst others are at the preparatory stage. The business plan focus on EDI is retained for 2022-23 which should see many of the current projects making a difference and new initiatives established.

#### #4 BRING PEOPLE TOGETHER FOR THE LONG-TERM - THERE IS A COLLABORATIVE, SUSTAINABLE AND SUCCESSFUL SPORT SECTOR, LED BY COLLECTIVE INSIGHT AND LEARNING.

The examples of the National Sport Group, (page 13); partnership campaign with Mind Cymru, (page 23); and Sport Partnership approach (page 28) are evidence that this objective is becoming embedded into our way of working. It is important to us, to build on the current successful areas of **collaboration**, and ensure we consider and try out different approaches in other areas that could also benefit. **Collaboration** with partners, and interconnectivity of workstreams helps to strengthen the principle of **integration** in our work. We are working to embed this, as we have **collaboration**.

**Integration** is building at a slower rate compared to **collaboration**, however there are positive signs within the development of existing and new relationships - indicating early **integration**, such as the potential sharing of resources or pooling of budgets.

Staff are reporting that several **collaborative** forums with Sport Wales partner organisations are on the cusp of making significant commitments to each other, such as sharing resources. One example where this has happened was our recent partnership with Mind Cymru, showcasing how physical activity can help support people with mental health and wellbeing (page 20). We commissioned the production of video footage to promote the campaign which Mind Cymru used on its social media platforms. We gave Mind Cymru the final approval role on the video footage demonstrating the trust developed between the two organisations and the shift from **collaboration** to **integration** as they employed their resources to make the campaign as successful as possible.

#### #5 SHOWCASE THE BENEFITS OF SPORT - THE IMPACT OF SPORT IS EVIDENCED, AND SPORT'S REACH IS FULLY UNDERSTOOD, SHOWCASED AND CELEBRATED THROUGH WALES.

There is huge potential in relation to this objective for the impact of sport and physical activity on Wales' wellbeing goals (specifically, A **Healthier** Wales; A **Prosperous** Wales; A More Equal Wales) through the principles of **prevention** and long-term. Our work on Sport Partnerships, health & education will be fundamental to the achievement of this objective.

We have increased the scope of our survey data on sport during the pandemic by commissioning quick response reports to understand and to communicate on the impact of Covid-19 restrictions on participation in sport and other aspects such as volunteering (page 13) Campaigning has also been increased to advocate revised messaging on safe participation (#BackInTheGame), (page 13) which has needed to shift quickly to inform and motivate appropriately as restrictions were altered, eased or re-imposed.



We are seen as a key collaborator, and leader with Welsh Government and a range of Public Bodies to co-create plans and approaches. For example, playing a lead role in the Healthy Weight Healthy Wales, Daily Active Offer National Steering Group and engaging with Police and Crime Commissioners for early discussions on new planning for Sport and Youth Crime Prevention. Whilst this national level collaboration remains vital, perhaps the greater challenge now is to implement the approaches being developed collaboratively at national level into practical implementation with the necessary buy in at regional and local level from the wider health, education and sport sectors. The implementation of Sport Partnerships should help to provide the forums and strategic resources to fully develop the approaches, projects and programmes required.

### **#6 BE A HIGHLY VALUED ORGANISATION - SPORT WALES IS A RESPECTED ORGANISATION, STRIVING TO OVERACHIEVE BY DELIVERING AN EXEMPLARY SERVICE THROUGH VALUED STAFF.**

Assessing the perceived value of our services could be worthy of further survey work on an independent basis. It should be noted that both of our sports facilities have sought independent assessment and benchmarking over many years. Both facilities have achieved the Quest Excellent rating on this service quality scheme used widely in the sport sector.

Listening to feedback from partners has continued as an important part of the way we have protected the sector from some of the financial impacts of Covid-19. For example, by staging the implementation of our investment approach for 12 months.

Sport and physical activity features in the Programme for Government 2021-2026 resulting in additional investment for capital provision of £11.5m in 2021-22 and a future funding commitment. Sport and Physical Recreation is also part of the additional Welsh Government programmes 'Summer of Fun' (2021 and 2022) and 'Winter of Wellbeing' (2021), programmes of free cultural activities to support the social, emotional and physical wellbeing of children and young people after pandemic restrictions. These initiatives indicate that sport is recognised and valued within government for its important role in daily life in Wales and in achieving Wales' 7 wellbeing goals.



# OUR EQUALITY OBJECTIVES



## 1. INCREASE WORKFORCE DIVERSITY AND INCLUSION

Increasing staff diversity has been a high priority for us, particularly for the last two years and **progress** has been made. Staff who declare themselves as from ethnically diverse communities are 6% of the workforce (2% in 2020-21). Those identifying as gay/lesbian or bisexual at Sport Wales are 4% (1% in 2020-21). Staff who declare they have a Disability are 4% of the workforce (3% in 2020-21). Gender diversity in Sport Wales staff and Board members remains generally well-balanced with a slight reduction by one percentage point to the current figures for the whole staff workforce of 53% female and 47% male.

While the current staff demographic reflects the wider population of Wales in terms of ethnicity and sexuality, Sport Wales is committed to further increasing the diversity of its workforce and creating a more inclusive culture. 2022/2023 will focus on a new approach to internships, apprenticeships, and work experience opportunities with specific focus on diversity, alongside increased presence at job fairs and community events.

## 2. ELIMINATE PAY GAPS

There has been a significant positive shift in the last two years supported by the implementation of the staff re-design project, with a high proportion of females moving into leadership or management roles. This has contributed to the elimination of a median gender pay gap at in the last 12 months, (2021/22 0.8%), while there has been a slight increase to 6.1% (2021/22 3.8%) in the mean gender pay gap. There is currently no data on other pay gaps (eg ethnicity; disability) due to the limited proportion of staff with those characteristics.

## 3. ENGAGE WITH THE COMMUNITY

We have maintained a very high priority on tackling inequality and have seen engagement as a key aspect of this - both through our Community Investment work, and in discussions with key partners. There are promising signs of engagement that are still at an early stage, with co-production with service users at the heart of much of this work.

#### 4. ENSURE EQUALITY IS EMBEDDED INTO THE PROCUREMENT / COMMISSIONING PROCESS AND IS MANAGED THROUGHOUT DELIVERY

Clear actions have been set out in the Strategic **Equality** plan 2020-24 to address this. The work is scheduled for 2022 as the relevant working group in the Wales Public Bodies Equality Partnership is being established. Given relatively limited spend on procurement this is not seen as an objective that will require high levels of resource to **progress**.

#### 5. ENSURE SERVICE DELIVERY REFLECTS INDIVIDUAL NEED

In a similar vein to objective 3 (Engage with the Community), there is a strong intent for change to establish approaches for co-production and for sharing learning. Internal approaches such as Learning Labs were established in 2020-21 to consider learning from both staff and from our partner organisations. The 'Accountabilities' element of the new investment model to discussing and tracking the **progress** of objectives is another example of a very different approach to implementing strategy. The next 12 months will be a key time for these new approaches to fully establish, and for learning to have the potential to benefit more widely.





# WELSH LANGUAGE STANDARDS REPORTING



## INTRODUCTION

The Welsh Language (Wales) Measure 2011 establishes a legal framework to impose duties on persons to comply with statutory standards relating to the Welsh language. The Standards replaced the Welsh Language Act 1993.

After a period of consultation between Sport Wales and the Welsh Language Commissioner, new Welsh Language Standards came into place for Sport Wales on January 25th 2017.

This section assesses our performance against our Welsh Language Standards, as well as providing details of partnership work we have completed over the last 12 months. We are committed to ensuring we meet the duties placed upon us and recognise the important role that sport can play in supporting the development of the Welsh language in the community.

## THE WELSH LANGUAGE IN SPORT

Sport Wales and the Welsh Language Commissioner began a new partnership during 2020-21 to support and encourage the national organisations in the sports sector (i.e. National Governing Bodies of sport and national organisations such as the Welsh Sports Association and StreetGames) to extend their Welsh language offers. Sport Wales sees this work as an important part of our Welsh language duties through encouraging the forming and promotion of more opportunities to use the Welsh language.

## MARKETING, COMMUNICATIONS AND DIGITAL

All of our public e-communications continue to be produced bilingually with recent changes made to make them more appealing to a Welsh audience, such as formatting changes to make Welsh content stand out on a variety of devices. Any partner newsletters are also produced completely bilingually.

On social media we do not treat the Welsh Language any less favourably and if a member of the public engages with us on social media in Welsh then we engage with them through their language of choice. Our Welsh language Twitter and Facebook accounts have seen significant increases in interactions and engagements.

Our corporate website and any microsites are produced bilingually, and all apps and digital services that we develop are fully bilingual, have Welsh interfaces and the Welsh versions are fully functional.

Sport Wales recently rebranded the School Sport Survey, bringing it more in line with the Sport Wales brand. Working with a creative agency, we've ensured that all assets are bilingual, including presentations, an efooter on our own emails, and a toolkit provided to partners.

## GRANT FUNDING

We work proactively to develop sport for people bilingually through our investment schemes.

## CRONFA CYMRU ACTIF / BE ACTIVE WALES FUND

This funding scheme was put in place early in the pandemic to protect sports organisations with emergency support and then, increasingly, to help them **progress** to greater future sustainability. Of the 625 Be Active Wales Fund awards, 40 are from organisations that stated that they provide sporting activity entirely through the medium of Welsh, whilst 39 organisations said they use it partially.

The combined impact of the 79 awards to the clubs who planned to either commence or increase their provision of sporting opportunities using the Welsh Language is shown in the table below:

	Welsh Language activity in applications awarded in 2021-22
No. of sessions delivered in Welsh (fully)	756
No. of Welsh Coaches (fully)	412
No. of sessions delivered in Welsh (partially)	412
No. of Welsh Coaches (partially)	719

## OUR DUTIES

The potential impact on those who wish to use the Welsh Language is considered and summarised as a standard section of Sport Wales Impact Assessment and Board paper template. This means that these impacts need to be considered as part of every new, or significant change in policy and as part of the writing of every board paper.

Sport Wales has made the planned change to include this Welsh Language Standards report within the Annual Report and Accounts. This will now contain all the annual reporting requirements for our statutory duties, including the Welsh Language.

Sport Wales is part of the Wales Public Body Equality Partnership, a group of public sector organisations (including the Welsh Language Commissioner), who have developed a suite of joint **equality** objectives that the organisations have agreed to work together to implement. For Sport Wales, implementing these objectives will also involve positive action on the Welsh Language to increase diversity, in addition to the nine protected characteristics.

## **STANDARDS COMPLIANCE**

For the purpose of this report we will provide a summary of actions taken to adhere to 'Class of Standards' such as Service Delivery, Policy Making and Operational etc. This report is by no means exhaustive and does not provide an update of our adherence to every Standard applicable to us but aims to provide both the public and the Commissioner with insight into the actions taken to comply with the Standards.

Sport Wales chose to seek some additional assurance on our Welsh Language Standards operations by requesting an Internal audit report from Deloitte. Their report gave the area a substantial assurance rating which is the highest assurance level of the 4 available, its assurance level is defined as '...a reasonable framework of governance, risk management and control which should ensure that objectives are achieved. ...'. Of the 10 Standards which were sampled for testing one low priority recommendation was made for Sport Wales to consider implementing a Welsh language version of its staff intranet.

## **SERVICE DELIVERY**

All signage in both of our National Centres and at our events are bilingual. Previously we developed signage with the English text first, but new signage has been purchased (bespoke in many cases) ensuring that the Welsh will be read first.

We have developed a process for all staff on how to deal with Welsh language enquiries and this process is detailed on the Welsh Language pages of our corporate intranet. Plas Menai has implemented a new website and booking system that are both fully bilingual. The two systems improve on current functionality and work together to give the customer a seamless transition from one to the other.

After reviewing the initial out of hours call handling service, Sport Wales has procured an 18 month contract until September 2023 to ensure Welsh Language call handling outside office hours.

Sport Wales has used the simultaneous Welsh Language translation function to conduct video conference meetings and promoted this functionality through internal staff communications about Welsh Language Rights day.

## **POLICY MAKING**

The consultation cycle for the 2022 School Sport Survey (SSS) had resulted in feedback on the need to understand whether respondents can access coaching/training in Welsh outside of the school environment. A new question has been added to the 2022 survey for Welsh speakers only.

## **OPERATIONAL**

During 2021-22 all vacancies had Bilingual / Multi-lingual skills listed as a desirable criteria on job descriptions. A total of 34 new starters joined Sport Wales during 2021-22 on permanent, fixed term or seasonal contracts and of these new starters 9 are either fluent or partial Welsh speakers, including some in key public facing roles. In 2021-22, all staff were asked whether they wished to receive written correspondence regarding their employment in Welsh.

All staff are aware of the opportunity to make complaints through the medium of Welsh and that the whole complaint process will be completed through the language of choice.

All staff can receive Welsh language training during working hours, if that is how they choose to learn. During 2021-22, three Welsh courses were running internally – entry level 1, entry level 1 (part 2) and advanced. Throughout the organisation, 16 people have attended these courses.

Two individuals have attended 5-day intensive Welsh courses via Work Welsh during 2021-22, one virtually and one residential.

**All applicants are given the option to interview in either English or Welsh.**

## RECORD KEEPING:

**We keep a record of the number of Welsh speakers within Sport Wales. In 2021/22 we had the following:**

Level of Welsh	Number of Staff (% of total staff)
Fluent	24 (12%)
Partial	20 (10%)
Beginner	30 (15%)
Non-Welsh speaker	68 (35%)
Not declared	53 (27%)

The above data shows a continued increase in declarations through engaging staff to improve this monitoring system (increase to 73% from 36% in 2019/20). There has been an increase in the proportion of Welsh speakers from 33% to 37% in comparison to 2021/22.

During the 2021/22 financial year Sport Wales received 2 formal complaints regarding use of the Welsh Language. Both were about documents that were requested by the Senedd not being provided in Welsh. Changes have been put in place to prevent a future recurrence and ensure that all documents provided to the Senedd are done so bilingually.

Data capture by Plas Menai management in 2021-22 recorded that of 80 staff on permanent, fixed-term or casual basis 45 are fluent Welsh speakers and 11 spoke Welsh as a second language or as learners, a total of 70% with Welsh language skills. 68 staff received induction training in 2021-22 of these 10 staff (15%) received this training all or partially in the Welsh language.

## SUPPLEMENTARY – SERVICE DELIVERY / POLICY MAKING / OPERATIONAL / RECORD-KEEPING

Our 'Welsh Language Scheme' includes all of our standards and can be found on our website.

Details on how we would manage a complaint related to the Welsh language are included within the Welsh Language Scheme mentioned above.

If requested we will happily provide any information with regards to our adherence to any of the standards with which we are under a duty to comply.

While we have made significant **progress** in developing and promoting the Welsh language, there are many areas we want to continue to take forward. We will work proactively on these in our planning and report on progress regularly.

Page 34 highlights some of the excellent work done to provide Welsh medium and bilingual sports opportunities by our partnership with Urdd Gobaith Cymru who are currently the key organisation in this space.





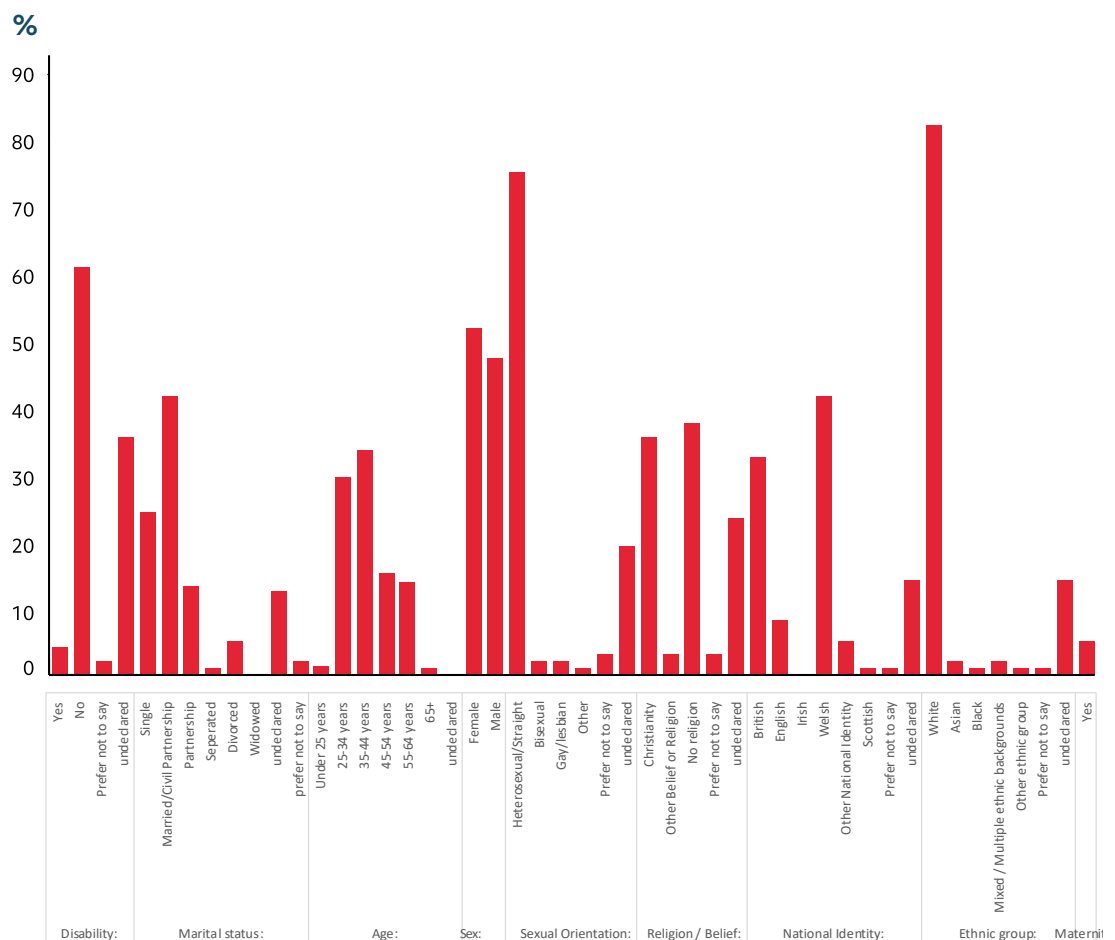
# PERFORMANCE ANALYSIS

## CURRENT EQUALITY STATISTICS - SPORT WALES WORKFORCE



As of 31 March 2022, Sport Wales employed 195 people in permanent, fixed term and seasonal roles. The **equality** statistics for those staff is broken down by protected characteristic in Figure 1.

Figure 1 - Equality Statistics for Sport Wales workforce 2021 - 2022

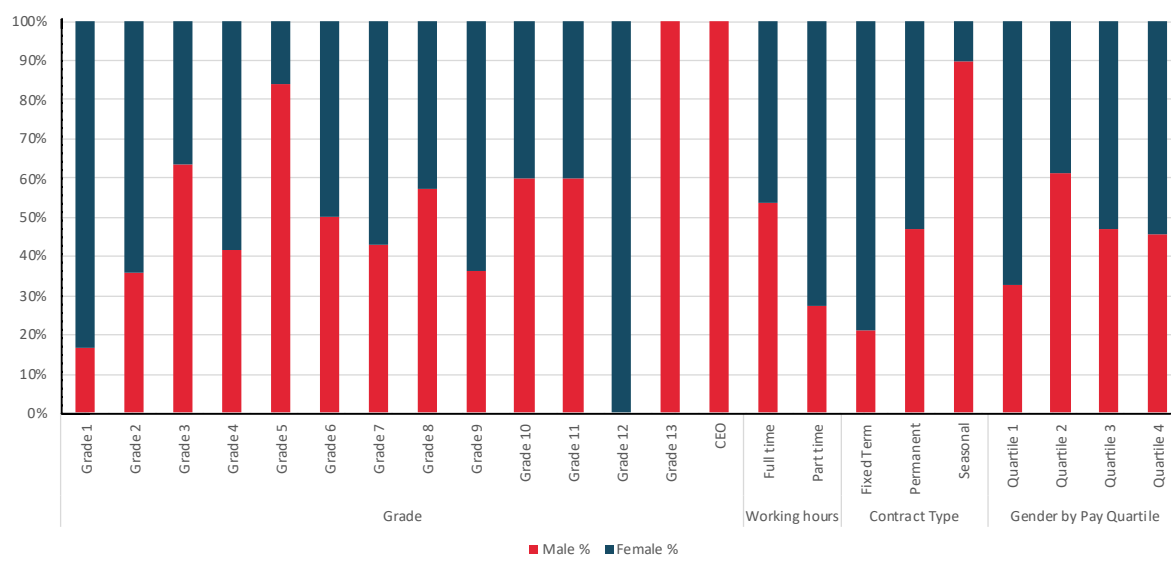


\*Data labels have not been included for figures lower than 5%



Figure 2 illustrates the number of men and women employed broken down by grade, | working hours and contract type during 2021-22.

**Figure 2 - Men and women employed by grade, working hours and contract type**



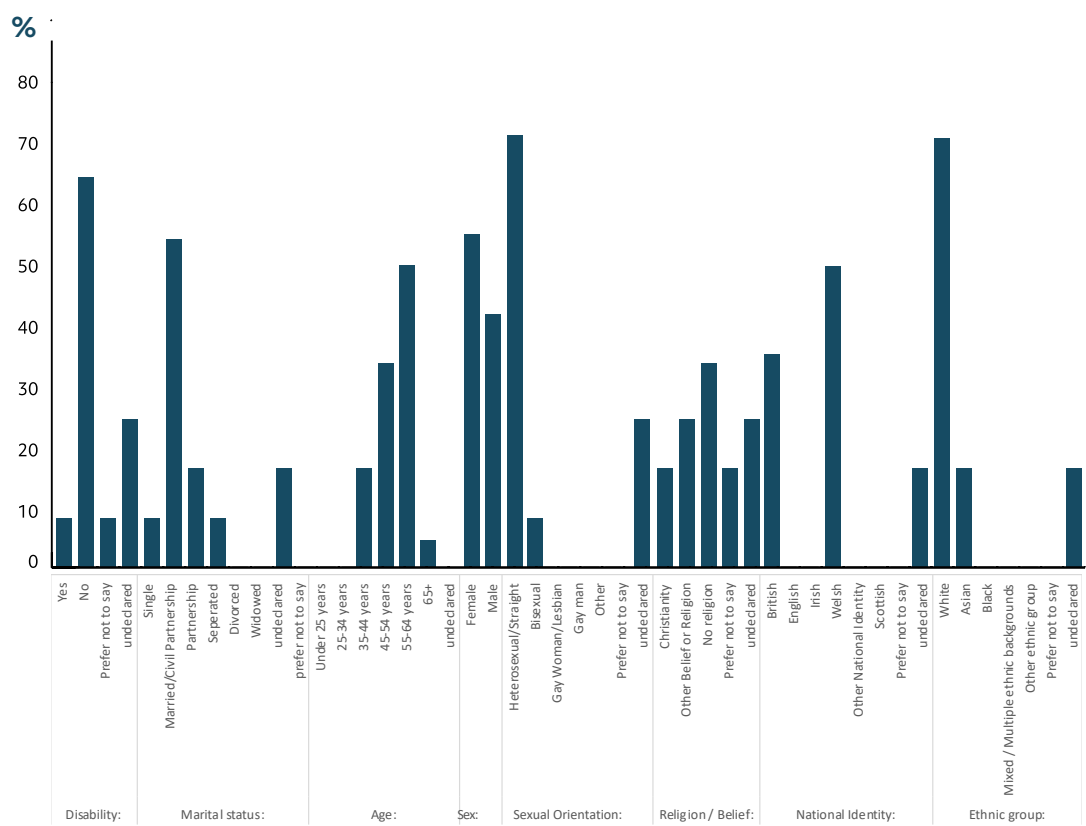
**The gender pay gap in Sport Wales as of 31 March 2022 is 0% (Median) or 6.1% (Mean).**

# EQUALITY STATISTICS - BOARD



Figure 3 illustrates the **equality** statistics for Sport Wales' board members during 2021-22

**Figure 3 - Equality Statistics for Sport Wales' Board 2021 - 2022**



**\*Data labels have not been included for figures lower than 5%**

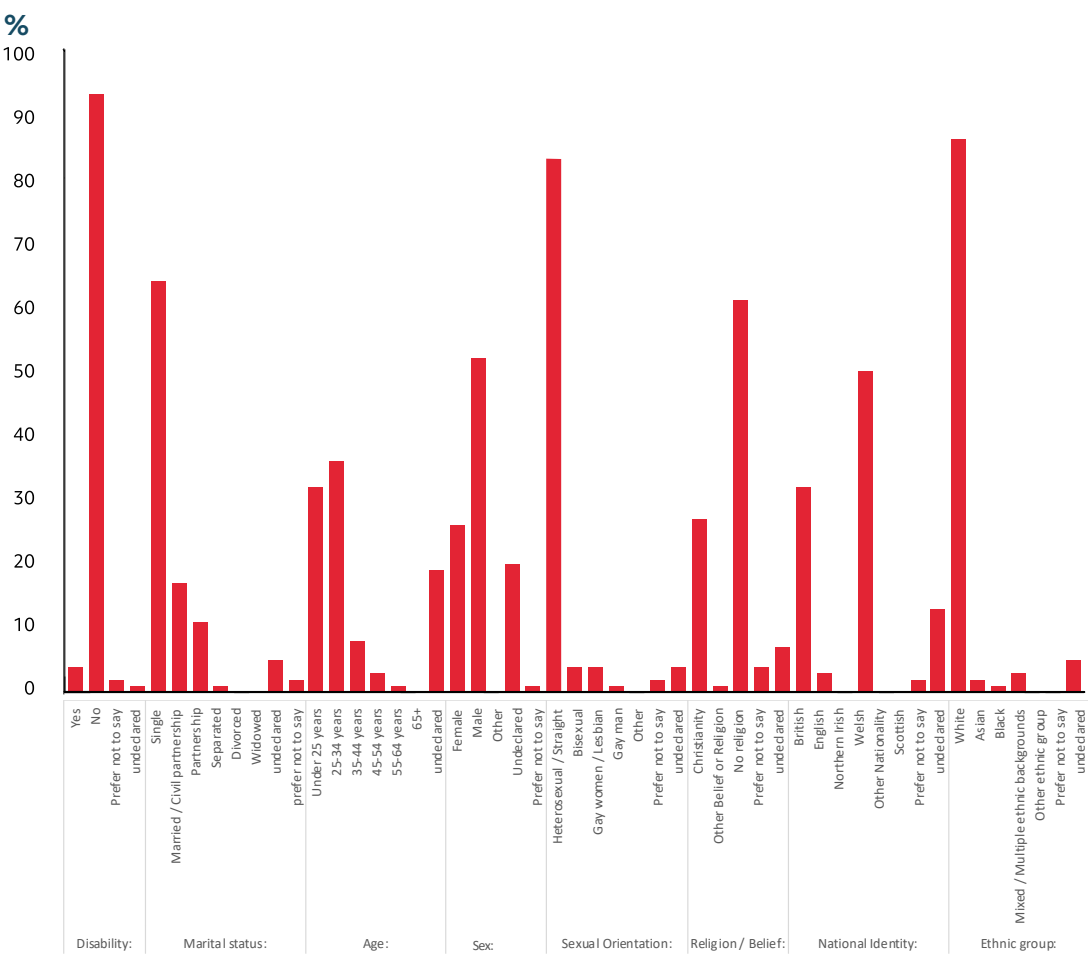


# RECRUITMENT



In 2021-2022 Sport Wales received **694** applications from individuals applying for jobs with Sport Wales. Figure 4 shows the **equality** information for applicants.

Figure 4 - Equality statistics for Recruitment 2021 - 2022



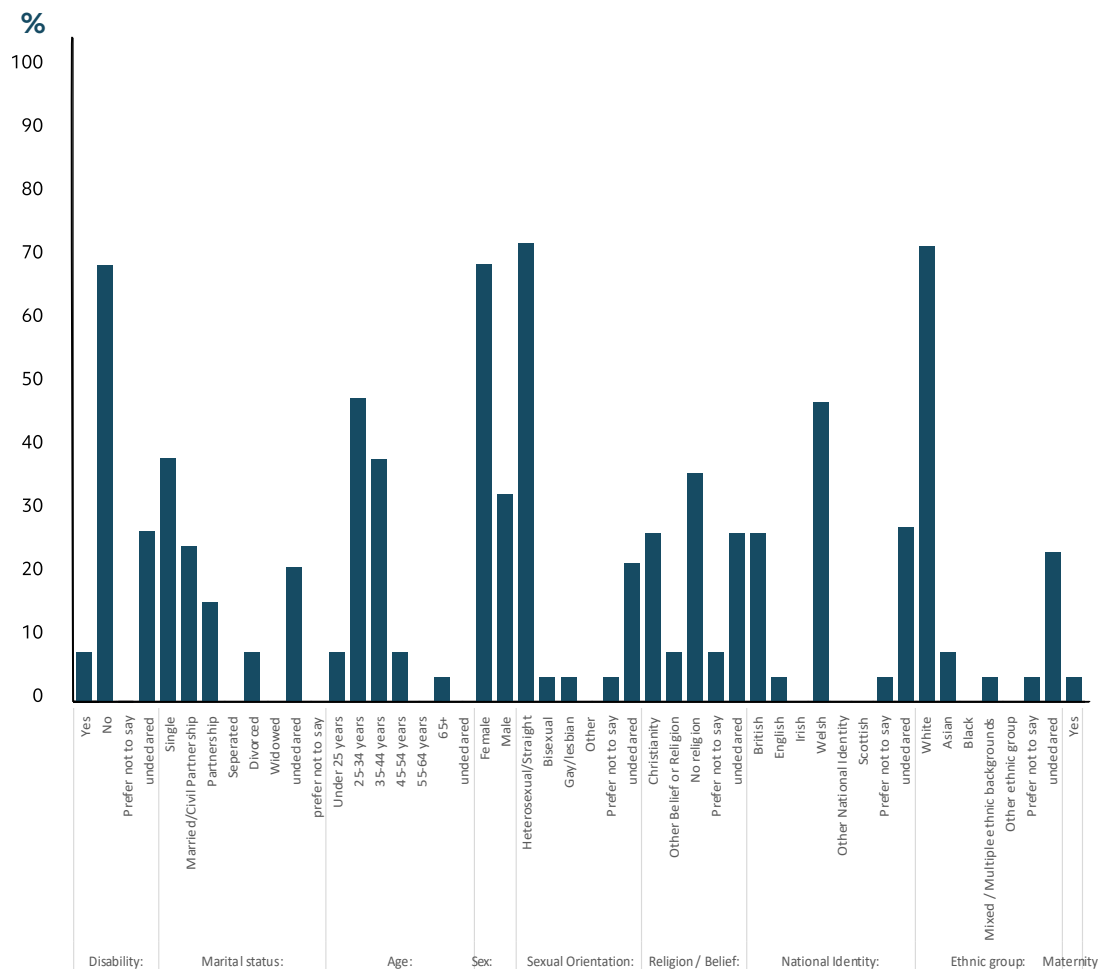
\*Data labels have not been included for figures lower than 5%

# NEW STARTERS



There were 34 new starters (on a fixed term, seasonal or permanent contract) during the period 1 April 2021 – 31 March 2022. Figure 5 shows the **equality** information for those new starters.

**Figure 5 - Equality statistics for new starters at Sport Wales in 2021 - 2022**



**\*Data labels have not been included for figures lower than 5%**

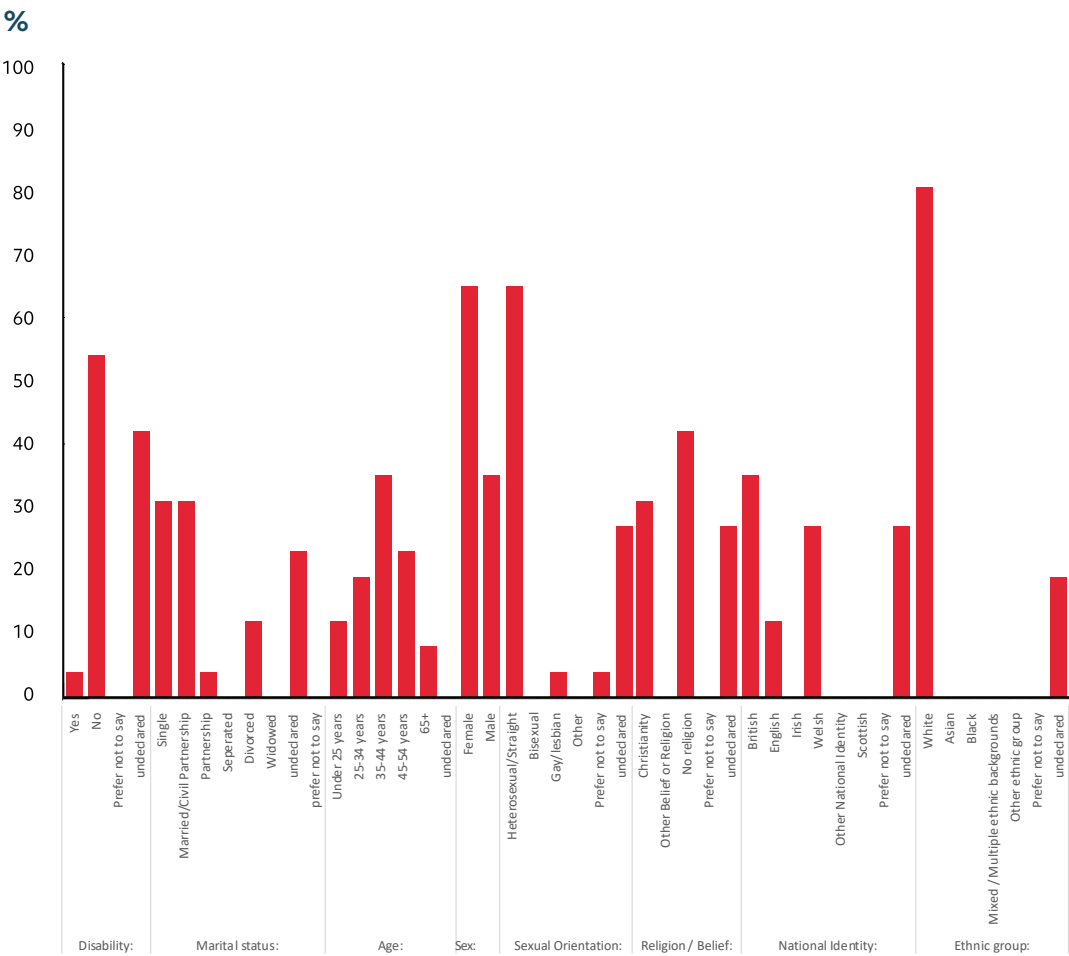


# LEAVERS



There were 26 leavers (on a fixed term, seasonal or permanent contract) during the period 1 April 2021 – 31 March 2022. Figure 5 shows the **equality** information for those leavers.

Figure 6 - Equality statistics for leavers during 2021 - 2022



\*Data labels have not been included for figures lower than 5%

# SPORT PARTICIPATION REPORT

	School Sport Survey '18	National Survey for Wales '19-20
	Participation in sport at least three times a week	
Overall (all)	48%	32%
Women and girls	46%	28%
People from Black, Asian and Minority ethnic groups	-	31%
Ethnicity	Asian/Asian British 40%	-
	Black/African/Caribbean/Black British 51%	-
	Mixed/Multiple ethnic groups 52%	-
	Other ethnic group 46%	-
	White 49%	-
People living in socioeconomic deprivation / material deprivation*	42%	21%
Disability or impairment / long-term illness or condition**	47%	21%
Welsh speakers	54%	38%
Not heterosexual / straight	--	35%



\*School Sport Survey 2018 – pupils in Free School Meal Quartile 4; National Survey for Wales 2019-20 – people living in material deprivation

\*\* School Sport Survey 2018 – pupils with a disability or impairment; National Survey for Wales 2019-20 – people with a **long-term** illness or condition

# INVESTMENT REPORT



**THIS YEAR WE HAVE CONTINUED TO FUND COMMUNITY PROJECTS THAT AIM TO MEET AT LEAST ONE OF THE BE ACTIVE WALES FUND GOALS:**

- 1.** Reduce inequality and increase participation in sport and representation for:
  - women and girls
  - people with a disability
  - people from a black, asian and minority ethnic group or background
  - lesbian, gay and bisexual people
  - transgender people
  - people living in social economic deprivation
  - those who use the welsh language
- 2.** Create long-term sustainability
- 3.** Introduce new or different ways of delivering physical activity



# DATA ANALYSIS

The number of Sport Wales staff declaring their protected characteristics has increased significantly after a very positive initiative to improve staff diversity data. All the categories collected had at least 77% of staff having responded, except for disability which had a 65% response rate. In the last two years due to actions from our HR team these response rates have improved significantly. For the characteristics of Disability (171% increase in the response rate); Sexual Orientation (33%); Religion/Belief (33%); National Identity 15%; Ethnic Group (18%).

The Sports Participation data shows the impact of characteristics on differences from the general population for taking part in sport or physical recreation. The greatest disadvantage impacts on adults and young people in socio-economic deprivation; adults with a disability or **long-term** illness/condition; adult females. It should be noted that some characteristics are positively correlated with sports participation, Welsh speakers both young people and adult are 6% more likely to participate.

## IDENTIFYING AND COLLECTING RELEVANT INFORMATION: THE STEPS THE AUTHORITY HAS TAKEN TO IDENTIFY AND COLLECT RELEVANT INFORMATION

Sport Wales has a long history of commitment to research and to the collection of relevant data, information and insight on which to base its policy and strategy to inform the sports sector and its partners and stakeholders at Welsh Government, the National Lottery and in the public sector.

The School Sport Survey (SSS): An extensive cycle of review and broad consultation is part of the SSS to seek views and working with a number of key stakeholders. Not all changes can be made within each survey cycle but we are making stepwise changes to implement over the long term. SSS has been improved as an easy read survey, as an example of a positive change.

The development of SSS has included a formal consultation process and piloting the survey to understand the information we need to collect, and in which ways. The survey includes important demographic questions covering gender, age, disability, ethnicity, deprivation (Free School Meals) and Welsh language. These questions enable us to track trends in children and young people as they relate to sport and monitor the **progress** we are making as a sector in addressing long-standing inequalities.

Expanding the reach and impact of community investment (a project with the Centre for Digital Public Services, CDPS): During 2021-22 we have been working with the CDPS, looking at how we can expand the reach and impact of our community investment. The expansion of reach and impact includes investigating how we reach people we have never reached before (harder to reach groups), as well as looking at how we can reduce the barriers that exist for marginalised groups applying for and receiving investment. The work has involved a number of strategies and methodologies, notably including extensive work to expand and re-engage with our partner networks, as well as seeking out and testing a new grants process with new and existing users.



Although this work is going on, we are still collecting relevant information from our current community investment processes, including making use of WIMD data to make sense of the number of applications received, number of applications awarded, and amounts awarded to areas of deprivation. We also collect data from our community investment regarding the current and potential impact clubs are making on tackling inequalities.

Since May 2020 we have undertaken five waves of a nationally representative adult population survey of 1,000 adults in Wales in partnership with Savanta ComRes. The data collected includes variables covering sex, age, disability, ethnicity, and socioeconomic status. The survey has enabled us to track trends, and inequalities, in adult attitudes and behaviours across these protected characteristics throughout the course of the Covid-19 pandemic. In addition, the fourth wave of the survey (August 2021) included three video questions which enabled us to hear directly from participants about their lived experiences of sport and physical activity during the pandemic.

With the National Survey for Wales (NSW) covering adult participation in sport and physical recreation Welsh Government are **responsible** for the non-sector specific characteristics captured in the NSW.

### ANY REASONS FOR NOT COLLECTING RELEVANT INFORMATION

The School Sport Survey needs to be sampled and weighted based on national data sources such as those on pupil and school numbers. Not all characteristics are contained in these secondary data sources so they may not be fully representative. Certain questions need careful design to ensure that they work for all children and new questions need time required to consult, test, and pilot.

Having a requirement to report on relevant information over time makes changes to these questions difficult to implement. Every time a significant change is made to a question there is a statistical break in the data and we can no longer compare to see if **progress** has been made.

Survey/feedback fatigue: there is evidence that certain communities in Wales are asked time and time again to contribute to research projects. We need to be sensitive of that when undertaking new research.

### A STATEMENT ON THE EFFECTIVENESS OF THE AUTHORITY'S ARRANGEMENTS FOR IDENTIFYING AND COLLECTING RELEVANT INFORMATION

As an organisation we collect essential demographic information for key **equality** strands with a particular focus upon gender, disability, age, ethnicity and deprivation. This data is primarily captured through our national survey instruments (School Sport Survey; National Survey for Wales; ComRes) all of which run on a periodic basis. These data collection tools provide us with important data for monitoring participation and attitudinal trends and collectively cover residents of Wales who are aged seven

and above. Where survey sample sizes are not sufficient, the organisation conducts qualitative research with specific groups to gain further insight. The organisation collects and holds relatively less data for the following: marriage or civil partnership (in employment only); pregnancy and maternity; religion or belief; sexual orientation. It would not be appropriate to collect some of this sensitive information through our existing population surveys, for example with young children.

We are limited in some respects to the work of Welsh Government and other organisations. For example the sources of evidence to create sample frames for surveys, the ability to change questions in multi-stakeholder surveys.

Sport Wales collects a wide range of information through surveys and some bespoke reports. However, the level of detail that can be provided is contingent on the sample size (which in turn is contingent on budget) or is focused on specific thematic issues in depth, making some results explorative rather than representative.

Margins of error within survey-based approaches often make comparisons difficult, with data needing to be unpacked for multiple dimensions. This can limit theme-based analysis and further intersectionality of these themes. Sub-national analysis can also be difficult for smaller geographies.

There is no structured and coordinated way of ensuring survey questions are informed by the latest research across Wales. This results in similar questions asked in multiple ways across multiple surveys. There is a need for common data standards across the public sector, at least.

Some approaches are not sustainable, eg the use of eligible free school meal claimants (as a proxy of socio-economic deprivation).

We do strive to iterate and improve our approaches wherever possible. This is evidenced through the consultation process and ongoing dialogue with key stakeholders for the School Sport Survey, and our work to expand the reach and impact of our community grants through our work with the CDPS.

We do not currently bring together all of our insight to produce a birds-eye view of the data we collect from an equalities perspective (i.e. we do not house all our data from surveys and elsewhere in one document to get that overall picture).

## COMPLAINTS, GRIEVANCES, DISCIPLINARIES

Sport Wales has an Anti-Bullying, Harassment, Discrimination and Victimisation policy which clearly sets out standards of behaviour, detailing those that are deemed unacceptable by the organisation and the likely consequences if any breach of these behaviours is founded. Processes are also available for complaints made by the general public. During the reporting year no grievances or disciplinaries were held.

## SPECIFIC EQUALITY TRAINING

All new starters undertake **equality** and diversity online training.

# LOTTERY FUNDING & ADDITIONALITY

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All Lottery distributors are required to report on their policy and practice.

Lottery funding is distinct from Government funding and should not replace Exchequer spending. Where appropriate, it can complement Government and other programmes, policies and funding.

When we assess applications for funding, we ensure additionality is considered. We work closely with leading organisations to ensure that our funding programmes add value to Government and other funding but do not replace it.

## REVIEW OF NATIONAL LOTTERY DISTRIBUTION ACTIVITIES

During 2021/22 Sport Wales distributed awards under a number of Lottery Funded grant programmes.

### CAPITAL GRANTS

The fund's principal activities are aimed at increasing participation and improving performance in sport and physical recreation. Sport Wales introduced its plans for the distribution of lottery funds to capital projects in September 1994. A two stage process is used for all capital applications. The first stage of the application enables the initial focus to be more on the added benefits to sport and the aims, objectives and proposed management of the project. Applicants seek provisional approval of a scheme prior to undertaking the investment necessary to present the full application which is the second stage of the process.

Capital grant offers of £3,018,000 (2020/21 £2,190,000) were met during the year. The amount provided in the accounts for signed contracts relating to capital grants increased by £828,000 in 2021/22 (2020/21 decrease of £615,000).

### REVENUE GRANTS

Revenue grant offers of £8,831,000 (2020/21 £12,268,000) were met during the year. The amount provided in the accounts for signed contracts relating to revenue grants decreased by £3,437,000 in 2021/22 (2020/21 increase of £1,869,000).

## MOVEMENT ON LOTTERY BALANCE TO 31 MARCH 2022

The following table shows the movements of the balances held with the National Lottery Distribution Fund in the year:

Balance at 1 April 2021	Unrealised Loss	Income Received (Net)	Money Drawn Down	Balance at 31 March 2022
(£000)	(£000)	(£000)	(£000)	(£000)
12,811	-	16,293	(14,050)	15,054

The table shows an increase in the balance held of £2.243 million, compared to a decrease of £2.216 million in the previous financial year.

## FINANCIAL RESULTS

Sport Wales's Lottery Distribution results are set out in the Statement of Comprehensive Net Expenditure. Total net comprehensive income for the financial year amounted to £3,983,000 (2020/21 total comprehensive expenditure of £2,651,000). This has been transferred to reserves.

The statement of financial position for 2021/22 shows a total net asset figure of £11,562,000 (2020/21 £7,579,000).

The Directors continue to adopt the going concern basis in preparing the financial statements which assumes that Sport Wales will continue in operation for the foreseeable future.

## SUSTAINABILITY (INCORPORATING THE BIODIVERSITY REPORT AND PLAN)

Sport Wales actively pursues policies and initiatives that seek to reduce the impact its operations have on the environment. The Corporate Environmental Strategy is fully in place since previously being approved by the Board. Sport Wales target is an annual reduction of 3% CO<sub>2</sub> emissions. As we emerge from the pandemic, the requirement to work at home if you can has remained in place for most of the financial year, but some business travel has commenced. This has resulted in a 5.6% increase on last year's CO<sub>2</sub> emissions, but overall levels are still significantly lower than pre-pandemic emission levels. The data doesn't capture the energy usage within employees' own homes whilst working from home, which would increase the emissions further.

During 2021/22, Sport Wales has continued to utilise Teams to meet virtually, rather than undertake a trip for a meeting.

Sport Wales also continues to offer a Cycle Scheme to employees, to reduce car usage. Employees may claim a mileage allowance of 20p per mile for all business journeys made by bicycle.

Carbon Trust were commissioned to review the current carbon footprint. The first year reviewed was 2019/20, and Sport Wales produced 2,731 tonnes of CO<sub>2</sub> (indirect and direct). There is no comparison available to other organisations, but this will be used as our base point for future years to be improved upon.

Sport Wales continues to put measures in place to reduce our carbon footprint across the national centres and the ongoing works has given further opportunities to upgrade to more energy efficient systems or sustainable ways of working. At Plas Menai a further reduction has been seen in the DEC score/rating, which is now a C, with a score of 61 maintaining the good progress that has seen the rating fall from an F over the last 4 years and significantly better than the 'average' for similar aged buildings.

The lighting replacement programme at SWNC continues with over 85% of all internal lighting now LEDs and this work will continue into 2022/23 or as lights need replacing.

Two major sustainability projects started in this financial year – At the National Centre at Cardiff, a SUDs approved sustainable drainage system was installed to support the ongoing use of our grass pitch.

Our second project focused on Plas Menai. Initially working with Welsh Government Energy Service and Carbon Trust, Sport Wales developed a proposal to replace the aging fossil fuelled boiler system, air circulation system and periphery with a Ground Source Heat Pump solution backed up with an Air Source Heat Pump. This £1.8m project will provide a solution that results in energy and carbon cost saving as well as reducing reactive maintenance costs. Initial indications are showing a 67.9% reduction in Carbon emissions and a year one carbon saving of 265 tCO<sub>2</sub>e.

### **FUTURE PLANS**

Sustainability is one of the six Business Priority Areas for 2022/23. Work will continue with the Carbon Trust to use our baseline carbon emissions data to establish a Sport Wales Decarbonisation Strategy. The process to develop the strategy will involve stakeholder engagement with staff, Board and partners. Sport Wales will translate this strategy into time-based actions to deliver the reductions required.

### **CONSERVATION AND BIODIVERSITY**

Sport Wales National Centre, Cardiff is located in a Grade 2 listed garden and all the trees have Tree Protection Orders which are managed in accordance with these orders. During 2021/22, a new wildflower garden was laid near the grass rugby/football pitch, with plans to extend in May 2022. Pesticide use has been significantly reduced to comply with legislation and to protect the environment.

The new Crowdfunder scheme, has enabled clubs to become eco-friendly and more sustainable. A notable Bio-diversity project involved the funding of ultra-sonic buoys to control blue-green algae without harmful chemicals at Fagl Lane Quarry, Hope, Flintshire.

The National Centre at Plas Menai is located on the banks of the Menai Strait, which is a Special Area of Conservation (SACs). The centre continues to run marine environmental educational courses on the Menai Strait, has planted a managed woodland and has a dozen bird boxes located around the site, which attract a number of native species.

The site has a mountain bike skills track, with well-established planting and wildflowers. The area is also used for running bushcraft courses and den-building sessions for young people as part of the holiday activity and school visit programmes. These areas were enhanced in 2021 through the sowing of more wildflower seeds to encourage bees and



butterflies. The grass cutting in this area is kept to the minimum for cyclists to safely see the track. As part of Plas Menai schools' activity programme, the opportunity of assisting in a beach cleaning and beachcombing session is offered, followed by a practical water safety session.

Future plans include:

- We will look at how we can increase biodiversity within our boundaries, including further planting and grounds management.
- Continue to inform, advocate and invest in projects that enhance sustainability and biodiversity.



**ACCOUNTING OFFICER: B DAVIES**  
**28 SEPTEMBER 2022**

# ACCOUNTABILITY REPORT

## CORPORATE GOVERNANCE REPORT

### DIRECTORS REPORT

#### BOARD

During 2021/22, Sport Wales comprised the following board members;

Mr Lawrence Conway **	(Chair Reappointed 01.09.2021)
Ms Pippa Britton **/**	(Vice Chair Reappointed 01.10.2020)
Mr Ashok Ahir */**	(Reappointed 01.10.2020)
Mr Ian Bancroft	(Reappointed 01.10.2020)
Ms Alison Thorne */**	(Reappointed 01.10.2020)
Ms Judi Rhys MBE ***	(Reappointed 01.09.2021)
Prof Leigh Robinson ***	(Reappointed 01.09.2021)
Mr Phil Tilley	(Reappointed 01.09.2021)
Mr Martin Veale JP */**/**	(Reappointed 01.09.2021)
Ms Rajma Begum ***	(Appointed 01.09.2019)
Mr Dafydd Trystan Davies	(Appointed 01.09.2019)
Ms Delyth Evans	(Appointed 01.09.2019)
Ms Nicola Mead-Batten *	(Appointed 01.09.2019)
Ms Hannah Murphy	(Appointed 01.09.2019)
Chief Executive	Ms S Powell (01.04.2021 to 18.09.2021)
Interim Chief Executive	Mr B Davies OBE (Effective 18.09.2021 to 31.03.2022)

- \* Member of the Audit & Risk Assurance committee
- \*\* Member of the Remuneration committee
- \*\*\* Member of Equality, Diversity & Inclusion Committee

All Board members are appointed on an initial three-year term and can serve a maximum of two terms.

### DECLARATIONS OF INTEREST

All Members and senior staff of Sport Wales have completed a comprehensive declaration of interest, including details of any interests in organisations which provide, or may seek to provide, commercial services to Sport Wales for 2021/22. Information provided that requires disclosure in accordance with International Accounting Standard 24 ('Related Party Disclosures') is disclosed in Note 17 of these financial statements.

## PERSONAL DATA RELATED INCIDENTS

Sport Wales has controls and policies in place to ensure data integrity. Information Technology systems ensure that the physical security of data is tightly controlled. As far as we are aware, no loss of data occurred during the period under review.

## RISK IDENTIFICATION AND MANAGEMENT

Detail on Risk Management is contained in the Risk Management section of the Annual Governance Statement on page 89.

## SUPPLIER PAYMENT POLICY AND PERFORMANCE ACHIEVED

Under the Late Payment of Commercial Debts (Interest) Act 1998 and in line with the Better Payment Practice Code (which can be located on [www.payontime.co.uk](http://www.payontime.co.uk)) Sport Wales is required to pay suppliers' invoices not in dispute within 30 days of receipt of goods or services or valid invoice, whichever is the latter.

Sport Wales aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2022 Sport Wales paid 100% (2020/21 100%) of all invoices within the terms of its payment policy. No interest was incurred during the year as a result of late payments. Sport Wales is also aiming to pay suppliers wherever possible within 10 days in accordance with the Managing Welsh Public Money guidance issued in January 2016. During 2021/22, 93% (2020/21 93%) of transactions by were paid within this timescale.

## FINANCIAL INSTRUMENTS

Details of financial instruments can be found in note 1.10 to the financial statements.

## REMUNERATION OF AUDITORS

The Audit and Risk Assurance Committee oversees the nature and amount of non-audit work undertaken by Audit Wales and National Audit Office, our external auditors. During 2021/22 there was no non-audit work undertaken by auditors. The audit fee is disclosed in note 8 to the financial statements.

Statement on Disclosure of Relevant Audit Information.

1. As far as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware, and
2. The Accounting Officer has taken all the steps that they ought to have taken to make themselves aware of any audit information and to establish that the auditors are aware of that information.

## STATEMENT OF COUNCIL'S AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under the Royal Charter, dated 4 February 1972, The Sports Council for Wales (Sport Wales) is required to prepare for each financial year statements of accounts in the form and on the basis determined by the Welsh Government, with the consent of the Treasury. The financial statements are prepared on an accruals basis and must give a true and fair view of Sport Wales' state of affairs at the year end, including its net income, changes in equity and cash flows for the financial year.

In preparing the accounts, Sport Wales is required to comply with the requirements of the Government Financial Reporting Manual and in particular:

- observe the accounts direction issued by Welsh Ministers and Department for Digital, Culture, Media and Sport, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departure in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the entity will continue in operation; and
- Ensure that the annual report and accounts are fair, balanced and understandable.

The Principal Accounting Officer for the Welsh Ministers has appointed the Chief Executive as the Accounting Officer for Sport Wales. Responsibilities as Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for the keeping of proper records, and for safeguarding Sport Wales' assets, are set out in the Accounting Officers' Memorandum issued by HM Treasury.




**ACCOUNTING OFFICER: B DAVIES**  
**28 SEPTEMBER 2022**

# ANNUAL GOVERNANCE STATEMENT 2021/22

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## INTRODUCTION



The Governance Statement brings together all disclosures relating to an organisation's governance, risk and control. As Accounting Officer, I am personally responsible for the Governance Statement which outlines how I have discharged my responsibility to manage and control the resources of Sport Wales during the course of the year.

As Accounting Officer, I have reviewed the Corporate Governance in Central Government Departments: Code of Good Practice 2017 and believe that Sport Wales has fully complied with the relevant elements of the code in respect of both its Exchequer and Lottery functions.

## CORPORATE GOVERNANCE

### THE BOARD

Corporate Governance is the system by which organisations are directed and controlled. The Board of Sport Wales is responsible for the governance of Sport Wales and the Sports Council for Wales Trust. The Board's role is to satisfy itself that an appropriate governance structure is in place and to scrutinise the performance of the executive and the organisation's delivery of the Sport Wales Strategy.

The Sport Wales Board is made up of a Chair, a Vice Chair and up to twelve other members all of whom are appointed by Welsh Government. The Board's composition includes representation from a range of different professions and members with expertise and experience relevant to both community and elite sport, as well as wider skillsets needed for a role of this nature. A Board skills matrix is maintained to ensure the Board has the right blend of skills and experience.

No new Board members were appointed during the year, but Welsh Government reappointed 4 existing Board members for a further term to September 2024. Those Board members are Judi Rhys, Prof. Leigh Robinson, Phil Tilley and Martin Veale JP.

Lawrence Conway was also reappointed as Chair for up to a further 12 months from 1st September 2021. During the course of the year, Welsh Government undertook a recruitment process to appoint a new Chair and, in March 2022, Baroness Tanni Grey-Thompson was appointed to the role. Her term began on 4 July 2022.



Hywel Tudor was appointed as an independent member of the Audit and Risk Assurance Committee on 18th November 2021 as part of an open recruitment process, on an initial three-year term. Hywel joins the Committee following the departure of Gareth Jones, whose second three-year term expired during the year. I thank Gareth for his dedicated service to Sport Wales during his tenure and warmly welcome Hywel to the Committee.

Sport Wales is committed to equality and the diversity of its Board, which now comprises 57% female representation, 14% ethnically diverse and 7% consider themselves to have a disability.

To discharge its responsibilities and to obtain the assurance required that demonstrate good governance practices are in place, three permanent committees are established; The Audit and Risk Assurance Committee, the Remuneration Committee and the Equality, Diversity and Inclusion Committee.

Attendances for both the Board and the Audit and Risk Assurance Committee are shown in the table below.

<b>Board Member</b>	<b>Board Meeting</b> (Number of meetings attended of up to 5)	<b>Audit and Risk Assurance Committee</b> (Number of meetings attended of up to 4)
Lawrence Conway (Chair)	4 / 5	Not Applicable
Pippa Britton (Vice Chair)	5 / 5	Not Applicable
Ashok Ahir	5 / 5	3 / 4
Ian Bancroft	4 / 5	Not Applicable
Alison Thorne	5 / 5	3 / 4
Judi Rhys MBE	4 / 5	Not Applicable
Prof Leigh Robinson	4 / 5	Not Applicable
Martin Veale JP	4 / 5	4 / 4
Phil Tilley	5 / 5	Not Applicable
Rajma Begum	4 / 5	Not Applicable
Dafydd Trystan Davies	4 / 5	Not Applicable
Delyth Evans	5 / 5	Not Applicable
Nicola Mead-Batten	5 / 5	3 / 4
Hannah Murphy	5 / 5	Not Applicable
<b>(Independent members – Audit Committee only)</b>		
Gareth Jones	Not Applicable	1 / 1
Robert Williams	Not Applicable	4 / 4
Hywel Tudor	Not Applicable	2 / 2
<b>Overall Percentage Attendance rate</b>	<b>90%</b>	<b>87%</b>

## WHISTLEBLOWING POLICY

Sport Wales has an established and Board approved Whistleblowing Policy, which is brought to the attention of staff and members at induction, and is detailed in the Staff Handbook. During 2021/22 there were no reported incidents. We believe that the policy is effective and staff have full access to it, if required. The policy is reviewed periodically with the Staff Handbook. External whistleblowing is dealt with through our Complaints policy, which is available on our website. There were no reported incidents during the year.

## AUDIT AND RISK ASSURANCE COMMITTEE

The Board has established an Audit and Risk Assurance Committee to support it in discharging its responsibilities specifically in the areas of risk, internal control and governance through:

- Reviewing the comprehensiveness and operation of current processes, controls and other measures to meet the assurance needs of the Board and the Accounting Officer;
- Reviewing the reliability and integrity of the assurances provided by the executive and the internal and external auditors;
- Providing an opinion as to how well the Board and Accounting Officer are supported in decision making and in discharging their accountability obligations (particularly in respect of Financial Reporting); and
- Ensuring that risks identified are assigned to members of the Leadership Team and appropriate mitigating actions are detailed in the Corporate Risk Register.

The Audit and Risk Assurance Committee consists of up to seven members, two of which could be independent, with a minimum of one independent member required. The Committee met four times during the year and there was an overall members' attendance rate of 87%.

Over the year the Committee's areas of focus included (but was not limited to):

- the operation and effectiveness of the risk management;
- internal audit reports covering specific business areas and the annual internal audit report;
- the Annual Report and Financial Statements and their format;
- observations made by external audit, particularly the annual management letter;
- compliance with the Framework Document issued by the Welsh Government as well as compliance with the Lottery Statement of Financial Requirement;
- regulatory compliance;
- review of grant funding;
- review of core financial systems
- review of Board member expenses;
- review the Gifts and Hospitality Register;
- agreeing the year's Internal Audit Plan; and
- performance monitoring of internal and external audit.

The Board received the minutes of the Audit and Risk Assurance Committee at each meeting and are advised by the Chair of any significant matters. The Chair also presents a formal annual report on the Committee's work to the Board. IT systems ensure that the physical security of data is controlled. In 2021/22 no information risk issues or significant control weaknesses were identified and the Audit and Risk Assurance Committee was satisfied that the level of risk was acceptable and managed in an appropriate manner.



## **REMUNERATION COMMITTEE**

The Remuneration Committee meet to review and recommend for approval to Welsh Government the Chief Executive's salary and the annual pay award for all staff via the Welsh Government's pay remit process. Further details can be found within the Remuneration and Staff Report on page 93.

## **EQUALITY, DIVERSITY AND INCLUSION COMMITTEE**

During the year, the Board established a new standing committee following the previous good work of the Diversity Task and Finish Group. The Equality, Diversity and Inclusion Committee was established to challenge, support and oversee the work of Sport Wales in delivering against its Equality Action Plan both internally and in its support to the sector.

## **THE EXECUTIVE SENIOR MANAGEMENT TEAM**

The Executive, under the leadership of the Chief Executive, is responsible to the Board for the development and implementation of strategy and policies and the reporting thereof.

During the year Sarah Powell resigned to take up a new role as CEO of British Gymnastics and interim arrangements have been established until the new Chair can consider future Executive requirements.

Brian Davies has been appointed as interim Chief Executive and Owen Lewis and Joanne Nicholas have joined the Executive as part of these arrangements.

The Executive meets at regular intervals and typically twice weekly to discuss and agree corporate matters. Progress against the Business Plan is reported and monitored throughout the year and at each meeting of the Board.

## **BOARD AND COMMITTEE EFFECTIVENESS**

Changes to Covid-19 restrictions over the course of 2021/22 prompted us to consider a return to in-person Board meetings. It was agreed that using insight gained throughout the pandemic and to increase flexibility, hybrid Board meetings would be conducted going forward. Board members were regularly asked for their reflections on how the structure of these meetings could be improved and practical changes were incorporated to allow meetings to run more effectively. This will be periodically reviewed as part of the Board's Schedule of Business.

An effectiveness review was carried out during the year, and this led to a number of practical changes around Board development and personal development of Board members. Board members continued to engage informally in between meetings and are also included in the distribution list for all staff and partner updates from the Communications and Digital team.

There were also a number of Board development sessions delivered through the year on subjects ranging from Transgender in Sport to the role of sport and physical activity in Education.

The Board is committed to supporting the Executive Team and resolved during the year to nominate individual Board members to work closely with members of the Executive on all major projects, through the establishment and / or continuation of several Task and Finish Groups.

Decisions taken by Board and sub-committees are informed by advice provided by Sport Wales staff. Papers and reports produced by officers are expected to show clearly all relevant information needed to enable informed decisions to be taken. Papers are circulated in advance of each Council and Committee meeting; tabled items and verbal reports are only accepted in exceptional circumstances. The Board was content during the year with the timeliness and quality of information provided for its use.

## RISK MANAGEMENT

### THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage and limit risk but can never eliminate it. It therefore only provides reasonable and not absolute assurance. The system of internal control is based upon an on-going process designed to identify and prioritise the risks of achieving Sport Wales' policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should this happen, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at Sport Wales throughout the year ended 31 March 2022 and up to the date of approval of the annual report and accounts and accords with HM Treasury guidance and Managing Welsh Public Money.

Finally, the system of internal control provides reasonable assurance that Sport Wales has complied with the National Lottery financial directions, and that adequate processes are in place for the detection of conflicts of interest and to minimise losses of Lottery grants.

Whilst key staff have continued to work remotely for the majority of the reporting period due to Covid-19, this has not led to significant changes to the system of control or any additional control weaknesses.

### CAPACITY TO HANDLE RISK

As Accounting Officer, I am personally responsible for ensuring that Sport Wales has an effective risk management process. This is overseen by the Board, through the Audit and Risk Assurance Committee. As an organisation, the key risks are monitored through appropriate use of the Corporate Risk Register. There is a documented Risk Strategy & Management Policy that contains definitions relating to risk management and the policy also sets out how risks should be identified, recorded, analysed and managed.

Corporate risks, and the control measures implemented to mitigate them, are assigned to and managed by the appropriate manager, member of the Executive or in some cases by the Accounting Officer. Operating risks are the responsibility of the relevant heads of department while day to day risk management may be delegated to the staff they manage.

New risks are identified by officers of Sport Wales, Audit and Risk Assurance Committee scrutiny or the Board itself. When a new risk has been identified, it is inserted into the appropriate Risk Register, assessed and scored and assigned to a member of the Executive team and/or appropriate manager.

### THE RISK AND CONTROL FRAMEWORK

Risk management is embedded within the management structure of Sport Wales. The majority of identified risks are derived from the organisational objectives and the

business planning process of Sport Wales.

The Risk Register is an electronic solution that is accessible to all Sport Wales employees via an online portal, with editing rights limited to relevant managers. Sport Wales' risk management arrangements are subject to an annual internal audit and presented to the Audit and Risk Assurance Committee. The Risk Register records significant corporate risks including risks to information, an overall assessment of likely impact and probability, control measures and where required, a list of future action measures. The Corporate Risk Register is reviewed at regular intervals by Senior Management, the Risk Management and Assurance Group and the Audit and Risk Assurance Committee. In addition, managers present by rotation to the Risk Management & Assurance Group on their specific areas of risk and how they control or mitigate those risks.



## KEY RISKS

Risks to key strategic and operational activities are identified, evaluated and considered by the Risk Management and Assurance Group, and action taken to mitigate them. Corporate Risks and the actions to mitigate them are reviewed at regular intervals. The internal audit programme is influenced by risks recorded in the Risk Register and, where appropriate, the auditors make recommendations to address any risk or identify new ones. The Audit and Risk Assurance Committee review these recommendations at each committee meeting and discuss and give feedback to the Executive.

Looking ahead, there are a number of key risks which have been identified at Sport Wales and included in the Corporate Risk Register.

There remains a substantial risk that the ongoing financial and delivery impact of the Covid-19 pandemic inhibits partners and the wider sporting sector to progress the delivery of the Sport Wales Strategy and the Vision for Sport in Wales. To mitigate this risk, we have invested substantial funding to remobilise the sector through our funding streams.

Whilst Sport Wales is grateful to Welsh Government for an increased budget for 2022/23, increased National Insurance contributions and other costs linked to the increased cost of living, continues to present a challenge to effectively delivering Sport Wales' objectives.

There is also an additional risk that the interim / temporary nature of the current arrangements at Executive level may impact on the delivery of our strategy, which is mitigated by in depth experience of the organisation and our strategy at Board, Executive and Senior Leadership Team level.

As restrictions ease and we move out of the pandemic, there is an additional risk of a lack of engagement and productivity among staff as the organisation continues to develop a longer-term strategy for hybrid working. Regular engagement with staff through discussion with managers and a range of surveys are key controls to guard against this risk.

Other risks on the corporate risk register include a failure to comply with all legislation, sensitive information loss or exposure and the failure to find a commissioned partner for the operations of Plas Menai.

Sport Wales has an overall informed and measured appetite for taking risk to achieve its priorities. Risk appetite is owned by the Board and is reviewed annually. Where significant risk arises Sport Wales will take effective control action to reduce and



manage these risks to an appropriate level. The Executive and Board are aware of the need to innovate further and faster in the future and to this end are actively exploring different delivery mechanisms and partners. This will create new and different risks and potentially increase the level of risk taken by Sport Wales. The Sport Wales risk appetite may therefore rise but only within an informed and managed risk environment.

The Internal Auditors have given Sport Wales an overall “substantial assurance” rating for the year. It also gave this highest rating category for Sport Wales’ corporate governance and risk management arrangements. Each individual assurance review within the year was also given a substantial assurance rating – this is the first time that this has happened and demonstrates a strong control environment across the organisation.

It is encouraging to note that arising out of the internal audit work, there were no findings classified as being of “high” or “medium” risk. In total, 7 low priority recommendations were made together with 12 action points. This is a substantial improvement on last year’s performance.

In terms of follow-up action, 6 out of 7 previous recommendations had been implemented at the time of the audit. The remaining recommendation had its timescale re-assessed by the Executive and Audit and Risk Assurance Committee were kept informed of progress.

All recommendations made by our internal and external auditors are monitored by our Audit & Risk Assurance Committee to ensure they’re implemented on a timely basis.

## GRANTS MONITORING

The majority of Sport Wales’ funding is expended in the award of grants. Grant awards are made on clear investment criteria into key sporting outputs and outcomes. Sport Wales takes appropriate steps to monitor the application of such awards by requiring formal reporting from recipients, as well as maintaining an on-going dialogue with key partners to gather informal intelligence. In addition, there are specific reconciliation criteria and where expenditure may vary from the level of grant award, Sport Wales exercises its right to claw back such amounts.

Grant-making and monitoring processes are reviewed annually by our internal auditors. Audit Wales also examines our grant-making activities each year.

## INTERNAL CONTROL

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Sport Wales’ policies, aims, and objectives. I also have personal responsibility for safeguarding the proceeds from the National Lottery distributed to Sport Wales and Sport Wales’ assets, in accordance with the responsibilities assigned to me in Managing Welsh Public Money.

I am responsible for reviewing the effectiveness of the system of internal control. This is overseen by the Board, through the Audit and Risk Assurance Committee. It is informed by the work of both the internal and external auditors and the staff presentations to the Risk Management & Assurance Group of Sport Wales who have responsibility for the development and maintenance of the internal control framework. I plan to address identified weaknesses and ensure continuous improvement of these systems.

The internal audit service for Sport Wales during 2021/22 was provided by Deloitte LLP, who operated to standards defined in the Public Sector Internal Audit Standards.

Internal audit submit regular reports which inform an independent annual opinion on the adequacy and effectiveness of Sport Wales' systems of internal control and risk management, together with recommendations for improvement.

Every year the Audit and Risk Assurance Committee produces an Annual Report of their work to the Board of Sport Wales.

### ON-GOING DEVELOPMENTS

Whilst the current system of internal control is strong, we are not complacent, and as part of our ethos of continual improvement review areas that we believe could be improved and take steps to bring about changes.

Building on the work of last year, this year has seen a further focus on information and cyber security controls following an increased level of attempted attacks during the Tokyo Olympics and Paralympics. This has resulted in the purchase of additional cyber-defence software and support to further strengthen our control environment, with launch of the platform planned for early 2022/23.

We have also continued with additional cyber security and governance support to the sector throughout the past 12 months, strengthening the controls in place to manage the risk inherent in investing public funding into third party organisations, whilst also increasing their accountability.



**ACCOUNTING OFFICER: B DAVIES**  
**28 SEPTEMBER 2022**

# REMUNERATION & STAFF REPORT

Sport Wales has an extensive range of policies which reflect current legislation and aim to secure retention and motivation. These policies are reviewed regularly with staff involvement via a recognition agreement with the Public and Commercial Services (PCS) Union. All policies are equality checked before implementation. Sport Wales is committed to a policy of equality of opportunity in its employment practices. In particular, Sport Wales aims to ensure that no potential or actual employee receives more or less favourable treatment on the grounds of age, disability, ethnic or national origin, gender, marital or parental status, nationality, political belief, race, religion, or sexual orientation. We also follow the 'Equality Standard for Sport' and 'Positive about Disabled' schemes.

Following the successful implementation of the new pay and grading structure from September 2019, employees have the choice to either remain on current terms or opt into the new structure and have access to the enhanced flexible benefits.

We continue to be a Living Wage employer with a starting salary of at least £10.46 per hour. All staff were awarded a cost of living pay award of 2% during the year and those earning below £24,000 received a one-off unconsolidated payment to ensure that their in year increase was £800.

Sport Wales completed a Culture Survey in November 2021. The results of this were positive with less than 10% of staff who responded, indicating that they disagree or strongly disagree with the engagement questions.

Staff turnover for 2021/22 was 14.05% (2020/21 9.17%), of which 7% due to the employee leaving following redundancy (2020/21 5.16%).

## INVESTING IN OUR PEOPLE

Sport Wales continues to achieve Investors In People accreditation and is continuing to build on the recommendations made at the last assessment (Spring 2019) as we update our policies and procedures.

## SICKNESS ABSENCE DATA

The sickness data for employees of the whole organisation for 2021/22 (2020/2021) is as follows:

Total Days Lost	Total Number of Employees (FTE)	Total Sick Days Lost Per FTE
715.31 (520.84)	169.93 (156.50)	4.21 (3.33)

The overall absence rate for 2021/22 is 1.9%. This is a slight increase from the 2020/2021 of 1.7% but lower than the 2019/20 rate of 2.25%, and is considerably lower than ONS (Office of National Statistics) latest published rates for the public sector of 2.3%.



Of the 1.9%, 1.34% were classed as long term and 0.56% as short term. As part of a continued focus on managing absence and employee health effectively, Sport Wales' sickness absence policy will continue to be reviewed during 2022/23, with support from the recognised Trade Union (PCS).

Sport Wales has continued to place high priority on the mental health and wellbeing of its employees and has carried out a number of initiatives to support the workforce in this regard.

### PENSION SCHEME

Sport Wales operates two pension schemes for its staff. Most staff are admitted members of the Cardiff and Vale of Glamorgan Local Government Pension Scheme (LGPS). The Fund is a defined benefit scheme based on Career Average Re-Valued Earnings (CARE). The Fund's assets are held separately from those of Sport Wales. Any pension built up before April 2008 is calculated at a rate of 1/80th with a lump sum of three times pension. In line with LGPS regulations, pension built up from 1 April 2008 is calculated at the rate of 1/60th and there is an option to take an extra lump sum in exchange for pension. Pension built up from 1 April 2014 is calculated at the rate of 1/49th with an option to take an extra lump sum in exchange for pension. The contributions of employees are set at 5.5% to 10.5% based on salary range or 2.75% to 5.25% if the employee opts for the 50/50 pension scheme. Further details can be found in note 1.6 and note 18 to the financial statements. In addition, Sport Wales operates a Defined Contribution pension scheme, with Scottish Widows, in which Sport Wales contributes 6.5%, with employees contributing 1.5%.

### REMUNERATION POLICY

In accordance with Chapter 5 of the Financial Reporting Manual, Sport Wales is required to disclose the following concerning remuneration during the year of Council Members and senior staff with responsibility for running policy making departments. Treasury guidance requires the financial statements to disclose the cash equivalent transfer value of pensions for Sport Wales' Members and senior staff.

The Chair, Vice Chair and Members of Sport Wales are paid in accordance with the Welsh Government "Remuneration and expenses of Chairs and Members of WSGBs and NHS Bodies" policy.

The Remuneration Committee which consists of Sport Wales' Chair, Vice Chair and Chair of the Audit & Risk Assurance Committee supported by Sport Wales' employees meets to agree the pay award for all staff via the Welsh Government's pay remit process. All changes of pay for the CEO are approved by the Remuneration Committee, and similarly to any pay increase for staff have to be approved by Welsh Government.

### SERVICE CONTRACTS

The senior staff of Sport Wales are employed on terms and conditions broadly analogous to the Welsh Government terms and conditions.

Sport Wales' Members are appointed by Welsh Ministers for a three year contracted period and may be reappointed normally for a further three year period. The Chair is entitled to be remunerated at a daily rate of £337 and is contracted to work around two days per week. The Vice Chair is remunerated at a daily rate of £311 and is contracted to work around three days a month.

## **NOTICE PERIOD**

The Chief Executive is entitled to four months' notice of termination of contract by Sport Wales and the remaining senior staff are entitled to twelve weeks' notice of termination of contract.

## **TRADE UNION FACILITY TIME**

Sport Wales allow members of the PCS union Branch Executive Committee to work on union matters, when needed, during working hours for which the employee receives their full salary entitlement.



# CHIEF EXECUTIVE OFFICER SALARY

## REMUNERATION (SUBJECT TO AUDIT)

"Salary" includes gross salary, allowances and performance bonuses where applicable. During the year the previous Chief Executive (Sarah Powell) received a gross salary of £48,000 (2020/21 £102,000). The CEO left 19th September and Brian Davies was appointed Acting Chief Executive on a gross salary of £104,000. During the year, actual salary received was £89,000. No members of staff are eligible for a bonus payment.

A proportion of the Senior Management salary costs are allocated to lottery.

## BENEFITS IN KIND

There are no benefits in kind

## SALARY AND PENSION ENTITLEMENTS

The following sections provide details of the remuneration and pension interest of the senior managers of Sport Wales. Details on start/leave dates can be found in the Pension Benefits table on page 98. This information is audited.

## STAFF COSTS (SUBJECT TO AUDIT)

The staff costs figure shown in the Net Income Account is an apportionment of costs incurred by Sport Wales and is arrived at as follows:

	Average No.of fulltime equivalent staff involved		2021/2022	2020/2021
	2021/22	2020/21	2021/2022 £,000	2020/2021 £,000
<b>Gross Salary Costs</b>				
Chair L Conway*	0.20	0.20	18	18
Chief Executive**	0.25	0.25	22	24
Other Staff***	54.96	51.62	3,234	2,774
			<b>3,274</b>	<b>2,816</b>
Salaries & Wages			2,320	2,066
Social Security Costs			239	216
Other Pension Costs			941	687
IAS19 Adjustments			(226)	(153)
			<b>3,274</b>	<b>2,816</b>

\* The average number of staff employed are all permanent contract staff. The Chair is appointed to work 2 days per week and spends 50 per cent of that time on lottery activities.

\*\* The CEO includes Sarah Powell in post to September 2021 and Brian Davies for the remaining six months

\*\*\* Includes Brian Davies FTE for the six months as Director.

Staff costs are further analysed as follows:

	2021/22 £'000	2020/21 £'000
Administration	1,738	1,143
Sports Science Support to Athletes	1,536	1,673
	<b>3,274</b>	<b>2,816</b>

## REMUNERATION (SUBJECT TO AUDIT)

Name	Title	% Apportioned to Lottery	Salary £000	Pension Benefit to nearest £1,000	Total
		2021/22 (2020/21)	2021/22 (2020/21)	2021/22 (2020/21)	2021/22 (2020/21)
Mr Lawrence Conway	Chair	50% (50%)	35 - 40 (35 - 40)	- -	35 - 40 (35 - 40)
Ms Pippa Britton	Vice Chair	50% (50%)	10 - 15 (10 - 15)	- -	10 - 15 (10 - 15)
Ms Sarah Powell <sup>1</sup>	Chief Executive	25% (25%)	45 - 50 (95 - 100)	(8,000) (35,000)	35 - 40 (125 - 130)
Mr Brian Davies OBE <sup>2</sup>	Acting CEO / Director – Sport System	25% (80%)	85 - 90 (75 - 80)	56,000 (49,000)	140 - 145 (125 - 130)
Mr Paul Randle <sup>3</sup>	Corporate Director	- (25%)	- (65 - 70)	- (20,000)	- (90 - 95)
Ms Emma Wilkins <sup>4</sup>	Director – Finance and Business Services	(25%) -	45 - 50 -	14,000 -	60 - 65 -
Mr Graham Williams	Director - Sporting Intelligence & Service Development	25% (25%)	75 - 80 (65 - 70)	52,000 (47,000)	125 - 130 (115 - 120)
Mr Steven Morgan	Head of Operations - Plas Menai	0% (0%)	55 - 60 (55 - 60)	15,000 (15,000)	70 - 75 (65 - 70)
Mr Craig Nowell <sup>5</sup>	Assistant Director - National Sport Facilities, Infrastructure & Capital	0% (0%)	60 - 65 (40 - 45)	19,000 (13,000)	80 - 85 (55 - 60)
Mr Owen Lewis <sup>6</sup>	Assistant Director - Sport System Strategy and Services	100% (100%)	60 - 65 (55 - 60)	26,000 (7,000)	90 - 95 (65 - 70)
Mrs Joanne Nicholas <sup>7</sup>	Assistant Director - Sport System Delivery and Relationships	50% (50%)	60 - 65 (55 - 60)	18,000 (18,000)	80 - 85 (70 - 75)
Mr Ashok Ahir	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Mr Ian Bancroft	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Ms Alison Thorne	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Ms Judi Rhys MBE	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Prof Leigh Robinson	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Mr Phil Tilley	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Mr Martin Veale JP	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Ms Rajma Begum	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Mr Dafydd T Davies	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Ms Delyth Evans	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Ms Nicola Mead-Batten	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)
Ms Hannah Murphy	Council Member	50% (50%)	5 - 10 (5 - 10)	- -	5 - 10 (5 - 10)

- 1 Left 19 September 2021. FTE salary banding 100k – 105k  
 2 Acting CEO from 18 September 2021. Lottery Appn 80% as Director / 25% as Acting CEO.  
 3 Left 28 February 2021  
 4 Appointed 9 August 2021. FTE salary banding 70k – 75k

- 5 Appointed 13th July 2020  
 6 Acting up as part of Executive team from 18 September 2021  
 7 Appointed 4 May 2020. Acting up as part of Executive team from 18 September 2021.

The Remuneration Report now requires that a Single Total Figure of Remuneration is shown. The above table is similar to that used previously, and still shows the salary paid in bandings. The pension benefit figure which contributes to the single total figure is calculated in a new way as follows:

$(\text{real increase in pension} \times 20) + (\text{real increase in lump sum}) - (\text{contributions made by employee})$

\*excluding increases due to inflation or any increase/decrease due to a transfer of pension rights

The pension benefit figure is not an amount that has been paid to the employee by Sport Wales during the year. It is a future benefit for the employee which is influenced by many factors including but not limited to, salary changes and any additional contributions made by the employee.

Following table subject to audit:

Name	Real increase in Pension (and lump sum) at state pension age for 2021/22	Total accrued Pension (and lump sum) at state pension age at 31 March 2022	CETV at 31 March 2022	CETV at 31 March 2021	Real Increase/ (Decrease) CETV in Year
	£000	£000	£000	£000	£000
Ms Sarah Powell Chief Executive*	-2.5 - 0.0 (-2.5 - 0.0)	35 - 40 (40 - 45)	572	547	20
Mr Brian Davies OBE Acting CEO / Director – Sport System**	2.5 - 5.0 (10 - 12.5)	25 - 30 (20 - 25)	439	371	59
Mr Graham Williams Director – Sporting Intelligence & Service Development	2.5 - 5.0 (2.5 - 5.0)	30 - 35 (40 - 45)	567	494	66
Ms Emma Wilkins Director – Finance and Business Services***	0.0 - 2.5 (0.0 - 2.5)	0 - 5 (0 - 5)	51	0	46
Mr Steven Morgan Head of Operations – Plas Menai	0.0 - 2.5 (0.0 - 2.5)	10 - 15 (0 - 5)	151	132	15
Mr Craig Nowell Assistant Director - National Sport Facilities, Infrastructure & Capital	0.0 - 2.5 (0.0 - 2.5)	0 - 5 (0 - 5)	21	8	8
Mr Owen Lewis Assistant Director – Sport System Strategy and Services****	0.0 - 2.5 (0.0 - 2.5)	15 - 20 (10 - 15)	234	205	24
Mrs Joanne Nicholas Assistant Director – Sport System Delivery and Relationships****	0.0 - 2.5 (0.0 - 2.5)	0 - 5 (0 - 5)	25	11	8

\* Left 19 September 2021

\*\* Brian Davies was appointed Acting CEO as at 18.09.21. Amalgamated two Cardiff & Vale pensions, which has resulted in an accrued lump sum.

\*\*\* Appointed 9 August 2021

\*\*\*\*Acting up as part of Executive team from 18 September 2021

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to Sport Wales' pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

## REAL INCREASE IN CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## FAIR PAY DISCLOSURES (SUBJECT TO AUDIT)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. The 2021/22 financial year is the first year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

	2021/22	2021/22	2021/22		2020/21	2020/21	2020/21
Percentile Pay Ratio	Chief Executive (Highest paid Director) £'000s	Employee £'000s	Ratio		Chief Executive (Highest paid Director) £'000s	Employee £'000s	Ratio
25th	103.6	25.6	4.1		101.6	25.0	4.1
Median	103.6	33.6	3.1		101.6	31.7	3.2
75th	103.6	44.6	2.3		101.6	44.0	2.3

The ratio was calculated using the following assumptions:

1. Salaries for staff paid through the payroll and agency staff have been used
2. Figures have not been adjusted to reflect any apportionment to the Lottery Distribution accounts i.e. costs reflect all staff employed by The Sports Council for Wales processed through the payroll.

Total remuneration includes salary and allowances but excludes severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Remuneration ranged from £20,193 to £103,588 (2020/21 remuneration ranged from £19,800 to £101,560). The only change in the ratio is a small decrease 0.1 within the median and is attributable to a change in the staff mix during the year. The median pay ratio is consistent with the pay and award policies for Sport Wales employees taken as a whole.

The percentage change from the previous financial year in respect of the highest paid director was 2%. The average percentage change from the previous financial year in respect of the employees of Sport Wales taken as a whole was 2%.

## **TAX POLICY FOR OFF-PAYROLL APPOINTEES**

As at 31 March 2022, there were 8 arrangements that had existed (2020/21, 7 arrangements) and have been in place for 4 years or more. All arrangements have been assessed and are classed as operating outside of IR35. Sport Wales are content that assurance has been sought to confirm that individuals have made appropriate arrangements to pay tax. None of the individuals are a Board member or is a senior official with significant financial responsibility.

## **STAFF COMPOSITION**

Current staff composition of the Executive is 60% male and 40% female. Of the remaining permanent employees 44% are male and 56% female.



**ACCOUNTING OFFICER: B DAVIES**  
**28 SEPTEMBER 2022**



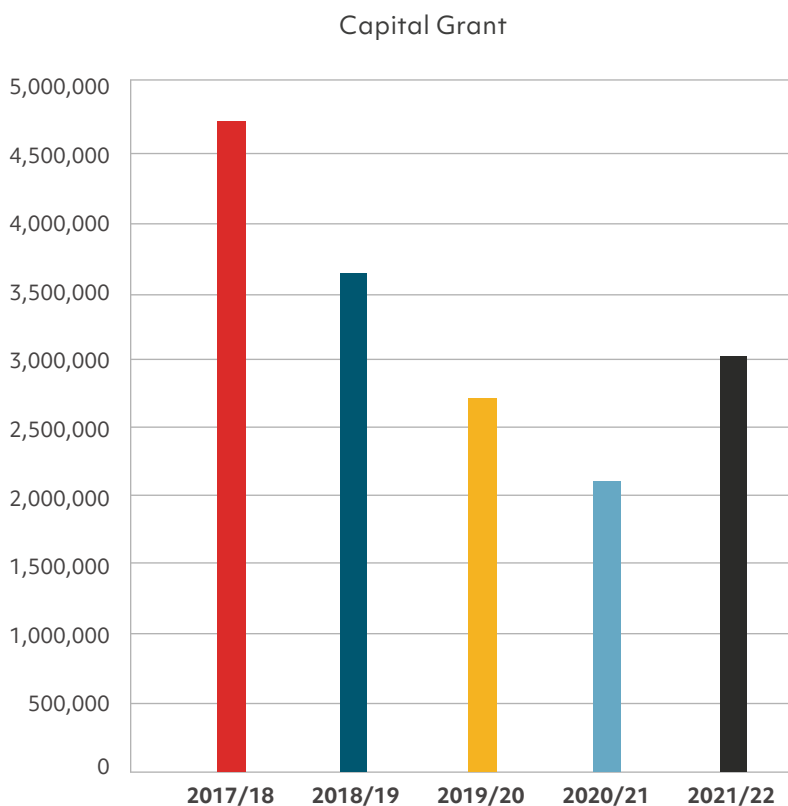
# PARLIAMENTARY ACCOUNTABILITY & AUDIT REPORT

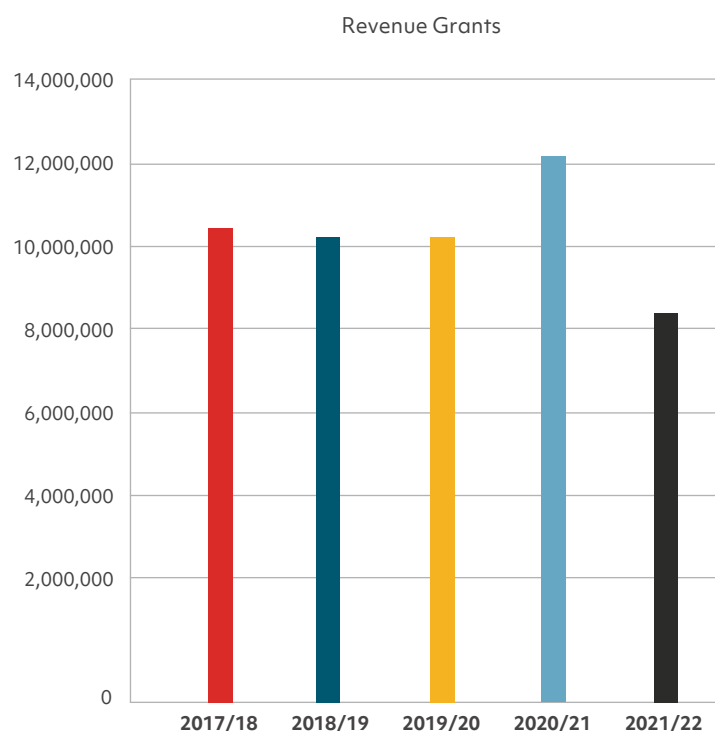
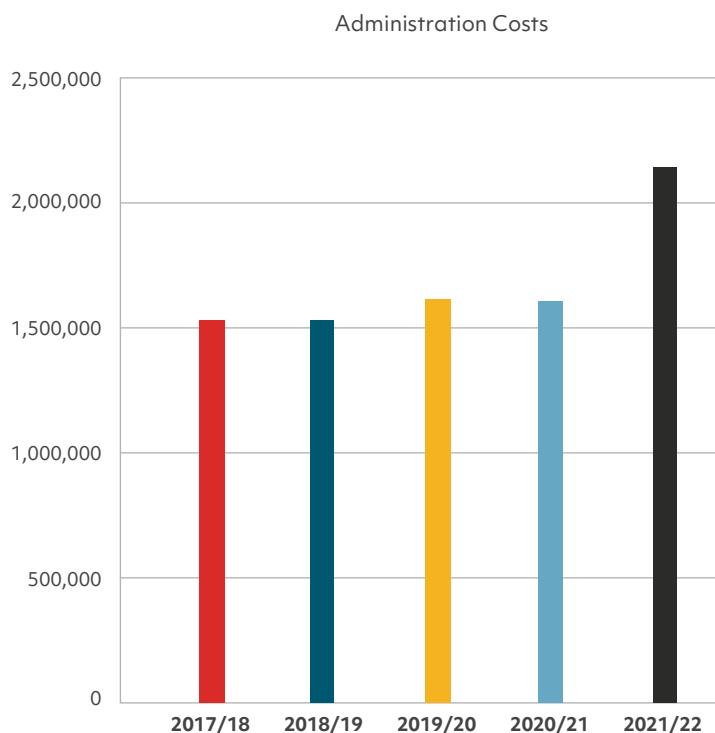
## REMOTE CONTINGENT LIABILITIES (SUBJECT TO AUDIT) -

Sport Wales do not have any remote contingent liabilities.

## LONG TERM EXPENDITURE TRENDS -

Trends over the last five years can be seen below





### LOSSES, SPECIAL PAYMENTS AND MATERIAL INCOME (SUBJECT TO AUDIT)

During 2021/22 there have been no losses, special payments or gifts made. There has also been no material fees or charges income.

**ACCOUNTING OFFICER: B DAVIES**  
**28 SEPTEMBER 2022**

## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND MEMBERS OF THE SENEDD

### OPINION ON FINANCIAL STATEMENTS

I certify that I have audited the financial statements of Sports Council for Wales Lottery Distribution Account for the year ended 31 March 2022 under the National Lottery etc. Act 1993. The financial statements comprise the Sports Council for Wales Lottery Distribution Account's:

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Income, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Sports Council for Wales Lottery Distribution Account's affairs as at 31 March 2022 and its net income after taxation for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc. Act 1993 and Secretary of State directions issued thereunder.

### OPINION ON REGULARITY

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### BASIS FOR OPINIONS

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements of Public Sector Entities in the United Kingdom*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Sports Council for Wales Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, I have concluded that the Sports Council for Wales Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Sports Council for Wales Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Sports Council for Wales Lottery Distribution Account is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

## OTHER INFORMATION

The other information comprises information included in the Annual Report accompanying the financial statements, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## OPINION ON OTHER MATTERS

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc. Act 1993.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc. Act 1993; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## MATTERS ON WHICH I REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Sports Council for Wales Lottery Distribution Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Sports Council for Wales Lottery Distribution Account or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## RESPONSIBILITIES OF THE COUNCIL AND ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Councils and Chief Executive's Responsibilities, the Sports Council for Wales and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the Sports Council for Wales Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council and Accounting Officer anticipates that the services provided by the Sports Council for Wales Lottery Distribution Account will not continue to be provided in the future.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc. Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:



- the nature of the sector, control environment and operational performance including the design of the Sports Council for Wales Lottery Distribution Account's accounting policies.,
- Inquiring of management, Sports Council for Wales Lottery Distribution Account's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Sports Council for Wales Lottery Distribution Account's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Sports Council for Wales Lottery Distribution Account's controls relating to the Sports Council for Wales Lottery Distribution Account's compliance with National Lottery etc. Act 1993, the Royal Charter and Managing Welsh Public Money.
- discussing among the engagement team and involving internal and external specialists, including I.T. and Pensions specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.


As a result of these procedures, I considered the opportunities and incentives that may exist within the Sports Council for Wales Lottery Distribution Account for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Sports Council for Wales Lottery Distribution Account's framework of authority as well as other legal and regulatory frameworks in which the Sports Council for Wales Lottery Distribution Account operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Sports Council for Wales Lottery Distribution Account. The key laws and regulations I considered in this context included the National Lottery etc. Act 1993, the Royal Charter, Managing Welsh Public Money, employment law and tax Legislation.

### **Audit response to identified risk**

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit & Risk Assurance Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Council and internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.



I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal and external specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditors-responsibilities](http://www.frc.org.uk/auditors-responsibilities). This description forms part of my certificate.

### **Other auditor's responsibilities**

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## **REPORT**

I have no observations to make on these financial statements.

Gareth Davies  
Comptroller and Auditor General

Date 4 October 2022

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## SPORTS COUNCIL FOR WALES – LOTTERY DISTRIBUTION ACCOUNT STATEMENT OF COMPREHENSIVE NET INCOME FOR THE YEAR ENDED 31 MARCH 2022

		2021/22	2020/21
	Note	£'000	£'000
<b>Expenditure</b>			
Grant offers made in year	3	11,666	14,352
Less lapsed and revoked offers	3	(65)	(28)
Staff costs	7	3,274	2,816
Depreciation	9	36	38
Other operating costs	8	476	450
<b>Total Expenditure</b>		<b>15,387</b>	<b>17,628</b>
<b>Gross Income</b>			
Proceeds from National Lottery Distribution Fund (NLDF)	11	(16,515)	(16,488)
Investment returns from the NLDF	11	(23)	(10)
Recoveries of grant		(6)	(2)
Other income	8	(227)	(245)
<b>Total Income</b>		<b>(16,771)</b>	<b>(16,745)</b>
<b>Net (Income) / Expenditure before interest and taxation</b>		<b>(1,384)</b>	<b>883</b>
Pension Finance Cost	18	109	75
Loss on Disposal of Property, Plant & Equipment	9	1	-
Interest receivable		-	-
<b>Net (Income) / Expenditure before taxation</b>		<b>(1,274)</b>	<b>958</b>
Taxation payable	6	-	-
<b>Net (Income) / Expenditure after taxation</b>		<b>(1,274)</b>	<b>958</b>
<b>Other Comprehensive (Income) / Expenditure</b>			
Actuarial (Gain) / Loss on Pension	18	(2,709)	1,693
<b>Total Comprehensive (Income) / Expenditure for the year ended 31 March 2022</b>		<b>(3,983)</b>	<b>2,651</b>
Balance at 1 April		(7,579)	(10,230)
<b>Balance at 31 March</b>		<b>(11,562)</b>	<b>(7,579)</b>

All recognised gains and losses have been calculated on the historical cost basis and have been reflected in the above statement. All activities are continuing with no acquisitions or disposals.

## SPORTS COUNCIL FOR WALES – LOTTERY DISTRIBUTION ACCOUNT STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	2021/22 £'000	2020/21 £'000
<b>Non Current Assets</b>			
Property, plant and equipment	9	85	130
<b>Current Assets</b>			
Trade receivables and other current assets	10	-	14
Investments - balance held in NLDF	11	15,054	12,811
Cash and cash equivalents	13	1,114	2,056
<b>Total Current Assets</b>		<b>16,168</b>	<b>14,881</b>
<b>Total Assets</b>		<b>16,253</b>	<b>15,011</b>
<b>Current Liabilities</b>			
Grant accrual	3	(57)	(276)
Other current liabilities	12	(2,568)	(2,235)
<b>Total Current Liabilities</b>		<b>(2,625)</b>	<b>(2,511)</b>
<b>Non Current Assets plus Net Current Assets</b>		<b>13,628</b>	<b>12,500</b>
<b>Non Current Liabilities</b>			
Grant accrual	3	-	(29)
Pension liability	18	(2,066)	(4,892)
		<b>(2,066)</b>	<b>(4,921)</b>
<b>Assets less Liabilities</b>		<b>11,562</b>	<b>7,579</b>
<b>Reserves:</b>			
Income and Expenditure Reserve		13,628	12,471
Pension Reserve	18	(2,066)	(4,892)
		<b>11,562</b>	<b>7,579</b>

The notes on pages 112 to 130 form part of these accounts.

The financial statements were approved by the Board and signed on its behalf by:

**ACCOUNTING OFFICER: B DAVIES**  
**28 SEPTEMBER 2022**



## SPORTS COUNCIL FOR WALES LOTTERY DISTRIBUTION ACCOUNT STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2022

		2021/22	2020/21
	Note	£'000	£'000
Cash flow from operating activities			
Net Income / (Expenditure) after taxation		1,274	(958)
Decrease in receivables	10	14	11
Increase in payables	3, 12	85	412
(Increase) / Decrease in balance held at NLDF	11	(2,243)	2,216
Interest received		-	-
Loss on disposal of property, plant & equipment	9	1	-
Depreciation of plant & equipment	9	36	38
Pension cost	18	(117)	(78)
Net cash outflow from operating activities		(950)	1,641
Cash flow from investing activities			
Interest received		-	-
Cash flow from financing activities			
Purchase of property, plant & Equipment	9	-	(35)
Proceeds from sale of property, plant & Equipment	9	8	-
Taxation			
Corporation tax paid		-	-
Net cash outflow for the year	13	(942)	1,606
Net increase in cash and cash equivalents in the period			
Cash and cash equivalents at the beginning of the period		2,056	450
Cash and cash equivalents at the end of the period		1,114	2,056
		(942)	1,606

The notes on pages 112 to 130 form part of these accounts.



## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE SPORTS COUNCIL FOR WALES LOTTERY DISTRIBUTION ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Balances held in NLDF £'000	Balances held at SCW £'000	Pension Reserve £'000	Total £'000
Balance at 1 April 2020	15,027	(1,520)	(3,277)	10,230
<b>Changes in Taxpayers' Equity 2020/21</b>				
Income from the National Lottery	16,488	-	-	16,488
Drawn down in year by Sport Wales	(18,550)	18,550	-	-
Investment Returns	10	-	-	10
Other Operating Income	-	245	-	245
Recoveries of grants	-	(2)	-	(2)
Expenditure in year	(164)	(17,613)	-	(17,777)
Pension Cost	-	-	(1,615)	(1,615)
<b>Balance as at 31 March 2021</b>	<b>12,811</b>	<b>(340)</b>	<b>(4,892)</b>	<b>7,579</b>
<b>Changes in Taxpayers' Equity 2021/22</b>				
Income from the National Lottery	16,515	-	-	16,515
Drawn down in year by Sport Wales	(14,050)	14,050	-	-
Investment Returns	23	-	-	23
Other Operating Income	-	227	-	227
Recoveries of grants	-	6	-	6
Expenditure in year	(245)	(15,369)	-	(15,614)
Pension Cost	-	-	2,826	2,826
<b>Balance as at 31 March 2022</b>	<b>15,054</b>	<b>(1,426)</b>	<b>(2,066)</b>	<b>11,562</b>

The notes on pages 112 to 130 form part of these accounts.

# SPORTS COUNCIL FOR WALES – LOTTERY DISTRIBUTION ACCOUNT NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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## 1. ACCOUNTING POLICIES

### 1.1 BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention, modified by the valuation of Property, Plant and Equipment by reference to current costs, in accordance with the directions given by the Secretary of State for Digital, Culture, Media and Sport with the consent of HM Treasury in accordance with Section 35 of the National Lottery etc Act 1993 (as amended) and the consent of Welsh Ministers. A copy of the accounts direction can be obtained by request in writing to Sports Council for Wales (Sport Wales), Sophia Gardens, Cardiff, CF11 9SW. Without limiting the information given, the accounts are prepared in accordance with the 2021/22 Government Financial Reporting Manual (IFRS based FReM) IFRS issued by HM Treasury.

Separate accounts have been prepared for the activities funded from grant-in-aid, in accordance with the directions issued by the Welsh Ministers. There is no requirement for this account to be consolidated with Sport Wales's accounts.

The accounts have been prepared on a going concern basis. Sport Wales is required to account for long term grant commitments which fall due for payment in subsequent accounting periods, which are funded by future lottery proceeds.

### 1.2 INCOME FROM THE NATIONAL LOTTERY DISTRIBUTION FUND

The distributing activities of Sport Wales's Lottery function are funded by allotted proceeds from the National Lottery. These are held in a fund administered by the Department for Digital, Culture, Media and Sport, and are available to be drawn-down into Sport Wales's Lottery bank accounts when needed.

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Digital, Culture, Media and Sport. However, the share of such balances attributable to Sport Wales is shown in the accounts at market value and, at the Statement of Financial Position date, has been certified by the Secretary of State for Digital, Culture, Media and Sport as being available for distribution by Sport Wales in respect of current and future commitments.

The NLDF fund makes up the majority of the Income & Expenditure Reserve, with the remainder of the reserve balance being held within Sport Wales Lottery. Further detail

can be seen in the Statement of Changes in Taxpayer's Equity on page 109. The balance held at 31 March 2022 at the NLDF, is unaudited as the audit of the Fund is incomplete. Any adjustment arising from that audit will be reflected in the 2022/23 accounts and is not expected to be material. The opening balance of the fund was not adjusted for 2020/21.

### 1.3 PROPERTY, PLANT AND EQUIPMENT

Sport Wales capitalise any property, plant and equipment over £500 used exclusively in the administration of the Lottery Distribution function and the equipment is included in the statement of financial position at historic cost less a provision for depreciation. In the opinion of Sport Wales, there is no material difference between the historic and current cost net book value of these assets.

### 1.4 DEPRECIATION

Depreciation is provided on a straight line basis on all property, plant and equipment having regard to their estimated useful lives and anticipated residual values. The average asset lives used for this purpose are as follows:

Equipment - Computers	3 years
Equipment - Other	3 - 10 years

The policy of Sport Wales is to depreciate assets from the month following acquisition.

### 1.5 PENSION COSTS

Sport Wales operates two pension schemes. Most staff are admitted members of the Cardiff and Vale of Glamorgan Local Government Pension Scheme (LGPS). The Fund is a defined benefit scheme based on Career Average Re-Valued Earnings (CARE). The Fund's assets are held separately from those of Sport Wales. The other scheme is a defined contribution pension scheme with Scottish Widows. IAS19 requires an actuarially calculated figure (current and past service cost) to be charged to the Statement of Comprehensive Net Income so as to spread the cost of pensions over employees' working lives with Sport Wales.

The apportionment of any pension liabilities or assets between Lottery Distribution and Sport Wales is based on the historic rate of apportionment of staff costs see 1.6.1. The pension fund deficit payments are allocated on the same proportion as the pension deficit allocation to the Lottery Distribution account. Further details in note 7.

### 1.6 ALLOCATION OF COSTS

The apportionment of staffing and indirect costs transferred from Sport Wales to the Lottery Distribution account is calculated on the following basis:

1.6.1 Staff costs are recharged to Lottery Distribution according to the time they spend in carrying out Lottery activities. Where staff are identified as being employed 100% for Lottery purposes their costs are recharged in full. Where staff work, or provide a service to both lottery and exchequer schemes, their costs are recharged in proportion to the amount of time spent on Lottery work. Any redundancy costs paid during the year remain in full within Sport Wales accounts, and are not apportioned to Lottery Distribution.

1.6.2 Non staff costs are recharged either on the basis of the floor area occupied by Lottery staff, or where no floor area data is available or considered appropriate, costs are apportioned based upon total Lottery staff time expressed as a percentage of total staff time.

1.6.3 Council Members remuneration and travelling expenses are apportioned on a 50/50 basis.

## **1.7 POLICY FOR GRANT ACCRUALS**

Grant awards are accounted for as expenditure in the Statement of Comprehensive Net Income and, until paid, as a grant accrual in the Statement of Financial Position if they meet the definition of a liability, which is detailed within Note 3.

Grant awards which have been formally decided upon which do not meet the definition of a liability are not included in expenditure in the Statement of Comprehensive Net Income or as an accrual in the Statement of Financial Position; but are disclosed as a contingent grant liability in the Notes to the Accounts.

## **1.8 OTHER INCOME**

Relates to income generated from UK Sport for the use of Sport Wales's assets and facilities.

## **1.9 USE OF ESTIMATES AND JUDGEMENTS**

The preparation of the financial statements requires Sport Wales to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Information about significant areas of estimation and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:-

Note 1.6.1 Staff costs are recharged to Lottery Distribution according to the time they spend in carrying out Lottery activities, see note 1.6.1 for further details. Note 18 relates to pension costs apportioned to Lottery Distribution based on historic averaged apportionment of staff costs.

## **1.10 FINANCIAL INSTRUMENTS**

### **1.10.1 FINANCIAL ASSETS**

Trade receivables and other current assets do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Cash and cash equivalents comprise cash in hand, short-term deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

## 1.10.2 FINANCIAL LIABILITIES

Trade Payables and other current liabilities are not interest bearing and are stated at their nominal value.

## 1.11 SEGMENTAL REPORTING

Sport Wales's management reporting for Lottery Distribution provides information relating to the distribution of Lottery grants. Sport Wales is of the opinion that the disclosure requirements of IFRS 8 Operating Segments, is not applicable to these Lottery Distribution Accounts. There is considered to be a single operating segment for the distribution of lottery funds.

## 1.12 NEWLY ISSUED ACCOUNTING STANDARDS NOT YET EFFECTIVE

The application of any new or amended IFRS standards is governed by their adoption by the FReM. Sport Wales applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

Due to the Coronavirus pandemic, HM Treasury have agreed with the Financial Reporting Advisory Board (FRAB) to defer the implementation of IFRS16 Leases until 1 April 2022 for public sector financial reporting. The estimated impact to Sport Wales is a total lease liability of £24,360, and a fair value Right of Use of £1,837,360. There is no impact to the Lottery Distribution accounts.

IFRS17 was published in May 2017 and is expected to replace the current financial reporting standard for insurance (IFRS 4) with effect 1 January 2022. As these accounts have no insurance contract liabilities, there is no effect to the accounts.

## 2. GRANTS MET (PAID) IN THE YEAR

Revenue Grants	2021/2022	2020/2021
	£'000	£'000
Perform & Succeed	7,788	7,761
Disability Sport (part of National Partners Grants)	-	552
Community Chest	47	214
Lottery Growth	189	247
Sport Resilience Fund / Be Active Wales Fund	751	3,456
Leadership	56	38
Note 3	8,831	12,268

Community Chest includes an amount of £47,525 (2020/21 £61,397) paid in respect of support costs of local authorities who administer grant schemes at local level.



<b>Capital Grants</b>	<b>2021/2022</b>	<b>2020/2021</b>
	<b>£'000</b>	<b>£'000</b>
Capital	-	-
National Partners	1,741	-
Development / Local Authority Grants	1,277	2,112
Calls for Action	-	78
Note 3	3,018	2,190

The grant figures in the notes above includes £375,486 direct expenditure incurred on behalf of grant recipients (£261,647 in 2020/21)

### 3. GRANT ACCRUAL

	Capital £'000	Revenue £'000	2021/2022 Total £'000	2020/2021 Total £'000
Balance as at 1 April	246	59	305	439
Grant offers met in the year	(3,018)	(8,831)	(11,849)	(14,458)
Grant offers not taken up	(65)	-	(65)	(28)
Grant offers made in the year	2,891	8,775	11,666	14,352
Movement in year	(192)	(56)	(248)	(134)
Accruals balance as at 31 March	54	3	57	305
Analysed as:				
Amounts falling due within one year	54	3	57	276
Amounts falling due after one year	-	-	-	29
Analysis of expected timing of cash flows			2021/2022 Total £'000	2020/2021 Total £'000
Amounts due during 2021/22 Financial Year			-	276
Amounts due during 2022/23 Financial Year			57	29
Amounts due during 2023/24 Financial Year			-	-
Balance at 31 March 2022			57	305
Intra-government balances			2021/2022 Total £'000	2020/2021 Total £'000
Balances with other central government bodies			-	-
Balance with local authorities			-	48
			-	48
Balance with bodies external to government			57	257
			57	305

Sport Wales will treat Grant awards as expenditure, and if unpaid as an accrual, if a constructive obligation to make payment exists. Grant awards that are free from any special conditions of grant become a constructive obligation when the formal offer of grant has been sent to the grant recipient.

Grant offers with special conditions attached become a constructive obligation when the applicant has complied with the special conditions incorporated into the contract. Awards that have been decided upon but have conditions of grant outstanding that have yet to be fulfilled will not give rise to a constructive obligation and will not give rise to a grant accrual; instead such awards will be disclosed by way of note as a contingent grant liability (see note 4).

Grant awards will be treated as a formal offer upon formal written notification to the intended recipient by means of an "offer letter". Oral or informal communication by staff which is stated to be non-binding by Sport Wales will not be treated as a formal offer of grant.

Sport Wales will not treat any of the following conditions as being under their control:

- The requirement to obtain planning permission or any other regulatory approval;
- The requirement to obtain match funding from other sources;
- A general condition relating to the availability of lottery funds.

#### 4. CONTINGENT GRANT LIABILITIES

	2021/2022	2020/2021
	£'000	£'000
Grant Liability	-	356
	-	356

#### 5. CAPITAL COMMITMENTS

At 31 March 2022, the Lottery account had no contractual commitments for Capital or Property, Plant and Equipment (2020/2021 Nil).

#### 6. TAXATION PAYABLE

	2021/2022	2020/2021
	£'000	£'000
Tax payable on interest received at 19% (2020/2021 - 19%)	-	-

## 7. STAFF NUMBERS AND RELATED COSTS

The staff costs figure shown in the Net Income Account is an apportionment of costs incurred by Sport Wales and is arrived at as follows:

	Average No.of fulltime equivalent staff involved		2021/2022	2020/2021
	2021/22	2020/21	2021/2022 £'000	2020/2021 £'000
<b>Gross Salary Costs</b>				
Chair L Conway*	0.20	0.20	18	18
Chief Executive**	0.25	0.25	22	24
Other Staff***	54.96	51.62	3,234	2,774
			<b>3,274</b>	<b>2,816</b>
Salaries & Wages			2,320	2,066
Social Security Costs			239	216
Other Pension Costs			941	687
IAS19 Adjustments			(226)	(153)
			<b>3,274</b>	<b>2,816</b>

\* The average number of staff employed are all permanent contract staff. The Chair is appointed to work 2 days per week and spends 50 per cent of that time on lottery activities.

\*\* The CEO includes Sarah Powell in post to September 2021 and Brian Davies for the remaining six months

\*\*\* Includes Brian Davies FTE for the six months as Director.

Other Pension costs totalling £941,000, include a lump sum contribution of £394,000 towards the net pension liability (2020/21 £159,000). The remainder is the employer pension cost allocated to lottery based on individual employee time apportionment to lottery work.

IAS19 Employee Benefits requires an actuarially calculated figure (current and past service cost) to be charged to the Statement of Comprehensive Net Income (SoCNI). For 2021/22, the actual employer's contribution was (£746,000) (26% of £2,870,000). The lottery apportioned current and past service cost for 2021/22 totalled £520,000 (26% of £2,000,000) which must replace the actual employer's pension costs included in the SoCNI. Therefore the net effect was (£226,000) to staff costs after deducting employer's contribution. As current service cost is a notional entry, this is reversed in the Statement of Changes in Taxpayers' Equity so that Lottery balances are only charged with the cost of employer's pension contributions. Further details can be found in note 18.

The net obligation in respect of these defined benefit pensions plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair values of plan assets are deducted. Actuarial gains and losses that arise are recognised in the period they occur through Other Comprehensive Net Income.

Redundancy costs for the year have been met in full by and reflected in the accounts for the Sports Council for Wales. There are no redundancy costs included in these financial statements.

Staff costs are further analysed as follows:

	2021/2022	2020/2021
	£'000	£'000
Administration	1,738	1,143
Sports Science Support to Athletes	1,536	1,673
	<u>3,274</u>	<u>2,816</u>

## 8. OTHER OPERATING COSTS AND OTHER INCOME

COSTS	2021/22	2020/21
	£'000	£'000
Direct Costs	286	240
Accommodation	59	58
Consultancy	-	-
Audit Fee	21	21
Recharges for Sport Wales Services	110	131
	<u>476</u>	<u>450</u>
INCOME	2021/22	2020/21
	£'000	£'000
UK Sport Grant	227	245
	<u>227</u>	<u>245</u>

## 9. PROPERTY, PLANT AND EQUIPMENT

	2021/2022	2021/2022	2020/2021	2020/2021
	£'000	£'000	£'000	£'000
Proceeds of sale		8		-
Gross book value	161		16	
Accumulated depreciation	<u>(152)</u>		<u>(16)</u>	
Net book value		9		-
Loss on disposal		<u>(1)</u>		<u>-</u>

## 9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Equipment £'000	Total £'000
Cost or Valuation at 1 April 2021	508	508
Additions	-	-
Disposals	(161)	(161)
At 31 March 2022	347	347
Depreciation at 1 April 2021	(378)	(378)
Charge for the year	(36)	(36)
Disposals	152	152
At 31 March 2022	(262)	(262)
Net Book Value at 31 March 2022	85	85
Net Book Value at 31 March 2021	130	130

	Equipment £'000	Total £'000
Cost or Valuation at 1 April 2020	489	489
Additions	35	35
Disposals	(16)	(16)
At 31 March 2021	508	508
Depreciation at 1 April 2020	(356)	(356)
Charge for the year	(38)	(38)
Disposals	16	16
At 31 March 2021	(378)	(378)
Net Book Value at 31 March 2021	130	130
Net Book Value at 31 March 2020	133	133



## 10. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	31 March 2022 £'000	31 March 2021 £'000
Due within 1 Year		
Other receivables	-	14
Due within more than 1 Year		
Other receivables and prepayments	-	-
	-	14

## 11. NATIONAL LOTTERY DISTRIBUTION FUND

	Balances held in NLDF £'000
Balance at 1 April 2020	15,027
Changes in Taxpayers' Equity 2020/21	
Income from the National Lottery	16,488
Drawn down in year by Sport Wales	(18,550)
Investment Returns	10
Other Operating Income	-
Recoveries of grants	-
Expenditure in year	(164)
Pension Cost	-
Balance as at 31 March 2021	12,811
Changes in Taxpayers' Equity 2021/22	
Income from the National Lottery	16,515
Drawn down in year by Sport Wales	(14,050)
Investment Returns	23
Other Operating Income	-
Recoveries of grants	-
Expenditure in year	(245)
Pension Cost	-
Balance as at 31 March 2022	15,054

The above balances agree to the National Lottery Distribution Fund (NLDF) statement issued by the Department for Digital, Culture, Media and Sport (DCMS).

## 12. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	31 March 2022 £'000	31 March 2021 £'000
Sport Wales	2,547	2,214
Accruals	21	21
	<u>2,568</u>	<u>2,235</u>

## 13. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	2021/2022 £'000	2020/2021 £'000
As at 1 April	2,056	450
Net change in cash and cash equivalent balances	(942)	1,606
As at 31 March	<u>1,114</u>	<u>2,056</u>

All cash is held in commercial bank accounts.

## 14. CONTINGENT LIABILITIES

With the exception of contingent grant liabilities, disclosed in Note 4, there were no other contingent liabilities at 31 March 2021 and 31 March 2022 requiring disclosure.

## 15. CONTINGENT ASSETS

Government has a profit-sharing agreement with the Greater London Authority (GLA). The agreement entitles the National Lottery to up to £675m - the amount it contributed towards the cost of hosting the London 2012 Games. Money received as part of this profit-sharing agreement will be returned to the National Lottery. Repayment of this money is dependent on land sales and how proceeds will be apportioned as set out in the 2012 agreement with the GLA.

## 16. FINANCIAL INSTRUMENTS

International Financial Reporting Standard 7: Financial Instruments, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks Sport Wales's Lottery function faces in undertaking its role.

## **LIQUIDITY RISKS**

In 2021/22, £16,515,000 or 98.5% of income is derived from the National Lottery (2020/21 £16,488,000 or 98.5%). Of the remaining income, £23,000 or 0.1%, is derived from investment returns from the balance held with the National Lottery Distribution Fund, (2020/21 £9,550 or 0.1%), and £233,000 or 1.4% from sundry income (2020/21 £247,000 or 1.5%). Sport Wales does not consider that its Lottery fund is exposed to any significant liquidity risk, and are satisfied that the balance within the NLDF and projected future Lottery proceeds are sufficient to meet its hard commitments.

## **INTEREST RATE RISKS**

The financial assets of the Lottery are invested in the National Lottery Distribution Fund, which invests in a narrow band of low risk assets such as government bonds and cash. Sport Wales has no control over the investment of Funds in the National Lottery Distribution Fund. Cash balances which are drawn down from the Fund to pay grant commitments and operating costs are held in an instant access variable rate bank account which on average carried an interest rate of 0.50% (2020/21 0.50%) in the year. The cash balance at the year-end was £1,114,000 (2020/21 £2,056,000). Sport Wales considers that its Lottery function is not exposed to significant interest rate risks.

## **FOREIGN CURRENCY RISK**

The Lottery Distribution function of Sport Wales is not exposed to any foreign exchange risks.

## **17. RELATED PARTY TRANSACTIONS**

### **PUBLIC BODIES**

The Lottery Distribution operations of Sport Wales are funded from the National Lottery Fund through the Department for Digital, Culture, Media and Sport. The Department is regarded as a related party.

### **INDIVIDUALS**

Lottery Distribution paid grants during the year to a number of organisations in which members, senior staff, and other related parties (being close family members), declared an interest and which are considered material are shown below. Any declaration of interest for items discussed in meetings must be declared by the individual, who will withdraw for that section of the meeting.

Member's Panel	Body	Payments in Year £000	Nature of link	Committed Grant Payment
P Britton Vice Chair	Welsh Orienteering Association	2	Brother Committee Member	-
P Tilley Council Member	Welsh Triathlon Association	199	Member	-
	Monmouthshire CC	2	Member of Community Chest Panel	-
	Welsh Rowing	245	Wife Member	-
M Veale JP Council Member	Pembrokeshire CC	19	Lay member of Audit Committee	22
	Merthyr Tydfil CBC	72	Lay member of Standards Committee	-
	Blaenau Gwent CBC	2	Lay member of Audit Committee	-
R Begum Council Member	Wales Council for Voluntary Action	78	Employed	-
S Powell CEO	Welsh Hockey Union	314	Member	-
	Swansea Hockey Club	2	Member	-
B Davies OBE Acting CEO / Director - Sport System	Welsh Gymnastics	660	Spouse Coach	-
	Commonwealth Games Council for Wales	195	Sport Wales Representative on CGW Board	-
	Gwent Hockey Club	1	Daughter Member	-
	Welsh Hockey Union	314	Daughter member of Wales U18's team	-
G Williams Director - Sporting Intelligence & Service Development	Welsh Netball	276	Children members	-
S Morgan Head of Operations - Plas Menai	URDD	391	Non-Exec Board Member on Sport & Apprenticeship Programme	-
J Nicholas Assistant Director - Sport System Delivery and Relationships	Commonwealth Games Council for Wales	195	Sport Wales Representative on CGW Board	-

## REMUNERATION OF SENIOR MANAGERS AND COUNCIL MEMBERS:

Senior Managers and Council Members are considered to be the Directors and their remuneration is disclosed within the Remuneration and Staff Reports on pages 93 to 100.

## 18. PENSIONS

The following pension disclosures have been prepared in accordance with IAS19 'Employee benefits'.

Pension data contained within this disclosure have been provided by the Scheme's independent actuary, AON Hewitt. The IAS19 valuation provided by the actuary is

for Sport Wales as a whole; no separate valuations have been obtained for the Sport Council for Wales Consolidated financial statements and the Lottery Distribution financial statements, and hence the data below is disclosed as gross.

The pension fund deficit along with the associated entries which impact the Statement of Comprehensive Net Income, Statement of Financial Position and Statement of Changes in Taxpayers Equity have been apportioned between the Sports Council for Wales Consolidated financial statements and the Lottery Distribution financial statements in a ratio based on the historic apportionment of staff costs to the Lottery Distribution account. For 2021/22 this is Sports Council for Wales 74% (2020/21 75%), and Lottery Distribution Accounts 26% (2020/21 25%).

Sport Wales made a total pension contribution in 2021/22 of £2,870,000 (2020/21 £2,120,000) which is analysed as follows:

- Employers Pension contributions £1,355,000 representing 32.8% of pensionable pay (2020/21 £1,325,000 32.8%)
- There were no advanced contributions in respect of early retirement cost during 2021/22 (2020/21 £159,000)
- Lump Sum Deficit Contribution of £1,517,000 (26% of which was met by Lottery), (2020/21 £636,000 of which 25% was met by Lottery Distribution)

The rate of employer's pension contributions from 2020/21 is 32.8%. This has been set as a result of the last triennial valuation of the scheme which was carried out as at 31 March 2019. The actuary's report has been prepared in accordance with Guidance Note GN9 issued by the Institute and Faculty of Actuaries, current at the valuation date, to the extent that it applies to the Local Government Pension Scheme. Sport Wales expects to contribute £2,210,000 to the fund in 2022/23. In addition to this "strain on fund" contributions may be required as well.

The full pension cost to Sports Council for Wales is £420,000 (2020/21 £300,000) of which £310,800 (2020/21 £225,000) is allocated to the consolidated accounts, with the remainder of £109,200 (2020/21 £75,000) allocated to Lottery Distribution.

The full actuarial gain on pension to Sports Council for Wales is £10,420,000 (2020/21 loss of £6,770,000) of which £7,710,800 (2020/21 loss of £5,077,000) is allocated to the consolidated accounts, with the remainder of £2,709,200 (2020/21 loss of £1,693,000) allocated to Lottery Distribution.

The full pension liability to Sports Council for Wales is £9,620,000 (2020/21 £20,490,000), of which £7,554,000 (2020/21 £15,598,000) is allocated to the consolidated accounts, with the remainder of £2,066,000 (2020/21 £4,892,000) allocated to Lottery Distribution. The Lottery Distribution pension liability is adjusted by £435,000 to accommodate the net impact of historic changes in apportionment of staff costs to the Lottery Distribution account with the offset £435,000 allocated to the pension liability in the Sports Council for Wales consolidated accounts.

## MAIN FINANCIAL ASSUMPTIONS

	31 March 2022	31 March 2021	31 March 2020
Discount Rate	2.7	2.1	2.3
Inflation - CPI	3.0	2.7	1.9
Rate of increase to pensions in payment	3.0	2.7	1.9
Rate of increase to deferred pensions	3.0	2.7	1.9
Rate of general increase in salaries	4.0	3.7	2.9
Mortality Assumptions:	Years	Years	Years
Future lifetime from age 65 (aged 65 at accounting date)			
- Male	22.1	22.3	22.2
- Female	24.6	24.7	24.6
Future lifetime from age 65 (aged 45 at accounting date)			
- Male	23.2	23.3	23.2
- Female	26.0	26.1	26

Sport Wales employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The overall expected rate of return on assets is derived by aggregating the expected rate of return for each asset class over the actual allocation for the Fund at 31 March 2022.

## ANALYSIS OF MOVEMENTS IN SURPLUS (DEFICIT) DURING THE YEAR

	31 March 2022 £m	31 March 2021 £m
Fair value of fund assets	61.70	54.14
Present value of liabilities	71.32	74.63
(Deficit) in scheme at end of year	(9.62)	(20.49)



## ANALYSIS OF AMOUNT CHARGED TO OPERATING COSTS

	31 March 2022 £m	31 March 2021 £m
Current service cost	2.00	1.35
Past service cost	0.00	0.16
Interest cost	0.42	0.30
Expense recognised	2.42	1.81

## REMEASUREMENT OF AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE EXPENDITURE

	31 March 2022 £m	31 March 2021 £m
Return on plan assets (in excess of)/below that recognised in net interest	(4.73)	(7.54)
Actuarial losses/(gains) due to change in financial assumptions	(5.18)	14.89
Actuarial (gains) due to change in demographic assumptions	(0.72)	0.00
Actuarial (gains) due to liability experience	0.21	(0.58)
Total amount recognised in Other Comprehensive Expenditure	(10.42)	6.77
Total amount recognised	(8.00)	8.58

## CHANGES TO THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION DURING THE ACCOUNTING PERIOD

	31 March 2022 £m	31 March 2021 £m
Opening defined benefit obligation	74.63	58.4
Current service cost	2.00	1.35
Interest expense on defined pension obligation	1.56	1.33
Contributions by participants	0.28	0.28
Actuarial losses/(gains) on liabilities- financial assumptions	(5.18)	14.89
Actuarial (gains) on liabilities - demographic assumptions	(0.72)	0.00
Actuarial (gains) on liabilities - experience	0.21	(0.58)
Net benefits paid out	(1.46)	(1.20)
Past service cost (including curtailments)	0.00	0.16
Closing defined benefit obligation	71.32	74.63

## CHANGES TO THE FAIR VALUE OF ASSETS DURING THE YEAR

	31 March 2022 £m	31 March 2021 £m
Opening fair value of assets	54.14	44.37
Interest income on assets	1.14	1.03
Remeasurement gain/(loss) on assets	4.73	7.54
Contributions by the employer	2.87	2.12
Contributions by participants	0.28	0.28
Net benefits paid out	(1.46)	(1.20)
Closing fair value of assets	61.70	54.14

## ACTUAL RETURN ON ASSETS

	31 March 2022 £m	31 March 2021 £m
Expected return on assets	1.14	1.03
Actuarial gain/(loss) on assets	4.73	7.54
Actual return on assets	5.87	8.57

## HISTORY OF ASSET VALUES, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AND DEFICIT

	31 March 2022 £m	31 March 2021 £m	31 March 2020 £m	31 March 2019 £m	31 March 2018 £m	31 March 2017 £m
Fair value of assets	61.70	54.14	44.37	47.09	42.87	40.34
Present value of defined benefit obligation	(71.32)	(74.63)	(58.40)	(59.97)	(56.52)	(53.03)
(Deficit)	(9.62)	(20.49)	(14.03)	(12.88)	(13.65)	(12.69)

## SENSITIVITY ANALYSIS

Funded Defined Benefit Obligation £71.32m	+0.1% p.a		-0.1% p.a	
Change in Assumptions on Present value of the funded defined benefit obligations	£m	% Increase / Decrease to Employee Liability		£m
Adjustment to Discount rate	69.75	-2.2%	2.3%	72.96
Adjustment to Salary Increase rate	71.53	0.3%	-0.3%	71.11
Adjustment to Pension Increase rate	72.75	2.0%	-1.9%	69.96
	-1 year		+1 year	
Adjustment to Mortality rate	73.82	3.5%	-3.5%	68.82

## 19. EVENTS AFTER THE REPORTING PERIOD

The accounts were authorised for issue by the Accounting Officer on the date they were certified by the Comptroller and Auditor General.



ISBN 978-1-915287-09-0



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