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chwaraeon cymru*

SPORT WALES

ANNUAL REPORT 2022-2023

LOTTERY DISTRIBUTION ANNUAL REPORT AND ACCOUNTS

HC 1887



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SPORTS COUNCIL FOR WALES LOTTERY DISTRIBUTION ACCOUNT 2022-23

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HC 1887

INTRODUCTION

History and 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 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

Sophia Gardens
Cardiff
Wales
CF11 9SW

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A MESSAGE FROM BARONESS TANNI GREY-THOMPSON, SPORT WALES CHAIR

Sport Wales is on a journey. This began with a national conversation back in 2017/18 which led to 'The Vision for Sport in Wales'. In my first few months as Chair we have been part of the Sport Summit which has reaffirmed the Government and the sector's commitment to that vision.

After many years of seeing participation rates stagnating and inequalities deepen, the pandemic and current cost of living crisis have made our job much more difficult. I'm grateful we had the chance to come together and challenge ourselves to get back on track and deliver that vision after such a tough period.

We all know sport can deliver a healthier and happier society, but we must ensure that the inequalities which pervade society are not allowed to continue curtailing anyone's ability to become physically active.

“We all know sport can deliver a healthier and happier society”

Our work with Welsh Government and partners in the education and health sectors is also key to supporting daily activity in all young people, to help them have a great start and develop a foundation that lasts a lifetime. Our Term of Government Remit Letter gives us the space to develop **long-term** and forward-thinking approach to these partnerships. We're working hard to ensure that that environment and sustainability and the principles of equality, diversity and inclusion are at the heart of everything we do.

And we've also taken a big step forward in establishing five important regional sport partnerships with the launch of Actif North Wales.

One of the six areas of work the staff team are working so passionately on includes 'an inclusive sport system'. The idea that any young person, athlete, or someone trying something new for the first time can do so and with the right support is a strong aspiration which I hope will build and develop over the rest of my tenure.

Because when the support is right, the outcomes can be astonishing. The Commonwealth Games; Birmingham 2022, saw 201 athletes across 15 sports for Team Wales. The team consisted of more women than men with the addition of women divers for the first time, and more para-athletes than ever before.

Wales finished eighth in the medal table, coming home with 28 medals across ten different sports; 8 gold, 6 silver, and 14 bronze. Birmingham was an incredible Games for Team Wales's para-athletes, who contributed to half of the total gold medals won. We would like to thank those sports and individuals that contributed to the success we saw.

The team delivered commendable standards of performance with numerous personal bests, season's bests and Games records – including Jake Heyward breaking the Games record in the men's 1,500m on the athletics track only to finish in 5th position. Such is the nature of sport at that level.

Working closely with Team Wales and the National Governing Bodies attending the Games, Sport Wales produced content that highlighted the unique experiences of some of the athletes attending the Games, some of which you will read about in these pages.

“We’re busy ensuring that environment and sustainability and the principles of equality, diversity and inclusion are at the heart of everything we do”

For the first time in Commonwealth Games Wales history, a live TV highlights programme was broadcast every night of the games from Team Wales House on S4C. Wales also confirmed its first ever mascot – Mister Urdd. Multiple Sport Wales staff played a role in supporting Team Wales at the Games, including numerous practitioners attending as part of specific sport teams, playing lead headquarter and administration roles, and athlete support in nutrition and psychology.

I’m grateful to all the staff who continue to invest their passion into producing outcomes for people they work with, and for future generations. I’m also grateful for the hard work that the sector, community sport and volunteers put into making sporting opportunities happen. I look forward to another year of hard work and seeing the results that we can all achieve.



PERFORMANCE OVERVIEW

A message from Brian Davies, Sport Wales CEO

2022 was a year that saw the lifting of all restrictions from sport and other aspects of life as the world returned to a pre-pandemic 'normal'. However, much has remained far from normal; inequalities have widened in participation among men and women and between those who are well-off and those who are not. Certain age groups have also stayed away from their usual activities. Out of all of this we've also seen a further crisis as the cost of living pressures impact on both the running costs of sport and people taking part.

Although this presents us with challenges it also gives rise to opportunities. We believe sport and physical activity has a key role to play in improving the physical and mental health of the nation, supporting the economy, reconnecting communities and rebuilding a stronger society for all. To achieve that, we have to be able to make it easier for everyone – regardless of their circumstances – to benefit from sport and activity and overcome the stubborn inequalities that have reduced opportunities for too many people, for too long.

That is why in change to 2022/23, Sport Wales refocused its business plan priorities to hone in on the role that can be played in shaping a healthier and happier society. Our six priorities ensure that sport plays a key role in education and health and wellbeing; we moved another step forward in establishing five regional sport partnerships, to ensure local partners can work together to deliver sporting opportunities in their communities.

We prioritised inclusive sport system which will see us further committing to supporting all people from their first step on the court or pitch to potentially joining a talent pathway and on to international success. Finally, we put sustainability and decarbonisation and embedding equality, diversity and inclusion at the heart of everything that we do.

I'm enormously proud to see how the Board and staff at Sport Wales have united in delivering on these six priorities and I am optimistic for the year ahead as we look to use our insights and continue to shape the debate around how sport and physical activity can support a healthier, happier Wales.

This year we have also seen the sixth iteration of the huge undertaking that is our School Sport Survey. 116,000 pupils across the country took part in the largest survey of its kind in Wales to help us understand their sporting habits, interests and barriers to participation. With this new insight, we have implemented the first stage of our new investment approach, which prioritises support to sports which have the highest demand amongst future generations to grow and develop meaningful opportunities for all who want to take part. Working with our partners, we hope to make a real difference in how children and young people start to access the activities that are right for them – and there is a real opportunity to do this as 93% of children surveyed wanted to do more sport, while 56% had an unmet need for sport.



Finally, we worked with the sector to deliver a Sport Summit with partners and Government to look at how the Vision for Sport in Wales can be better implemented; what barriers and opportunities exist and who can work together to drive the change that is needed. This has been an ongoing process since our national conversation in 2017/18, and with the changes in our society since then, shining a light on what still needs to be done was timely and necessary.

To conclude, I would like to pay a huge tribute to our outgoing Chair, Lawrence Conway, for how he supported Sport Wales and its staff through a difficult period early in his tenure and then helped shape and drive the Vision for Sport and the Sport Wales strategy, providing secure foundations for the future. As Lawrence departs as Chair, we have welcomed Baroness Tanni Grey-Thompson to this important role. Tanni is, I know, equally committed to utilising the genuine potential for sport in Wales to make a positive contribution to wider society and continuing the exciting journey we've started.

RECAPPING - THE VISION FOR SPORT IN WALES



'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.

"An Active Nation where everyone can have a lifelong enjoyment of sport"

Importantly, the vision is built on the Five 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 progress 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 STRATEGY

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 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 **Well-being of Future Generations (WCFG) (Act) Wales 2015** public duties reporting. You will find many examples of how we work towards these objectives within the body of the report as well as in the section '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 Equality, and Well-being of Future Generations (WBFG) Duties. 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:



**Well-being
of Future
Generations**



Welsh Language



Equality



Biodiversity



Socio-economic

OUR INSIGHT

At Sport Wales, we use insight to understand who is and isn't doing physical activity; why, and what the sector and policy can do to adapt and develop to help people be more active.

The Covid-19 pandemic not only had an effect on the results of activity we saw, but the delivery of our signature surveys. The sport and active lifestyles section of the National Survey for Wales could not be delivered in its usual annual format and instead was delivered as quarterly telephone surveys. 2022 saw the release of the first annual survey in two years.

Similarly, the school sport survey was due to be held in 2021, three years after the 2018 iteration, but after consultation with our partners in 2020 it was clear the scale of our survey could not be delivered in the uncertain conditions at the time and was postponed by a year.

Finally, our Wales Activity Tracker was borne out of the restrictions of 2020 when we needed to know how lockdown was affecting people's activity levels. We've just completed the eighth tracker, which has revealed much about people's habits from lockdown to the cost of living. In this section, you'll find key findings from each.

We pride ourselves on being insight-led and what follows provides the reason behind why we do what we do.



Sport and Active Lifestyles 2021/22: Findings from the National Survey for Wales



The [main findings](#) from 2021/22 within the “Sport and Active Lifestyles – State of the Nation” report have been structured around the Vision for Sport in Wales.

The survey found that overall sport and physical activity levels in Wales are mainly driven by activities classified as ‘Fitness Activities’ (e.g. walking for exercise, running / jogging, swimming and cycling). 51% of adults had participated in one of these activities at least once in the previous four weeks. The level for activities classified as traditional ‘Sports and Games’ (e.g. team sport, racket sports, bowls, golf, athletics (track and field), etc.) was significantly lower (14%). The level of participation in Outdoor Pursuits (e.g. watersport, motorsport, mountain sports, horse riding, roller sports and skateboarding, etc.) was lower again, at 6%.

Overall, the percentage of people participating in sporting activities three or more times a week (i.e. any of the ‘Fitness Activities’, ‘Sports and Games’, or ‘Outdoor Pursuits’) was 34%. Again, ‘Fitness Activities’ were most likely to have been participated in three or more times a week. ‘Sports and Games’ tended to be participated in once or twice a week, and ‘Outdoor Pursuits’ tended to be participated in less frequently; and less than once a week.

The ‘Everyone’ and ‘Lifelong’ section of the Sport Wales report explored the characteristics of those who were participating in sport and, importantly, those who were not. The report highlighted that:

- Participation levels decline with age.
- Female participation levels are lower than male participation.
- Those with a white ethnicity had the lowest levels of participation compared to most other ethnic groups.
- Adults with a longstanding illness, disability or infirmity had lower levels of participation than those without.
- Adults living in material deprivation and in the most deprived communities had some of the lowest levels of participation in Wales.
- Adults who used Welsh language in everyday life had above average participation rates.

There was less variation in demand by geo-demographic and socioeconomic characteristics. Across the 2.5 million adults in Wales, 773,000 said they had a demand to participate in at least one sport or physical activity, representing 31% of all adults. Notably, 224,000 of these people, or 9% of the total adult population in Wales, had not participated in any sport or physical activity during the previous four weeks but wanted to.

Activities most in demand included swimming, fitness classes, cycling, football, athletics or running / jogging and golf. Canoeing and kayaking together were the most demanded outdoor pursuit.



Changes to the survey method have made comparisons over time difficult between 2019/20 and 2021/22. The next Sport & Active Lifestyles release will provide a better indication of any short-term trends in participation and demand over time. The 2022/23 survey will be released in Summer 2023.

Key points of learning

Adults and adult lifestyles are unique and multifaceted and therefore adult sport and physical activity participation offers should reflect this.

Pandemic-driven societal changes and the cost of living crisis have presented additional sport participation barriers to households across Wales. Consequently, leisure time is likely to be limited, barely existing for some, and many households are less likely to have surplus resources.

Previous research conducted by Sport Wales and these latest findings suggest that sporting interventions for adults therefore need to motivate and match the motivations of adults in the community and be orchestrated with an aim to build confidence and minimise this as a barrier for non-participants.

Not only do participation opportunities need to be accessible, but they also need to be enjoyable, fun and competitive enough to make people want to come back.

Organisations in Wales, now more than ever, need to work together effectively and target resources to where they are most needed, as evidenced by the "Sport and Active Lifestyles survey".

Interrelated components of age, gender, ethnicity, disability and socioeconomic deprivation result in only half of adults participating in sport and physical activity, and there is a longer-term decline in the number of adults wanting to do more sport. The most deprived communities in Wales have the lowest rates of participation in sport and physical activity.

Future iterations of the National Survey for Wales (2024 onwards) should be designed with questions to help further explore factors that might encourage participation and track longer term trends to help determine if approaches in Wales have had an impact.

2022 School Sport Survey: A national survey of young people's behaviours, attitudes and opportunities in sport.



In the summer term of the 2021/2022 academic year, we invited young people aged 7-16 to have their say on sport and wellbeing in Wales by taking part in the "School Sport Survey".

The online survey, which is one of the largest of its kind in the world, invites all schools in Wales to take part. Crucially, the "School Sport Survey" gives young people a voice, allowing the sport sector and beyond to make the necessary changes to encourage more young people to adopt an active, healthy lifestyle.

The necessity to hear and understand those voices was clear from the buy-in to the survey which achieved over 116,000 pupil responses from 1,000 schools across Wales. Over 900 teachers also shared their experience of school sport provision and the support they need to enhance the sporting experience for their pupils.

The results show that a systemic change is needed to achieve the Vision of having an Active Nation. Only **39%** of pupils took part in organised sport three or more times a week, a significant decrease since 2018.

"Only 39% of pupils took part in organised sport three or more times a week, a significant decrease since 2018."

Meanwhile, the percentage of pupils reporting 'no frequent activity' has increased since 2018.

Furthermore, it is clear that not everyone is or has the opportunity to be active, and that the inequality gaps that have long existed are worsening. For example, there was a 15-percentage-point difference in participation in organised sport three or more times a week between the least and most deprived areas, again an increase since 2018.

However, the results show us that sport can be a vehicle to many positive outcomes, and, what's more, there remains significant demand for sport. 93% of pupils expressed a demand to do more sport, while 56% of pupils had an unmet demand for sport. Taken together, these results emphasise the fact that a major shift is needed towards making sport more inclusive and accessible, so that everyone can find something that they enjoy.

Since the close of the survey, the sector and beyond have received the insight via multiple platforms including infographics, bespoke reports, extensive data tables, presentations and more. Many partners have also had the opportunity to discuss the insight and its implications with us and each other, in the spirit of making those systematic changes that are required. What now follows is a continuation of those conversations to drive and action change, as well as a deeper dive into the insight, exploring relationships within and beyond the data, and a commitment to explore qualitative opportunities to understand the real-life experiences of young people across Wales.



Wales Activity Tracker – Understanding public trends in sport and physical activity

At the start of the Covid-19 pandemic, Sport Wales began following public trends on participation, confidence and barriers to sport through a quarterly population-level survey. Throughout the last year, we have continued to gather this insight, working with the sector to ensure that the outputs lead to actionable responses.

Some of the key themes that we have explored through this research work in the past 12 months have been the challenges of reengaging the volunteer sector; understanding how best to support the public in sport after the pandemic and how the cost of living crisis has impacted on the sport sector.

The evidence has helped shape the plans of our partner network, has focused the investment priorities of Sport Wales, and formed key elements of our input to Senedd committee enquiries.

We will continue this work, engaging our partner network and the wider sport sector on the issues that most concern them to test the public view. Understanding what is motivating people in Wales, where the barriers are, and using that public voice to direct our work is critical to being an insight-led organisation.



The Communications, Learning and Insight Programme (CLIP) – Upskilling the sport sector

This year has seen the continued roll-out of CLIP. A project of growing importance, we have partnered with a range of deliverers to support sessions on the Welsh Language Act, understanding audience needs, applying behaviour change thinking, creating infographics, conducting user research, as well as sharing the first-hand research Sport Wales has conducted such as the School Sport Survey results. Since the programme (CLIP) launched in early 2020, almost 400 individuals have received insight and research training.

The sessions have focused on helping our partner network to better consider how they engage diverse populations in Wales and consider their voice in planning activities as well as providing the best tools, resources and insights available to make evidence-based decisions.

As we move into the next stage of the programme, we will use the insight gained from the School Sport Survey to focus on a core group of partners, maximising the way in which these resources can help support the development of the sport sector in Wales. This support network will consider how the training provided can align to the partnerships that can play the biggest role in equality, diversity and inclusion.

A spotlight on: The Young Ambassadors programme



The Young Ambassador (YA) programme has been one of the leading initiatives in providing young people with a voice in sport and the empowerment to influence the opportunities they and their peers receive. We fund and support the YAs with the support of the Youth Sport Trust (YST), which is a key element of our contribution to developing young people as leaders in sport, with an estimated 25,000+ YAs being supported through this programme since its inception.

YST reviewed the programme in 2022 to assess the opportunities, management and future **collaboration** opportunities and to assess the management and coordination of the programme.

The review also provided the opportunity to discuss the recruitment, accessibility and inclusivity of the YA Programme with partners and young people, assess the response to Covid-19, and the National Leadership Academy.

A number of recommendations were made including raising awareness of the programme, the delivery, communication and **collaboration** between different partners. Ideas such as **integrating** interns into the Regional Sport Partnership model and an e-platform which will allow local authority leads and schools to seamlessly work together were raised and will be considered as the programme moves forward.



A spotlight on: Sport Summit



On 8 December 2022, we jointly hosted a Sport Summit with Welsh Government. More than 200 delegates attended from across and beyond the sport and leisure sector to discuss the challenges of, and opportunities for, shaping an inclusive sport system and provide sporting activities that are accessible, affordable, appealing and welcoming to the many different communities in Wales.

Having reviewed the results of the National Survey for Wales and the 2022 School Sport Survey, we were alarmed to note that inactivity had risen, and frequency of participation had dropped significantly amongst both adults and children. Inequalities had remained and showed signs of becoming more entrenched through the pandemic and the effects of the cost of living crisis.

The urgency to act has never been greater. Despite everyone's positive contributions, there are currently not enough people taking part in sport for us to achieve the Vision for Sport in Wales.

There are too many stubborn participation gaps and not enough diversity in our workforce or within those taking part. A significant shift in how we all do and think about things is required to make the scale of progress that is needed.

The summit heard how some partners are reaching into communities with whom they have not traditionally worked with to ensure sport is for everyone. It also heard how ways of working can be enhanced to better **involve** people in the development and delivery of sport and physical activity opportunities.

The key message from the guest speaker from Norway – Per Tøien, senior advisor to the Norwegian Olympic and Paralympic Committee and Confederation of Sports – was that his country's successful sport system was based on the principle of togetherness. But even in a country with a high rates of participation, it is experiencing challenges in recruiting sports volunteers.

The consensus from the summit was that the sports sector needs to be braver in its decisions, bolder in its ambitions and become a positive disruptor. The summit was the start of a process to understand and confront the issues creating an inequality of access to sport. We collectively recognise that many challenges, such as the pandemic and the cost of living crisis, have compounded this issue in many communities. We will work with our partners across the sector and Government to bring about the necessary change required to build a system that allows everyone to have a lifetime enjoyment of sport.





Using insight to inform

Putting insight at the heart of everything we do, we work closely with the Senedd, local government colleagues, and also with local clubs to help clubs showcase how they have used our investment. Our insight is used regularly by Senedd Members, from the 2022 School Sport Survey to the older social return on investment study published in 2020. This year, we **involved** members of the Culture, Communications, Welsh Language, Sport and International Relations (CCWLSIR) Committee, welcoming them to Plas Menai to hear about our **long-term** vision for the centre and to hear about the work of Actif North Wales in the area.

We have shared our insights to respond to consultations both for Welsh Government and Senedd committees. We were pleased to further support the work of the CCWLSIR Committee, appearing as witnesses as they conducted their inquiry into “Participation in sport in disadvantaged areas”, as well as the Local Government and Housing Committee’s inquiry into “Local Authority Leisure and Library Provision”. This year we also spent time working with local authority level data, which we presented to newly-elected councillors in each area, to ensure they were aware of priorities for sport in their authority.

OUR INVESTMENT APPROACH

In order to achieve the Vision for Sport in Wales, and to ensure that public funds are used to create maximum impact among those who need them most, Sport Wales has a bold investment approach.

We have focused on two areas:

- Partner Funding – how we support our regional and national partners:
 - Data-driven investment
 - Principles-driven investment
- Community Sport – how we support clubs and organisations across Wales



Data-driven investment

In 2020, we implemented the first phase of our new approach to partner investment with the National Governing Body partners which we hold national-level statistics and performance data for. This data-driven approach to investment allows us to listen to what the people of Wales are telling us they want to do, using data to inform the maximum amount of money we invest into individual partners and placing greater significance on race, gender, disability and deprivation. This approach is a significant change from previous ways of funding, and we continue to support partners through this transition.



A principles-driven approach to partner investment

This year, a project team set about creating a new method to determine the level of investment for partners where survey-level data isn't available, which was aligned to our strategy and the new **collaborative** way of working with partners.

A 'principles-driven' approach will be used to determine investment in our National Partners. We considered a variety of options, and a principles-driven approach was selected following user research, internal and external discussions, and robust testing. Using a principles-driven approach provides clarity on the areas in which we wish to invest, and what is important to our values and business plan, and is aligned to the Vision.

The three key principles are:

- Creating an equal, diverse and inclusive sport sector
- Enhancing Welsh Sport
- Capacity building

The approach will not change the way that we work with partners, nor introduce new responsibilities that would place a burden on those organisations. The investment process will take place without altering the **collaborative** way of working which we have recently developed in conjunction with our partners. Our approach, which includes ongoing conversations with partners around what really matters, will not change; partnership working will continue to encourage learning and developing together. What will change is we will have an investment approach that is transparent and distributes investment in a more focused way to achieve the Vision.



A new approach to community investment

Following the successful partnership with the Centre for Digital Public Services (CDPS) in 2021/22 which, through **involving** potential applicants who had not previously applied and communities who had used the system, highlighted that applicants for our funding were often deterred by our grants management system. Work continued into 2022/23 with a 14-week extended Alpha+ phase. This focused on the continued design and evaluation of the user journey, and how it impacts back-office processes and system requirements in relation to our Be Active Wales Fund.

Following the conclusion of Alpha+ in June 2022, recommendations were made to Sport Wales, which were implemented in the second half of 2022/23. Many of the recommendations were linked to the procurement of a new investment system, which was formalised in October 2022 with the appointment of new supplier, Civic UK. Work has been ongoing since then to develop a new investment system that meets the needs of Sport Wales and applicants alike for the **long-term**, with the view to launching the new system in early 2023/24.

Changes have also been made to our current internal processes to help remove barriers to groups who are working to reduce inequalities from accessing our funding.



The Investment Team are **collaborating** with applicants prior to an application being made, assisting them in the initial stages of a project to ensure that they meet the funding criteria, or signposting them to relevant partners should they require additional support, via the new Expression of Interest Form that launched in March 2023. This also ties in with the role of ongoing partner research work by Sport Wales to work with local authorities and national governing bodies on the role that they play in community investment.



OUR AREAS OF WORK 2022/2023

Sustainability and Decarbonisation

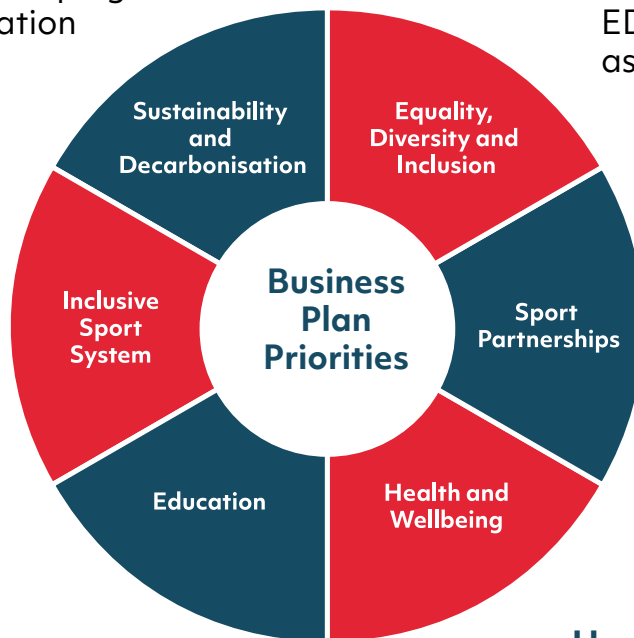
Including: developing a decarbonisation strategy.

Equality, Diversity, and Inclusion

Including: Embedding EDI throughout all aspects of our work.

Inclusive Sport System

Including: introducing a cross organisational approach to developing a more inclusive sport system in Wales.



Sport Partnerships

Including: Supporting Sport North Wales to fully transition to a sport partner network and progress development in Mid and West Wales.

Education

Including: Leading the 'Daily Active Offer' discovery work and Active Beyond the School Day Pilot.

Health and Wellbeing

Including: playing a lead role in the delivery of existing and new initiatives within the Healthy Weight Healthy Wales Strategy.

EQUALITY, DIVERSITY AND INCLUSION

We are aiming to embed the principles of equality, diversity and inclusion (EDI) throughout all aspects of our work.



Helping the sector to be Cymraeg-first

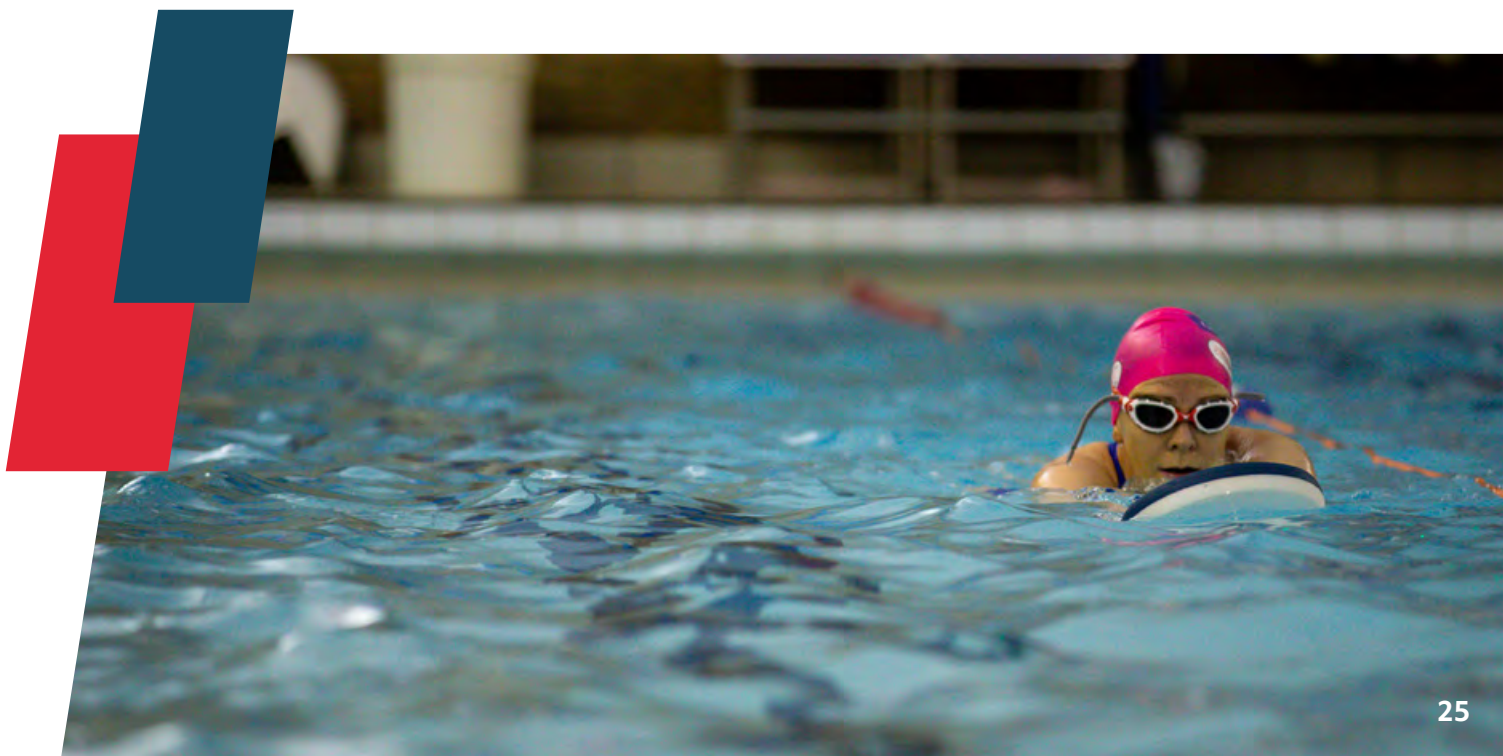
We are empowered by the Term of Government Remit Letter to support the creation of favourable conditions in which the Welsh language can thrive. The sporting sector can be a critical catalyst for this ambition.

The Football Association of Wales (FAW) has led the way with its use of Welsh Language in its communications – **involving**, resonating and connecting with a Welsh-speaking audience. Where Sport Wales is required by law to use the language, we want to follow the example of the FAW and use the Welsh language because we want to and not because we need to.

Recognising the importance and benefits of using the language, the topic of one of our quarterly in-person CLIP learning events was Welsh Language.

Collaborating with the Welsh Language Commissioner, Golley Slater's Welsh Language Lead, Welsh Triathlon and the Urdd presented how they use the Welsh language, why it is important and the top tricks and tips on how to incorporate Welsh in everyday communications. Following the event, Welsh Triathlon changed its name on socials to Triathlon Cymru and has continued to use bilingual communications.

Looking ahead, we will continue to champion the use of Cymraeg in Welsh sport sector communications, and ensure we consider using a Cymraeg-first approach rather than translating from English just because we are required to, so the language and style of writing resonates truly with a Welsh-speaking audience.



A spotlight on: Diversifying our future workforce



In line with our strategy and business plan, we have been making progress to diversify our workforce in order to bring a diversity of thought and lived experience. Ensuring that our workforce is more reflective of the wider population will lead to a greater understanding of the challenges faced by different communities, which should in turn lead to more effective decision making and service provision.

This year we worked with local schools to talk to pupils from all backgrounds about careers in sport. Our aim was to raise awareness and inspire more young people to pursue a career in sport. Working with Careers Wales, a number of Sport Wales staff delivered career talks at local schools. We then wanted to take this further and offer a more hands-on experience so again, working in partnership with Career Wales and Willows High, we created a pilot open day session at Sport Wales National Centre.

Pupils were given the opportunity to experience roles such as Operations, Nutrition and Strength and Conditioning. Pupils were given a tour of the building to learn about the different roles at our Centre.

They then had the chance to experience the work of our Institute staff by designing a strength and conditioning session. This was followed by pancake cooking with a competitive element where they had to guess the career path of each nutritionist using clues during the cooking session.

Their day ended with a game of badminton in the main hall. None of the pupils had previously visited the Centre, they thoroughly enjoyed their visit, and the school is keen to repeat the session.

Since the pilot day we have been reviewing our approach to this area of work. There is a balance between reaching a large number of pupils to inspire them into careers in sport and offering a more in-depth hands-on experience of roles at our National Centre. It may take a few more years to see the change that this work is making to our workforce, but the immediate value has been learning from the pupils and the schools about how they consider their future careers and any barriers they face.



Digital Apprentice recruitment campaign

This year, we recruited two Digital Apprentices to work as part of our Digital & Service Design team and worked in partnership with Cardiff Metropolitan University to secure places for the apprentices on their Software Engineering degree course.

Prior to the recruitment process, we considered how we could maximise the reach of the adverts and increase the opportunity to attract a diverse range of candidates. As a result of this work, we made some key changes to our usual recruitment process, as follows:

- We guaranteed interviews to candidates with diverse backgrounds and experiences who met the essential requirements of the role.
- We held three drop-in sessions so that potential candidates could informally meet some of the team and learn more about the role.

The weekly drop-in sessions were well attended and gave us a real opportunity to reiterate the inclusive culture that we have at Sport Wales in a more informal session.

All sessions were really engaging, and there was a clear sense of excitement amongst the attendees.

The advert closed with a record high number of applications for a Sport Wales role (143). The standard of application for a role of this nature was incredibly high and analysis of the demographics of candidates identified that they were much more diverse than we would ordinarily see for a typical role. Further detail can be found below:

- 16% from ethnic minority backgrounds.
- 8% with a disability.
- 13% LGBTQ+.
- 8% whose gender identity is different to the sex assumed at birth.
- 32% with Welsh language capabilities.

Key learnings

This has ultimately been a very successful recruitment campaign and there have been a number of key learnings that could shape future campaigns, as well as some organisational learning. Key learnings have been captured below:

- Expanding our EDI networks across the organisation really helped us push the advert for these roles out to a wide, diverse pool of potential applicants.
- Being explicit about the importance of EDI (particularly guaranteeing interviews for diverse candidates) in the job advert had a really positive impact. The drop-in sessions were a great way for potential candidates to see our culture and values in action and get a feel for what it's like to work for Sport Wales.





An approach to further diversify the workforce in Wales: Positive Action in Leadership (PAL)

The programme has been designed in **collaboration** with AKD Solutions, the Black-owned training and development consultancy with whom we worked on the #TellYourStory campaign to highlight where racism and racial inequality remain in sport. Together with key stakeholders and prospective participants, PAL is being designed to develop the capability and confidence of an ethnic minority workforce in Wales.

The intention is to create a learning experience that will not only empower and upskill the participants of the programme, but also to pilot a model that will be replicated to further cohorts who wish to pursue a career in the Welsh Sport Sector to ensure the **involvement** of all sections of society for the **long-term**.

The programme will cover the following themes, through a series of workshops, residential learning, guest speakers and networking:

- Leading / challenging self
- Leading others
- Leading and enabling positive change.



Growing a more inclusive and representative coaching workforce in Wales: The Community Coach Developer Programme

Our Coaching Team is committed to supporting the growth of a more inclusive and representative coach developer workforce in Wales. It has the capability and capacity to positively impact locally on the quality of coach development, coaching, and the experiences of young people within community sport settings.

In 2022, with help from UK Coaching, we developed a scoping report to understand the current reality and future desires of supporting coaches at all levels across Wales. We found that, once trained, qualified or accredited, many coaches at a community or grassroots level lacked on-going support in the way they wanted it, when they needed it.

What's more, they rarely had access to people that they valued who understood their context, environment or community.

Work is now under way with Grey Matters Performance (subject matter experts and researchers in coaching and coach developer training), the SW Coaching Team, Welsh Athletics, Welsh Gymnastics and the FAW trust, to co-create, pilot and deliver several coach developer initiatives across the three sports over the next year. The work aims to understand the role and needs of coach developers in community sport settings, including those supporting coaches from ethnic minority backgrounds and deprived areas. These coach developers will be recruited and developed from within these communities and trained to better support coaches within the contexts and environments in which they coach.



Promoting collaboration in Wales: Welsh Coaching Network

The Welsh Coaching Network is a forum that invites coaching leads to share good practice and **collaborate** with other partners. It also provides us with an opportunity to gain insight by listening to the organisations we work with.

The Network's main focus in 2022 was EDI and barriers people from underrepresented groups face in coaching. A number of presentations took place that focused on engaging with specific communities in Wales. These presentations highlighted the progress that is being made to target underrepresentation, but also showed there is more we can do within this area.

One of the outcomes of this was when the Welsh Coaching Network joined forces with the Participations Network in order to increase the opportunities for **collaboration** among Local Authorities and National Governing Bodies.

The next stage of the Welsh Coaching Network will look at how we can give meaningful challenge to partners in order to support them with the work they are doing, especially with regard to EDI and Inclusive Sport Systems. A large focus will be on having more organisations that act on behalf of underrepresented communities in Wales which in turn can help national governing bodies (NGBs) create a network of critical friends to support the inclusion of everyone.

A spotlight on: Ramadan Sport



Our Ramadan Sport Project is an initiative aimed at promoting physical activity during Ramadan and fostering a deeper understanding and appreciation of this observance within the Muslim community. This project was funded by the Welsh Government's Anti-Racist Wales Action Plan funding and builds on the expectations of the Welsh Government's Remit letter to prioritise diversity, inclusion and equality throughout the sector.

In **collaboration** with Foundation 4 Sports Coaching, we engaged with and **involved** the Muslim Community in Cardiff to gain insights and ensure that the project was culturally appropriate and respectful of the practices of the Muslim community. We met regularly with Foundation 4 Sports Coaching and two training events for Sport Wales employees helped us to refine our approach and better support participants during Ramadan.

Throughout the project, unforeseen challenges prompted us to ask meaningful questions to challenge ourselves and discover new ways of working. We intend to share these learnings with the sector in the coming weeks.

Moving forward, we aim to create a lasting legacy for Ramadan for the **long-term** at Sport Wales by ensuring a safe and inclusive space for our Muslim community year-round.



We hope the project's impact helps us identify areas for further improvement and explore opportunities to expand similar projects to other communities and observances. We remain committed to prioritising **collaboration**, inclusivity and **involvement**. We have gained valuable insights from this project and are committed to using them to inform our future work. We are proud of our progress and look forward to continuing to promote physical activity and wellbeing for all.





Spotlight on: International Working Group (IWG) on women and sport



We have partnered with the IWG to host the UK secretariat between 2022 - 2026. As part of this strategic partnership, we will work with the IWG on:

1. Strengthening a gender equality approach to policy design and implementation.
2. Facilitating a leadership development approach that increases the number and visibility of women in all leadership roles in Wales.
3. Sharing insight and learning via **involvement** in the insight hub and support over the 4-year period in completing or **collaborating** in a gender equality insight piece specific to Wales.
4. Upskilling Sport Wales staff on topics related to gender equality in sport.

Responsibilities of the host four year (quadrennial) period consist of promotion and monitoring of the Brighton plus Helsinki Declaration on gender equality and adding value to the around 600 global signatories; development and implementation of IWG Global programmes; and advocacy and relationship management with global non-governmental organisations such as UN Women, UNESCO, WHO, as well as a number of other key programmes.

As the first year in the UK's secretariat, our public affairs team has started to build links with the IWG's host organisation and Secretary General and we will continue to liaise with the other home nations sports councils throughout the next four years of the host period to support ongoing gender equality work.

INCLUSIVE SPORT SYSTEM

Introducing a cross-organisational approach to developing a more inclusive sport system in Wales.



Overview

As a sport sector, we signed up to creating an active nation where everyone can have a lifelong enjoyment of sport. An inclusive sport system will deliver opportunities which are led by need and that are safe, enjoyable and developmental.

We set out to ensure that participant voice was better utilised in creating sporting environments; supporting partners to innovate away from traditional offerings, and towards alternative provision and providers.

Our work focused on three broad areas:

1. Helping to understand the needs of would-be participants, including the use of school sport survey data to better understand the challenges and opportunities for currently underrepresented groups.
2. Supporting deliverers to change and **improve** practice. This involves ongoing **collaboration** with our partners around what is needed to enable an inclusive sport system and what our collective roles within it are.
3. Sharing information and expertise that will help shape better delivery, including the sharing of case studies and emerging practice, as well as **collaborating** with national and international partners in the delivery of the sport summit in December 2022.

The scale of change needed is significant and the timescale for this level of change is probably generational. We will continue our work in the areas above with prime importance placed on being open minded and willing to think differently. We will promote experimentation, and have the courage to stop doing, or at least stop prioritising, some of the things we've traditionally done which some may hold quite dear.



A spotlight on: Birmingham 2022



People aren't born Commonwealth athletes; they are made by the communities, people and clubs they meet along the way.

Every athlete has been on their own journey to get to Birmingham 2022 – for example they might have taken up their sport late, come from a rural area, or juggled jobs and family with training.

In the run-up to the Commonwealth Games, we **collaborated** with Team Wales, National Governing Bodies, athletes, coaches and support staff

to launch a campaign highlighting the stories of selected athletes. The narrative aimed to dispel many myths associated with performing on a world stage, instead telling real-life stories that supplemented our principles that underpinned athlete development activity centred on a more inclusive sporting system.

Showcasing real stories, stories that aren't typically told, remains a priority for us and will serve as a useful supporting mechanism in breaking down many of the persistent inequities in the athlete development space.



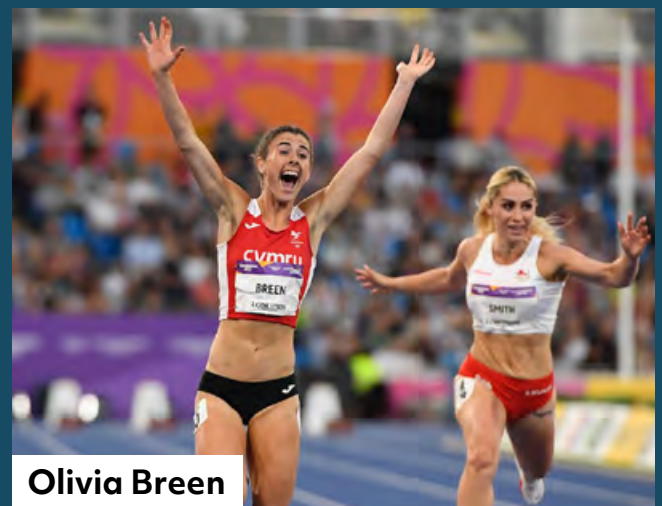
Harrison Walsh



Ioan Croft



Lily Rice



Olivia Breen



Athlete development environments

Using the 'Thrive Framework' to understand environments, we have supported three sports to gain insight into current athlete experiences. There are a further eight sports that we are keen to engage with. Furthermore, we are establishing additional ways of working which will contribute to our understanding of athlete perceptions of their experiences using tools such as an athlete management system, athlete panel, and reviewing Institute projects.

From a wider sport system perspective, with a number of colleagues across Sport Wales, we have proposed a project which links thriving environments with mental health and wellbeing.

We are intending this project to be offered to NGBs and other partners over the next three years.

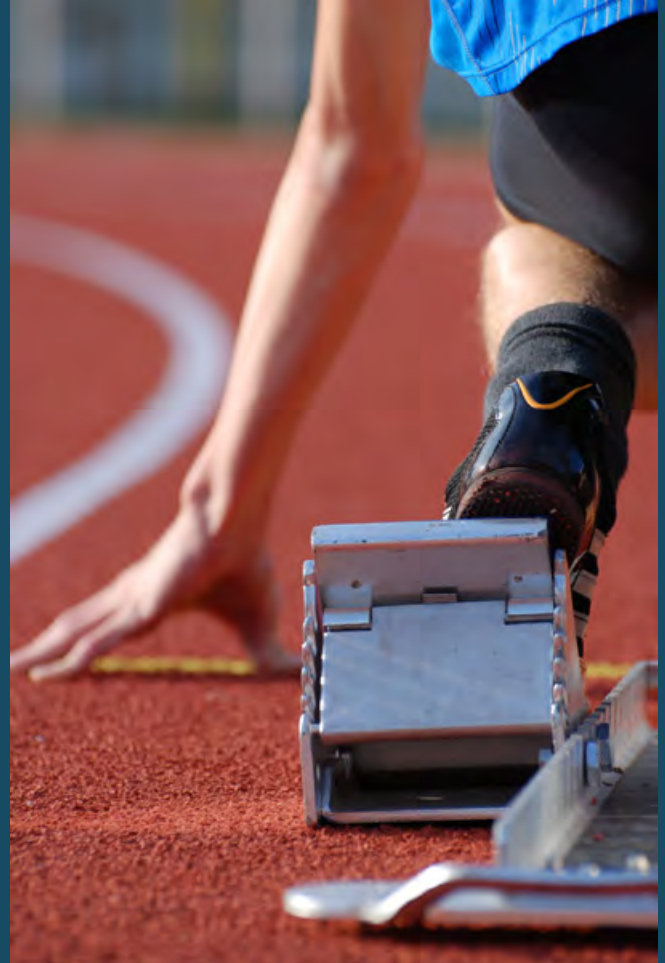
This project will enable sports to better understand what activities create thriving environments and how mental health and wellbeing can be supported within them. In addition, it explores what activities can enhance the athlete or participant experience.

Along with colleagues working all across the Inclusive Sport System (ISS), we have been working on how we can best support coach development in relation to thriving environments and athlete development. We are currently completing a gap analysis, mapping out development opportunities for coaches which are linked to creating a thriving environment.

A spotlight on: Athlete panel



Following an engagement process with athletes across the system to better understand how their views can shape decision making, we have established an athlete panel. The purpose of this panel is to use their knowledge of current and past environments to gain insight into how they are currently being experienced. It is expected that this knowledge will help us support NGB's to gain some 'quick wins', but to also impact more **long-term** system changes.





Pathways x Insights Project

What currently inhibits (or supports) 11 – 16-year-olds progressing from school or grassroots participation to a pathway recognised by a Welsh Governing Body?

Much is already understood about the barriers to participation in sport generally, however, we know relatively little about the current challenges that inhibit young people in Wales moving from school and / or grassroots participation through to a recognised sporting pathway. We are also less able to articulate the key support required by young people, across different sports and circumstances, and different points in their sporting journey. Because of this, there isn't currently much scope to develop well-informed interventions.

Therefore, this qualitative project, building on the work of the 2022 School Sport Survey, is designed to make use of creative methods to engage young people in Wales in a conversation around what helps or hinders them in moving into a recognised sporting pathway.

The project **involved** over 150 young people, from at least 10 schools, across five sports, and by varying geographies and levels of deprivation.

The creative methods, and the conversations and insight it has harnessed so far, have been revealing. Often, our own assumptions and interpretations have been challenged and broken down by young people. Moreover, variations in sport and circumstance often expose different needs and requirements. The next steps will be a thorough analysis of those conversations, and the sharing of that insight with national governing bodies, with the aim of improving both the access and adherence to participation in recognised sporting pathways across Wales.



A spotlight on: The Black Swimming Association



The Black Swimming Association (BSA) launched during the first Covid-19 lockdowns, yet this year its important work has been recognised by the National Lottery Good Causes UK Project of the Year.

The BSA beat over 1,300 other organisations to reach the public voting stage of the awards, which help to celebrate the people and projects who use Lottery money to do extraordinary things. It beat 16 other finalists to receive a cash prize of £5,000 and the Lottery trophy.

The BSA is the first organisation working with African, Caribbean and Asian people, as well as other ethnically diverse communities, to promote water safety, drowning **prevention** and the benefits of being physically active in the water. It works with Sport Wales, Swim Wales and other partners to engage the community and ensure community-led programmes are sustainable.

Overall figures for school children have shown that 50 per cent don't swim, but this rises to 80 per cent for Black and Asian heritage schoolchildren. Among adults, this can be as high as 95 per cent. One of the organisation's aims is to **prevent** drowning, reducing the rate by 20 per cent by 2024.



Sport Wales Institute offers new nationally recognised qualification in Strength and Conditioning

We have **collaborated** this year with the UK Strength and Conditioning Association (UKSCA) to deliver its nationally recognised and CIMPSA-endorsed Level 3 Strength & Conditioning Trainer award. This qualification is aimed at sports coaches, PE teachers and other fitness professionals, building their skills to enable high quality strength and conditioning delivery to reach a broader audience. Delivering this qualification in-house has allowed us to heavily subsidise the costs of the qualification to individuals and NGBs, in addition to incorporating elements of the Sport Wales inclusive athlete development philosophy.

During the first pilot run of the course, NGB coaches from Welsh Athletics, Welsh Boxing and Welsh Judo have gone through a variety of learning modules and practical assessments, and once they complete the qualification they will meet the professional standards required to deliver strength and conditioning sessions independently. After the course finishes, they will continue to be supported in their professional development through mentorship opportunities with institute staff.

The next run of the qualification, which takes four to six months to complete, will begin in September, and will open to a wider audience. By continuing to expand professional competencies in strength and conditioning across the Welsh sporting sector for the **long-term**, we hope to improve athletic movement skills, reduce the incidence of injuries and thus remove some of the barriers that commonly hinder an athlete's progression or lead them to drop out of sport.



A strong foundation to increase participation

Our work with children and young people aims to give everyone the skills, confidence and motivation to enable them to be active for life with a focus on those who are less active.

Regional Networks

Each regional sport partnership footprint now has an established Foundations and Participation Network which meets regularly. These newly established networks focus upon localised research and insight which highlight the needs of children and young people, regional development needs and developing an inclusive sport system.

Regional research

Since 2022, we have engaged local authority Sport Development representatives and contracted researchers to devise some enquiry questions to help us understand further how we might give every young person a great start in the world of sport, as well as the barriers young people face in becoming active.

The research questions included:

1. What are the facilitators and barriers for parents / carers to engage pre-school children in community-based opportunities?
2. What barriers do young people face when transitioning from school to community environments?
3. Does a free 'offer' devalue or widen physical activity participation amongst children and young adults aged 0-25?
4. Does the sporting offer need to change?

The insight gathered from the regional research has now been shared with Sport Development representatives, Active Young People (AYP) coordinators and foundations and participation networks to support the development of insight-led offers in the future.



'Building Foundations for Sport' Community Coach Education Course

We have been working with the University of Wales Trinity St Davids (UWTSD) to develop a certified training course for community coaches and volunteers, which focuses upon developing an in-depth understanding of what high-quality physical movement in early childhood looks like, whilst creating a play-based, inclusive environment. The 'Building Foundations for Sport' course is essential for laying the foundations of a needs-led physical activity offer, ensuring we give every young person a great start, whilst striving to develop an inclusive sport system.



A spotlight on: The Urban Games



As one of our national partners, the Urdd always looks to offer sport and physical activity opportunities that attract new and current audiences. The first Urban games was held in June 2022 across two days in Cardiff Bay and was an opportunity to showcase Urban Sports that have been recently added to the Olympics and the Commonwealth Games.

Both elite and novice athletes across Wales came to demonstrate their talent in sports such as 3x3 basketball, breaking, skateboarding and freestyle BMX and scootering. The Urdd worked in partnership with NGBs and local organisations providing opportunities for anyone of any ability to experience the Urban sports and culture. There was pre-event preparation with visits to schools and community sessions offered.

The diverse age ranges, abilities and passion for the events taking place were clear to anyone in attendance. Adults and children enjoyed participating in less traditional sports within the same space. It was a great opportunity for these sports to preview what will be on show in future Commonwealth and Olympic games. In 2023, the Urban Games will be held in Cardiff Bay again with current and new sporting opportunities on offer.



SPORT PARTNERSHIPS

We are making progress in establishing five Sport Partnerships for the long-term, including Gwent, Mid Wales, Central South, and West Wales. We are continuing to support Actif North Wales as the first region to go 'live'.

March 2022 saw the launch of the first sport partnership in North Wales, accelerating the commitment in the Term of Government Remit letter to develop this regional network. Four other regions are currently in development, with West Wales expected to be the next region to launch. Aligned to Welsh Government policies such as the Well-being of Future Generations Act and other legislation which asks local bodies to form delivery partnerships, and driven by the Vision for Sport in Wales, Sport Partnerships will be the entity through which all local investment from Sport Wales will be coordinated by April 2024.



A game-changer

Sport Partnerships are aiming to transform community sport delivery, leadership and funding for future generations. They will **integrate** and develop work being done to tackle persistent and stubborn inequalities in participation in sport and physical activity, supporting Wales to become an active nation where everyone can have a lifelong enjoyment of sport.

Empowered to bring about system change, Sport Partnerships will be the catalyst to tackling two long standing issues:

1. 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 most help.
2. Taking steps to meet the high latent demand from those who are active but want to do much more.



Strong governance and legal framework

A Sport Partnership brings together a **collaboration** of key stakeholders within a defined region, who understand the importance of, and have a focus on, delivering the benefits of sport and physical activity.

Each partnership may have different governance frameworks, but they will all be robust entities that are led by insight and which provide strategic leadership and planning. Working at a regional level, they will have a common purpose: that everyone can be **involved** in sport and physical activity.

The Sport Partnerships will each receive Sport Wales funding for the region and, through its commissioning role, will facilitate a range of opportunities that best meet their community's needs.

A spotlight on: Actif North Wales



The first 'live' Sport partnership in North Wales has appointed a central team to manage its governance and lead strategic delivery across the region. This includes a Regional Director, Partnership Manager and Business Support officer. They are in turn supported by a skills-based Partnership Board with representation from key stakeholders in North Wales, and an Independent Chair.

Recently rebranded, "Actif North Wales" has developed a new strategy through engagement across the region, with a heightened focus for partner sport development teams to tackle inequalities across North Wales, and grow new relationships with commissioned partners. This includes a marketing and communications strategy to strengthen stakeholder engagement and explore new commercial opportunities.

We look forward to the establishment of all five regions, reflecting a diverse and thriving network of partnerships over the coming year.





Welsh Institute of Physical Activity, Health and Sport (WIPAHS)

Sport Wales has continued to grow its relationship with the nation's academic sector through the Welsh Institute of Physical Activity, Health and Sport (WIPAHS). Over the course of the past year WIPAHS, which is a **collaboration** between Sport Wales and every Welsh university, and now in its third year of activity, has continued to establish itself as a critical component of sport and physical activity research.

The institute has contributed to Senedd enquiries and presented evidence to both the Culture, Communications, Welsh Language, Sport and International Relations Committee, as well as the National Physical Activity Group.

It has also supported both the International Society for Physical Activity and Health (ISPAH) Conference, United Arab Emirates and the Health-Enhancing Physical Activity (HEPA) Europe Conference, France. Furthermore, engaging and supporting 15 new stakeholders and securing over £280,000 in income, the institute has been able to produce a range of new research and evaluations which have informed policy interventions. The WIPAHS annual report can be [accessed here](#).

The Welsh Institute of Performance Science (WIPS) is a **collaboration** of universities across Wales which undertakes multi-disciplinary, world-leading applied performance science projects that enhance the performance of Welsh athletes and businesses, improve the performance pathway and build capacity in these areas for the **long-term**.





Additionally, WIPS aims to train future scientists and increase strategic **collaboration** between Welsh sport, academia and business. WIPS provides science- and industry-driven answers to performance-driven questions.

With the increasing return of competition and training through 2022, WIPS has continued its **integration** with practitioners and sports across Wales and beyond and has attracted increasing interest from new practitioners and organisations, including an investment partnership with the Football Association of Wales. Additionally, WIPS has adapted to the strategic drive for inclusive athlete development opportunities from the Sport Wales Institute. Throughout the year, WIPS has led and been **involved** with more than 10 related projects, ranging from developing female football players through **integration** with the male game, assessing lower limb demands in squash and exploring menstrual cycle education in schools related to participation and development in physical activity and sport performance.

WIPS has been able to offer strategic insight, international perspectives and evidence-informed practices regarding the emphasis on improving athlete development opportunities. It has relished the opportunity to share insights and learning through different means, including presentations to sports and practitioners on promoting mental health in thriving environments, developing and disseminating resources in person and through online newsletters, launching an e-module for coaches on understanding the menstrual cycle in sport and working with the media to promote research completed into menstrual education provision in schools.

HEALTH AND WELLBEING

This year, we aimed to play a lead role in the delivery of existing and new initiatives within the Healthy Weight Healthy Wales Strategy.

In 2021/22 we **collaborated** with Welsh Government and other partners on the development of the 2022-24 Healthy Weight, Healthy Wales delivery plan and became a lead partner on four of the seven national priorities. Work towards National Priority (NP) 2: active environments and spaces, NP3: promote and support families to provide the best start in life and NP5: remove barriers to reduce diet and health inequalities across the population are demonstrated in the projects below.

Work on NP4: enable our education settings to be places where physical and mental health are a priority, is demonstrated through our education business plan objective in the next section.



Active Leisure Scheme, 60+

The Active Leisure Scheme (ALS), 60+, was further developed this year following an independent evaluation making recommendations for the 2022-24 Healthy Weight, Healthy Wales Action Plan period. The aim of the scheme is to provide a national leisure offer for over 60s to encourage physical activity and healthy lifestyle choices; a targeted approach to reduce health inequalities and social isolation.

In 2022, the introduction of a new reporting platform manifested a change in the way data was captured across all local authorities with benefits of capturing specific information, which it is hoped will help authorities to understand which engagement and activities have been successful.

There has also been a significant increase in engagement across local authority areas in coordinating other initiatives such as The National Exercise Referral Scheme (NERS), Free Swimming Initiative (FSI), Social Prescribing and Age Well networks as well as other local 60+ provision to provide an **integrated** menu of opportunities for this age group.

The 60+ Advisory group has been re-established this year to provide strategic direction and challenge as the scheme progresses; and working with colleagues in Welsh Government, the National NERS Coordinator and Older People Wales as well as each local authority, we will come together to hold a reflective national event to celebrate successes and to try and understand who else might benefit from the scheme.



A spotlight on: Swansea Local Authority sport and health outdoor programme



Sport and Health Swansea used its established outdoor sport and physical activity programme to include older adult provision in the timetable which supported both the 60+ ALS as well as its local ageing well priorities.

During and following the Covid-19 pandemic, there was a clear uptake in the use of local outdoor spaces for exercise and wellbeing activities across all age groups, with individuals and families reconnecting with their local parks, beaches and rights of way. The team offered four sessions a week, attracting 581 participants in 102 sessions since April 2022. These sessions included Nordic walking, Tai Chi, low impact fitness and Pilates.

'I enjoy the walking and talking so much that I forget that we are exercising.'

(Nordic Walking Participant)

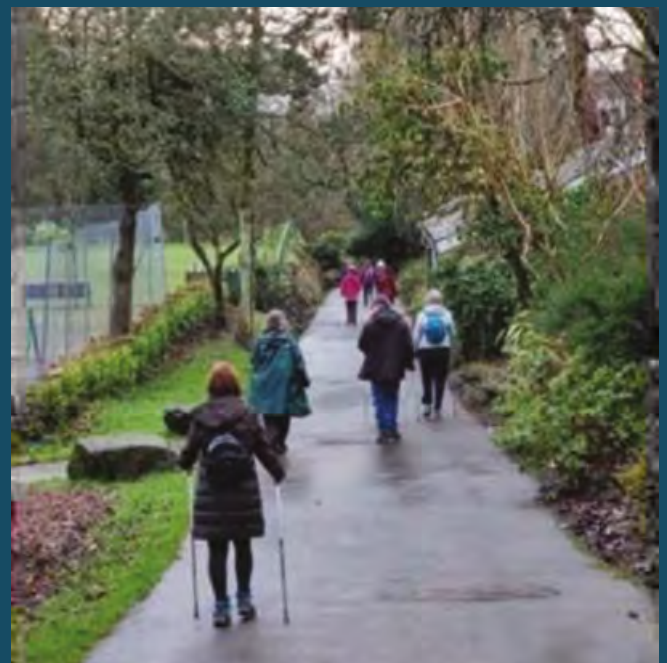
'Mentally, exercising outside makes me feel better about myself and is a real focal point of my week.'

(Nordic Walking Participant)

Positive feedback was given by attendees of the outdoor programmes, showing the positive impact that it clearly has on both an individual's mental and physical health.

Interviews with participants of the Nordic Walking sessions have revealed a variety of benefits. One participant with Chronic Obstructive Pulmonary Disease (COPD) fed back that when she started, she could only walk once around the park and found it a huge struggle. She now walks three times around the park in the session. Another participant is a full-time carer and highlighted how important it was for her to have time to herself to exercise in the fresh air and keep fit. She also added the benefit of keeping active as a **preventative** measure to falls.

The social element and refreshment stop at the end of the Nordic walking session was identified as equally important as the physical aspect by the majority interviewed.



A spotlight on: 'The great game with the silly name'



Kath Knowles is a breast cancer survivor who picked up Pickleball when moving to Ynys Mon in 2018 and has worked closely with staff at Ynys Mon Leisure centres to grow the sport to around 200 players across the island, thanks to the Actif Mon 60+ scheme.

Kath was exercising in one of the leisure centres as part of her physical recovery when she became unwell. The staff at the centre called an ambulance and Kath was transferred to hospital where she underwent Cardiac surgery following a heart attack. Following the event, Kath resumed exercise and has been a keen advocate of the area's ALS 60+, promoting all forms of exercise to all that would benefit.

She recruits friends and family members to help get them active or keep them active, often citing her own experience when people say they do not like sport or are not fit enough.

Kath has also gone on to win medals at almost 72 years of age at the English Nationals, Dutch Open, German Open and Cambridge International team tournament.

Kath is keen to encourage as many people as possible to get active and "learn this easy sport to bring laughter, love, and social interaction into their lives. It is the most diverse, fun sport I have ever played and is suitable for age groups 8-90 years regardless of ability or indeed disability."





Children and Families project

National Priority area 3 in the Healthy Weight, Healthy Wales delivery plan focuses on providing the best start in life. This also matches our strategic intent #2. The aim of the Children and Families project is to help design initiatives for families with children 0-7 years old who are experiencing, or at risk of, obesity. We will be working with core partners to deliver new initiatives for a preventative approach, before evaluating the impact based on feedback from families and project coordinators.

Being led by insight, we commissioned initial research in three pilot areas by speaking to a range of partners including NGBs, National Partners and key agencies across the 0-7 age range including health visitors, childcare settings and primary schools.

Working alongside the national Children and Families Task and Finish Group, which is driven by Public Health Wales, the project will now concentrate work in Merthyr Tydfil, Anglesey and Cardiff Southern Arc. These areas have been selected as representative of the different types of communities and settings in Wales where the prevalence of obesity and overweight children is high.

The findings from the research are being used to shape the two-year project and help identify which partners are best placed to support with delivery to different age groups within the 0-7 range, and in each pilot area. Each area has an EDI focus and seeks to provide opportunities for participation, in an environment that is safe, enjoyable and developmental. The pilot project is funded for two years, starting in April 2023.



Mental health and wellbeing: clinical psychology within Sport Wales

We have begun to reimagine how we support staff and athletes' mental health and wellbeing. We are doing this via a relational, person-centred approach. There are three core aspects to this work:

- 1. Supporting athletes within the high-performance arena.**
Ensuring that athletes and people important to them have a space to discuss their needs and how to meet them.

- 2. Developing how Sport Wales understands and supports mental health and wellbeing** Integrating across the organisation to develop multi-discipline understanding of how sport supports mental health and wellbeing.
- 3. Nationwide Networking Collaborating** with other home nations to showcase our work and learn from others.

We will continue to prioritise and focus our efforts in the area of mental health, developing our knowledge and expertise around how sport can be used effectively to improve wellbeing and mental health, and learning from clinical psychologists' and their discipline through working with athletes.





Concussion in sport

The recent media focus on the incidence of brain injury among our sporting heroes has increased public awareness of the potential short and **long-term** impact of concussion for those participating in sport. Following the UK Parliament's Digital, Culture, Media and Sport Committee Concussion in Sport report (July 2021), the UK Government has published an Action Plan that seeks to respond directly to the recommendations outlined within the report.

Our medical team has been working closely with the Concussion in Sport Working Group, commissioned by the UK Government, to establish formal guidance on sport-related concussion (SRC) within grassroots sport participation. The guidance will ensure that both physical and psychological symptoms associated with SRC can be recognised early and enable both participants and their support networks to manage SRC more effectively.

To ensure the Concussion in Sport guidelines have maximum impact within the Welsh sporting system, Sport Wales will be **collaborating** with Welsh NGBs to develop a bilingual method for gathering insight related to SRC within Welsh grassroots sport and performance pathways.

The aim is to establish a baseline understanding of how SRC is currently managed by those **involved** in Welsh sport. Concussion-based questions were also included within the 2022 School Sports Survey. This insight should help NGBs to identify enablers and barriers to more effective concussion management, promoting better short and **long-term** participation and performance sport outcomes in Wales.

There is still a great deal of work to do. Wider **collaboration** across Welsh and UK education, health and sport systems will ensure that parents and their children, coaches and their athletes, doctors, and their patients, are all cognisant of the potentially damaging effects of SRC. We will continue to **collaborate** with partners across these systems to ensure the negative effects of SRC are mitigated, allowing everyone to enjoy the full benefits of sport.



EDUCATION

Education and school settings are pivotal in ensuring a great start; a lifelong enjoyment of sport and getting children and adults more active. Our work this year included leading the 'Daily Active Offer' discovery work and 'Active Beyond the School Day' pilot.



Daily Active Offer

This year we have worked with the Welsh Government, Natural Resources Wales and Public Health Wales on an initiative to promote a whole-school approach to physical activity which will shape a revised and refreshed approach for schools. It will be an **integrated** part of a reviewed and renewed Welsh Network of Healthy Schools Scheme. It is an approach which encapsulates all the opportunities where physical activity can be delivered across the school day, providing a package of support to allow them to develop a bespoke plan for their school based on insights and pupil feedback.



The programme has been developed to:

- Make significant progress in increasing the number of school-aged children who are active for 60 minutes or more each day through direct and indirect opportunities throughout the school day.
- Complement the Curriculum for Wales, by supporting all schools to create healthy and active learning environments with better connections to their local community.
- Ensure Daily Active is a central delivery component for physical activity in the broader (refreshed) Healthy School Schemes.

Targeted interventions for early adopter schools will be focused on underserved communities with options of scalability. It will now be rolled-out by these early adopters from Autumn 2023.



Sport Wales and the Curriculum for Wales

Welsh Government's National Mission recognises that all learners must be supported to be healthy and confident individuals who take part in physical activity. Wellbeing plays a critical part in the success of the Curriculum for Wales and sits both within the four purposes and the Health and Wellbeing Area of Learning Experiences. Schools and teachers need to be equipped to support learners as they explore the connections between physical health and wellbeing and its importance in successful learning. Every school will implement the new curriculum up to and including learners aged 12, from September 2022, with the secondary schools adopting the Curriculum for Wales on a rolling yearly basis.

Engaging schools

We are engaging with around 80-90 schools, which are recruited in clusters across the Sport Partnership regional footprints, to better understand the needs of the school community with regards to physical activity in the health and wellbeing area of learning and experience. The schools engaged include Welsh Language schools and those in underserved communities. This is to ensure that schools:

- Recognise the value that sport and physical activity can bring to the wellbeing of each individual pupil as well as (but not limited to) improved educational attainment and improved attendance. We want to know what training and support can be provided to help teachers achieve this, while supporting them to enhance and build community connectiveness through sport.

- Strengthen teachers' confidence and practice, and in turn, create motivated and engaged learners. Where are the gaps in the teacher's confidence and practice? What approach would work best when translating the curriculum into practice? Do teachers understand how to embed the progression steps into their practice and how these link to assessment? What training / resources would be needed to support teachers and pupils? What would be the recommended delivery method for the training / resource?
- Understand how to create capacity for teachers to reflect, refine, think and plan how to embed and adapt their learning to suit the needs of their school community.



Citbag – Schools benefit from new online hub

In 2022, we launched 'Citbag', an online hub for teaching and coaching resources that have been created by specialists over the last 20 years.

Citbag includes the renowned Dragon Sport and Play to Learn products aimed at primary school-aged pupils, as well as teaching resources for older children. This includes stories to get the youngest moving and active; fun games to help agility, balance and co-ordination; sport-specific learning through sports like rugby and cricket; and more specialist gymnastics or creative movement for older children.

The platform was supported with funding from Welsh Government from the last financial year, meaning the resources have a home online for the very first time and support the introduction of the new curriculum.

Users can sign up for a free account on the fully bilingual platform. Nearly 1,000 teachers in Wales signed up in the first six months.

Citbag continues to be developed. The future focus will be ensuring the resources are meeting needs of teachers as they deliver the new Curriculum for Wales.



Active Education Beyond the School Day (AEBSD)

Schools are recognised internationally as a location which can influence behaviours of children and the wider community and have the potential to be a focus of the community. The concept of using the school site for more beneficial and meaningful physical activity linked to the needs of a community aligns to the ethos of the new school curriculum in Wales.

Following the elections to the Senedd in 2021, the Welsh Government's [Programme for Government](#) promised to realise the commitment of creating community-focused schools and explore reform of the school day. Sport Wales has historically advocated for the opening of school sport facilities beyond the school day for physical activity opportunities, and through the prospect of a piloting phase, we sought to determine the feasibility and acceptability of opening of school sites, beyond the school day, including evenings, weekends and school holidays.

We worked with a range of partners including Welsh Government's Community-Focused Schools Team, Local Authority Education Leads (ADEW Members), Headteachers and Local Authority Sports Development Teams. We also **collaborated** with Sport England, Play Wales and WIPAHS during the insight and discovery stage.

A total of 14 individual schools and one federation from across Wales took part in the pilot. All schools were categorised as mainstream schools. However, pupils with additional learning needs were catered for within several of the pilot schools. All schools were located in under-served communities with free-school meal percentages ranging from 15% to 50%, two of the 14 schools were located in ethnically diverse communities and one school designed their physical activity offer based upon the needs of the Roma community where 79% speak English as an additional language.



Key findings and learning:

There was a positive impact on physical activity levels of young people, particularly for those learners who were previously inactive and / or female. There was also increased engagement from pupils eligible for free school meals. There was more exposure and engagement in a broader range of activities such as dance with boys; we saw improved pupil behaviour, self-esteem, wellbeing, and resilience. Finally, there were positive effects on community cohesion, including pupils' perceptions of schools as safe places, better parent / school relationships and a reduction in antisocial behaviour within the community.

Key findings that will help to shape successful future programmes in schools include the need for clear responsibilities and roles to be outlined in the staffing structure. It is also crucial to have a partnership between school and local sports development teams and community organisations in order to build capacity, share expertise and encourage a thriving network of local sport and physical activity opportunities.

Additionally, the individual offers needed to be unique to the school and community and consultation with pupils and the community is key to ensuring the offer meets their needs. Finally, in terms of funding, sustainability must be considered and planned for from the outset and then integrated into budgets. Funding for staffing and / or coaching also needs to be factored in.

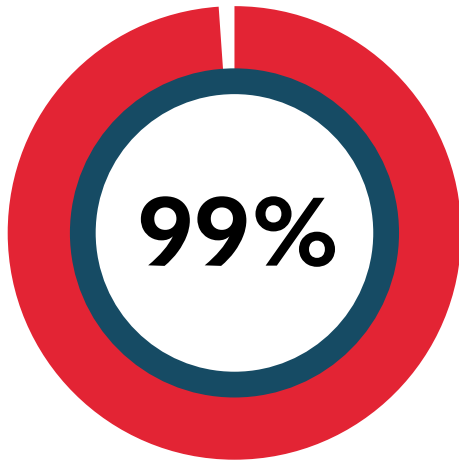
Next steps

Five of the 14 schools are continuing to monitor the impact of their offer throughout the winter months. An extension report for these five schools will be available in Spring 2023. Going forward, Welsh Government will be building our research and findings into its guidance for schools who wish to become community-focused schools.

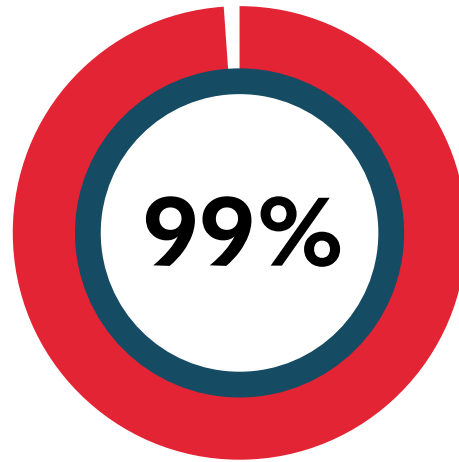


Pupils' perspective

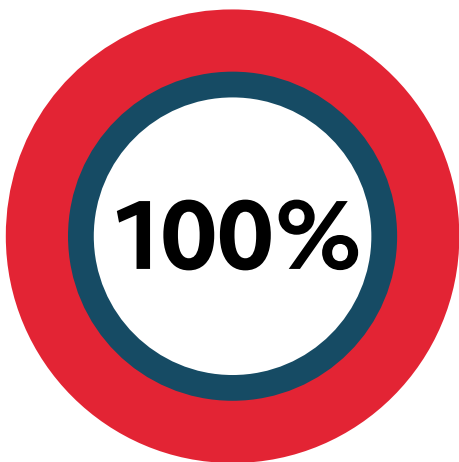
Pupils were asked, via a survey in July 2022 (121 completed), to reflect in their experience of participating in the AEBSD sessions. Overall:



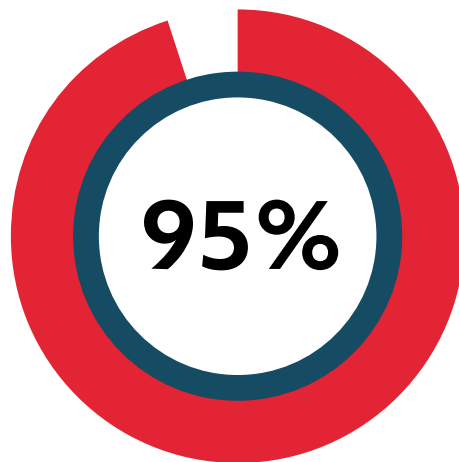
99% of pupils
rated the overall
experience of the
sessions as good



99% of pupils
felt confident
when attending
the sessions



100% of pupils
were likely to
recommend these
sessions to someone



95% of pupils
were likely to
continue attending
the sessions



A spotlight on: Pencoedtre High School



Pencoedtre High School is situated in the Cadoc Ward of Barry in the Vale of Glamorgan where there are significant socio-economic challenges. In fact, the school's catchment areas include some of the top 10% most deprived areas in Wales and there has been a sharp increase in pupils eligible for free school meals. The school wanted to develop a holistic offer focusing on physical activity and nutrition and to create a world-class educational, wellbeing and community establishment.

The school identified a need to enhance the provision of community-based physical activity opportunities in the area, using our School Sport Survey, which showed participation in after school sports provision was low compared to the rest of the Vale of Glamorgan; and through the 'Have your Say' survey that secondary school pupils wanted to do more physical activity after school and in community settings.

The school committed to extending the school opening hours, along with arranging and hosting sessions at the school.

Lasting until July 2022, the programme included activities such as dance, Tai chi, self-defence, baseball, yoga, skateboarding, running and golf. From September 2022, the school has aimed to embed the learning from the pilot into a sustainable **long-term** model.

Whilst the project ran, police reported reductions in crime, anti-social behaviour, and Antisocial Behaviour Orders (ASBOs) issued in the area; positive parent feedback was received, and it was felt the project had a positive impact on the community. Instructors built a rapport with pupils, teaching them life skills and how the choices they made now will impact them going forward in life. The partnership with Vale Healthy Living team enabled links to community offers for pupils to take up afterwards.



The school sought to upskill pupils to become playleaders throughout the project.

Overall, 79% of pupils felt that attending the sessions increased their physical activity levels, with 74% reporting they attended 10+ sessions. Pupils also reported that it was very easy to travel to the sessions as they went on during lunchtimes or after school. Attending the sessions helped pupils to learn or improve skills (90% agreed / strongly agreed), meet new people (89%), and feel good (89%).

Pupil highlight

The school identified that the programme had a particular impact on one pupil. Before taking part in the programme, the pupil was disengaged in school and would often be found withdrawing himself from lessons and refusing to communicate with staff.

The pupil's story is an example of how the programme can lead to wider benefits beyond simply increasing physical activity levels.

"This pupil's personality and confidence has grown so much since starting the afterschool provision. In the past, the pupil was very unfit and didn't enjoy exercise. Now he attends every night, has become fitter and has made many friends. He has also shown so much progress that he supports staff with a leadership role."

Louis Johnson, Alternative Provision Manager

"The reason that I really enjoy the afterschool class is because ever since I've started going to them it has really helped me with my confidence and self-esteem. I've also made some new friends and improved my fitness. It is just, all round, a great experience." **Pupil**



SUSTAINABILITY AND DECARBONISATION

Our response to the climate and nature emergencies and an action plan on how to we can play our part in contributing to the Welsh Government's ambition of a net zero public sector.



Development and launch of the Environmental Sustainability Plan by 2030

We are proud that through our Remit Letter we are able to support the Welsh Government's commitment to achieving a zero-carbon economy by working to become carbon neutral by 2030. Indeed, in response to the Climate and Nature Emergencies, Sport Wales has identified environmental sustainability as a business plan priority. To develop our plans to contribute to the Welsh Government ambition of a net zero public sector by 2030, Sport Wales commissioned the expertise of Carbon Trust to assist in understanding our carbon emissions baseline and to develop a forward plan to reduce emissions. Following a series of workshops with key stakeholders, a draft Environmental Sustainability Plan was developed.

The plan focuses our decarbonisation and biodiversity actions around five key themes:

- Our People
- Our Partners
- Our Procurement
- Our Places
- Our Processes

A key theme of the plan is the **collaboration** opportunities to work with other organisations (Welsh Government Sponsored Bodies, partners within the Sport, Environment and Climate Coalition, Lottery Distributors, National Governing Bodies and other National Partners).

[The plan](#) has been published on our website in an accessible format. Given the pace of change in this field, Sport Wales anticipates that the plan will be regularly reviewed to ensure that the latest developments are captured in the actions.

We will monitor progress on delivering the plan including via the annual carbon emissions return to Welsh Government. Key learning from the development of the plan is that engagement of expert advice is invaluable as it provides insight in a complex and technical area. It's also been important to develop the carbon emissions baseline to enable us to monitor the impact of the actions we take.

A spotlight on: Ground source heating system, Plas Menai



We have continued the exciting carbon reduction project at Plas Menai over the last year, laying and connecting over 12 miles of underground pipes to the new ground source heat pumps. Heat pumps use much less energy than other heat sources, with the heat transferred to the building around four times faster than when electrical energy is used.

Retrofitting new technology into a 40-year-old building and equivalent infrastructure was challenging. A machine was required to drill 68 boreholes up to 160m deep into the ground to create a ground heat collector big enough for the building.

The ground collector is completely hidden beneath the ground. It will support the future heating and hot water demands at Plas Menai, delivering significant reductions in carbon emissions compared to the previously installed oil-based system.

To support this project, the air handling units, heat emitters such as radiators and fan convectors, and control panel have all be upgraded to help ensure the system works as efficiently as possible. We believe this is the first retrofit of its kind in Wales and aim to share our learning from this with any partners looking at ways to reduce their carbon footprints within their facility infrastructure.





Investing in a sustainable sport sector

This year, we made a commitment to prioritise the sustainability agenda within our capital investments. Working across the sport sector in Wales and a number of funding streams, the investments were focused on reducing energy costs for facilities and community clubs, as well as making a positive contribution to decarbonisation in Wales.

Through our open capital investments expression of interest process, we have invested in solar panel installations, LED lighting, and a significant commitment has been made to improve the energy-efficient floodlighting of sports clubs across Wales through the Be Active Wales Fund.

The learning from working in **collaboration** with partners on these pilots has been invaluable and will mean Sport Wales is in a position to launch its own public fund, accessible to all not-for-profit community sport organisations, early in the 2023/24 financial year.

A spotlight on: Sustainability investment



One of the more innovative approaches to delivering on our Remit Letter objectives of working with partners on capital funding was the development of two pilot sustainability funds between Sport Wales, the Welsh Rugby Union and the Football Association of Wales via the Cymru Football Foundation. Over £500,000 was invested for clubs to access up to £20,000 each for improvements which would enhance their energy efficiency.

The funds would support such things as indoor lighting upgrades, the promotion of site biodiversity, sustainable water sourcing, solar panels, insulation projects, ground source heat pumps and electric vehicle charging points.

In total
41 **clubs were able to improve their community facilities through this approach.**



How can sustainability be embedded into procurement at Sport Wales?

This project was identified because of our **involvement** on the [Infuse Programme](#). It aligns with the goals of the Sport Wales Environmental Sustainability Plan which supports the organisation's decarbonisation / sustainability business priority work. Through exploring the following learning questions, the project will address the question how sustainability will be embedded into procurement at Sport Wales:

1. What is the current procurement process at Sport Wales and are there barriers or opportunities associated with it?
2. How do we adapt by learning from other organisations with transferable good practice?
3. How can we test changes at Sport Wales?

The project's discovery phase took place between November-December 2022. Eight internal user research sessions took place to understand colleagues' procurement experiences at Sport Wales. Meanwhile, meetings with external organisations helped to glean best practice learning. Desktop research and participation in the Infuse Procurement lab developed wider knowledge.

In relation to learning question two, Sport Wales met with:

- NHS Wales Shared Services Partnership
- Future Generations Office
- Infuse programme procurement lab managers

The work links directly to the Wellbeing of Future Generations Act; it links particularly well to the 'A Prosperous Wales' and 'A Globally Responsible Wales' goals.

A spotlight on: Sport Wales Catering 'relishing the environmental challenge'



Catering plays a key role in helping to reduce our carbon footprint.

Around 90% of our suppliers are local, meaning we are supporting small local producers whilst keeping our carbon footprint down. We have introduced a reusable cup scheme for everyone, so we can reduce the number of compostable cups we use.

We have incentivised this, so the customer pays a reduced price when using their own cup too.

We have stopped using single-use sachets, reverting to plastic refillable bottles for sauces and other condiments, and we use all-compostable disposables for takeaway food. Our waste oil is taken away for recycling into biodiesel, and any new equipment we purchase is checked for its energy efficiency performance first.



A spotlight on: Electric pool cars



In order to contribute to ensuring Wales is carbon neutral by 2030, we decided to replace two of our hybrid pool cars with fully electric ones. Following in-depth studies in over 200 different cars, the model chosen was the Hyundai Kona due to the need for the car to be able to travel long distances between charges.

It also had to be comfortable to drive, not too complicated, and be good value for money. It also 'looks electric', so they are a visible demonstration of Sport Wales' commitment to the environment.

The two new Hyundai Konas are now fully operational as pool cars for staff and in addition, five electric charging points have also been installed on the concourse outside the National Centre in Cardiff.



INVESTMENTS

Be Active Wales Fund (BAWF)



The Be Active Wales Fund offers grants from £300 to £50,000 for projects in Wales that intend to do at least one of the following:

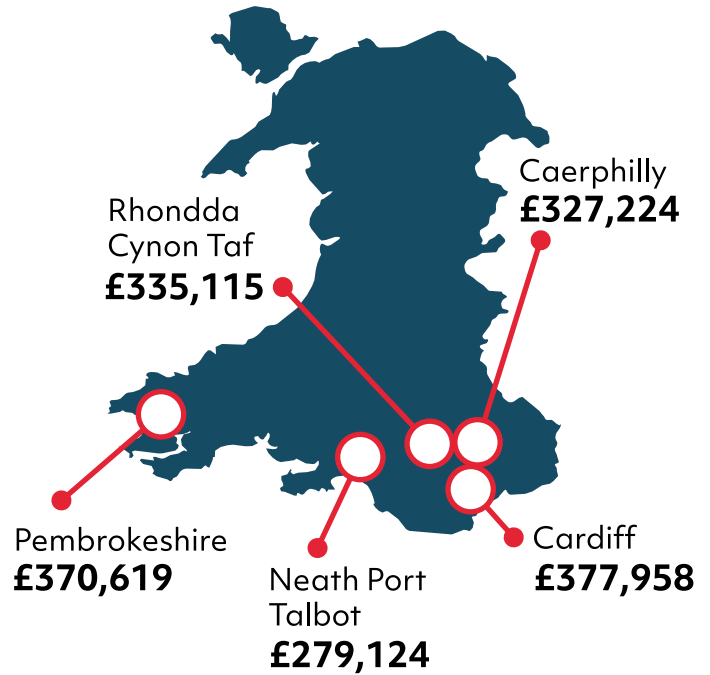
- Reduce inequality;
- Create **long-term** sustainability;
- Introduce new or different ways of operating.

This funding stream focuses on ensuring that community sport can take place. For example, funding could be used to:

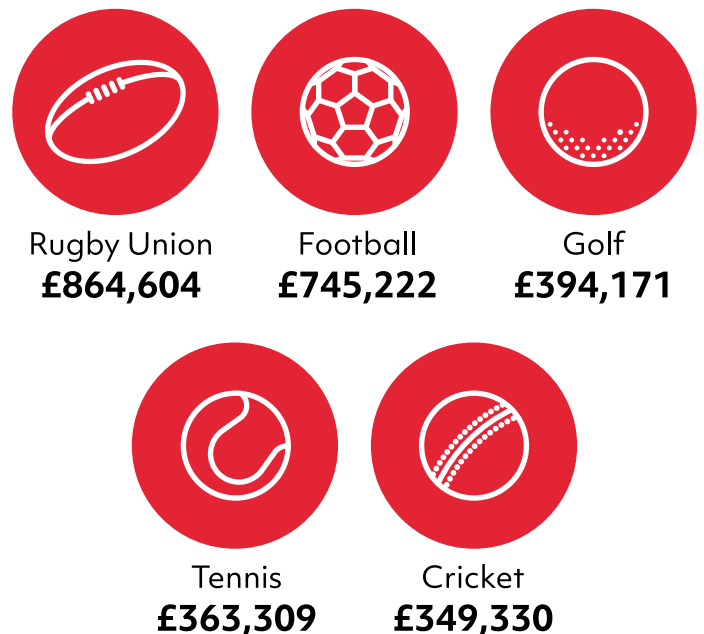
- Upskill volunteers where clubs have gaps in skills or experience;
- Buy equipment that allows more people to take part in sport;
- Develop new or different ways to deliver physical activity;
- Use technology to engage more people;
- Reach people currently under-represented in sport and physical activity.

Over the past financial year, a total of £4,330,967 has been distributed through the BAWF, supporting 595 projects across Wales.

The local authority areas that received the highest level of funding via applications to the BAWF were:



The sports that received the highest level of funding via applications to the BAWF were:





A Place for Sport

The 'A Place for Sport' fund, which is delivered in partnership with Crowdfunder UK, is our mechanism for investing in all the areas that do not directly deliver sport but have a huge impact on the experience of participants. This may include protecting or improving equipment or facilities, or enhancing services to make clubs more financially or environmentally sustainable.

The fund works on a matched fund basis, so every successful application is demonstrating there is a genuine commitment from the local community.

Once Sport Wales support any application it will pledge between 30%-50% of the total project costs, with the remaining sums drawn from individual supporters. The higher end of the pledge is specifically targeted towards areas of deprivation, as measured by the Welsh Index of Multiple Deprivation, to ensure we best support those communities most in need.

During the past financial year, a total of 14 projects have been successful in their campaigns, securing £72,425 from Sport Wales and a further £182,098 in amplified funding from the public. This total funding of £254,523 for community clubs has therefore resulted in an amplification rate of £3.51 for every £1 of public investment.



A spotlight on: Tonyrefail Boys and Girls Club

Project Description:

A new 100-seater stand and new dugouts for both teams.

Overall Project Target Total:

£30,000

Sport Wales Pledge:

£9,000

Total Funds Raised:

£55,787

Total Number of Community Supporters:

193

Tonyrefail BGC has provided football to the local community since 1992, running 15 football teams from Under 5s all the way through to the Senior teams, and with over 300 registered players. The Senior team have recently won promotion to the South Wales Alliance Premier League.

The club wanted to purchase a new 100-seater stand and new dugouts for the home and away teams. Planning permission was already granted, but it needed some help in raising the funds to make the dream a reality. In summer 2022, when the club looked to Sport Wales and Crowdfunder, it had already raised £20,000, but needed to raise £30,000 more.

The upgrades to the pitch meant the club could achieve the three criteria it needed to support future promotions for the Senior team. However, the club felt that the project meant much more than that, as the stand will be the first ever to appear next to the Tyn-Y-Bryn pitch, showing how it had progressed, and all the support it had received from the community. The stand will support the development of the club for the **long-term** and for future members.



A spotlight on: Pentyrch Bowling Club

Club Name:

Pentyrch Bowling Club

Project Description:

Replacement toilet facilities.

Overall Project Target Total:

£7,000

Sport Wales Pledge:

£2,100

Total Funds Raised:

£8,140

Total Number of Community Supporters:

83

Pentyrch Bowling Club (PBC) is a grassroots and community-focused lawn green bowling club which has been running for over 30 years. With a membership of around 60 men and women, the club plays both league and friendly bowls matches in south Wales and hosts Monday bowls club nights for members and the wider community. It also offers various social events for both members and non-members.

The club is run by a group of volunteers and provides a means of enhancing the health and wellbeing of people of all ages; it is striving to improve basic facilities for members, visiting teams and the wider community.

The club required funding to replace some of the original infrastructure which was in poor repair. The toilet block in particular needed attention, and lacked disabled access.

Without appropriate facilities, the club was unable to hold competitive bowls matches or social functions for members and the wider community.

Over the next five years, the club aims to upgrade its facilities in order to attract more people from Pentyrch and surrounding communities to participate in bowling and non-bowling activities, resulting in improved physical and mental health, and greater community cohesion.



Capital Funding



Over the past financial year Sport Wales has distributed £9,503,000 in capital funding to support the infrastructure of the sector.

The funding has been delivered across a range of schemes. These include:

- An expression of interest process for bids via Local Authorities, National Governing Bodies and National Partners.

- The ATP Collaboration Group investing in 3G and ATP pitch facilities.
- Performance Sport Identified Projects.
- Improvements to the Sport Wales National Centre in Cardiff and National Outdoor Centre at Plas Menai.
- A Court Collaboration Group investing in multisport court facilities.
- A Green Energy Pilot with the Welsh Rugby Union and Football Association of Wales.

Case Study: Court Collaboration



Building on the success of the ATP Collaboration Group, where Sport Wales has traditionally worked with Hockey Wales, the Welsh Rugby Union and the Football Association in Wales to invest in playing fields, this year we launched the Court Collaboration group. Again, the principles of this funding were based on bringing together different partners to collaborate around multi-sport opportunities. In total £339,542 has been committed to projects identified and supported by Basketball Wales, Tennis Wales and Wales Netball, as well as individual local authority partnerships. This innovative approach has ensured an expansion in new facilities for community benefit, growing those sports and introducing new audiences to opportunities in their locality.



A spotlight on: Plas Menai Partnership



Parkwood Leisure, one of the UK's leading leisure facilities operators, became the new management provider of Plas Menai, the National Outdoor Centre for Wales, on 1 February 2023.

Parkwood Leisure has taken on the day-to-day running of the Centre for an initial ten year period after being awarded the contract as a commissioned partner. The buildings and land will continue to be owned by Sport Wales.

A key expectation of the Welsh Government's remit letter is for Sport Wales to deliver a new, sustainable **long-term** operating model for Plas Menai that maximises its contribution to tourism and wider social and economic impact of north Wales. As part of the new agreement, a strategic partnership group comprising representatives from Sport Wales, Parkwood Leisure and staff at Plas Menai has been set. These partners will work together to grow and enhance current services, and also to support staff with the transition.

With over 25 years' experience in the development and operation of leisure facilities, Parkwood Leisure runs more than 75 sites in over 30 local authorities across England and Wales, including outdoor activity centre, Dolygaer, located in the Brecon Beacons.

Plas Menai is already a world-renowned provider of outdoor activities with proud and passionate staff. The additional expertise that Parkwood Leisure brings will lead to more people enjoying all that Plas Menai has to offer.



Parkwood will align its values with those of Sport Wales - for example, to encourage happier and healthier lifestyles. It is dedicated to maintaining values such as encouraging happier and healthier lifestyles, and are dedicated to maintaining the high levels of service that Plas Menai is known for and providing more opportunities for people to enjoy the fantastic facility.

We are pleased to be working with Parkwood to ensure the **long-term** sustainable future for the site, and are excited to see what we can achieve together in the coming decade.



COMMONWEALTH GAMES – BIRMINGHAM 2022

The XXII Commonwealth Games in Birmingham saw magnificent efforts of so many of our Welsh athletes, bringing home a total of 28 medals: 8 golds, 6 silver and 14 bronze. 201 athletes across 15 sports competed and the games saw more para athletes than ever before.

Olivia Breen's gold medal in the T37/8 100m final, beating English rival **Sophie Hahn**, was phenomenal and earned her BBC Wales Sports Personality of the Year. **Lily Rice's** bronze in the pool came only months after returning to competitive swimming after being a backflipper and world champion in wheelchair motorcross.

Another Team Wales bronze medalist also turned his hand to his sport only six years ago, after trying football, gymnastics and weightlifting. **Jake Dodd** started on the punch bags as a way to keep fit.



The penultimate day of the games, 7 August 2022, was momentous for Wales as **Charlotte Carey** and **Anna Hursey** took bronze as Wales' women's first Commonwealth table tennis medal, while the same day **Josh Stacy** won gold in the Men's Table Tennis singles C8-10, and boxers **Rosie Eccles** and **Ioan Croft** won two more golds. **Garan Croft**, Ioan's twin brother, had also just won bronze in the men's light middleweight the day before.

Dominic Coy, Iestyn Harrett, Olivia Mathias and **Non Stanford's** Mixed Triathlon Relay was an incredible achievement given the strength of the field.

It is so difficult to single out one Welsh performer or performance amongst so many, but a special word should go to **Jake Heyward** in the 1500m at the athletics. Though he came in fifth place, this disguises what was an incredible world-class performance: his time broke the existing Games record that had stood since 1974 and would therefore have won each of the last five Commonwealth Games events. In a blanket finish, the race epitomised so much about the small margins in elite level sport and also why we should measure more than just the medal return at Games like these.



OUR WORK AS A PUBLIC BODY



Our wellbeing objectives

Following the review on progress towards our wellbeing objectives set out below, we have determined that the current objectives remain appropriate. Our Wellbeing Statement also remains unchanged.



To 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.

Progress has continued in implementing the new investment approach. This remains a cornerstone of our work, as it relates the participation choices of those groups most disadvantaged by inequality to our allocation of investment. The new principles-driven approach has been fully developed for partners who are not data driven using the same driver of tackling inequality.

The Community Investment Review drew strongly on the principle of user need as it sought to understand the barriers to applying for Sport Wales funding. User research has been used to develop a more straightforward and user-friendly application process.

The principles of service design and user

need are becoming better understood and more widely used in a range of projects. While we embed this approach further, we also must consider how we support partners to understand the needs of their users.

Further progress is needed on making stronger connections with ethnic minority people and further developing trust. While the pace of change has been slower than initially anticipated, progress has been made in a number of areas, such as the appointment of an Equality, Diversity and Inclusion (EDI) Manager.

A further example of engagement is the successful Ramadan Sport project held at Sport Wales National Centre in partnership with Foundation 4 Sports Coaching, an organisation that works closely with ethnic minority people in Butetown and Grangetown, Cardiff.

Positive indicators of this objective:

- New Athlete lounge to provide space for rest and recovery and improved access to the front of Sport Wales National Centre building for people with a disability.
- Quicker release of School Sport Survey results for schools to use and to support implementation of changes.
- Clinical psychology support for individual athlete needs; leading on sport's role in mental health.



To 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 context to progress on this objective is the very significant reduction in sports participation by young people reported in the 2022 School Sport Survey (overall a 9% reduction). The impact of the Covid-19 pandemic on children's sports participation is reflected in these figures for the first time. The data also shows the impacts have been disproportionately higher for children with higher levels of deprivation and the continuing cost of living crisis indicates that such disadvantage could increase further.

The new school curriculum and potential new approaches such as the Daily Active Offer, together with learning from the recent Active Education Beyond the School Day, may create significant changes to sport and physical activity in schools. These changes will present opportunities and challenges and our work through Regional Networks will have a vital role to play in understanding the impact of these changes and how we can work with the education sector to respond.

Positive indicators of this objective:

- Continuing work to understand our role in the Period Proud Wales Action Plan to support girls and teachers.
- Pathways project using data on sports progression pathways, drawing out insight from pupils.
- Actif North Wales are currently reviewing the AYPP resources and delivery across the region. In order to support Actif North Wales delivering against the Vision for Sport in Wales.





To ensure everyone has the opportunity to be active through sport:

Sport is inclusive and provides a great experience for all.

There is a wide range of work in progress and planning to improve EDI and a genuine sense across the workforce that it is the most important theme throughout Sport Wales' work. However, there is a sense that, whilst progress is being made towards improvement in many aspects of work, the scale of change needed is large and will require significant resource. In this sense, a number of key projects are taking longer than was hoped to start to make the difference they seek, and Sport Wales still has further work to do to build trusted relationships with different communities.

The reduction in sports participation evidenced by the 2022 School Sport Survey data also gave clear indications that reductions were proportionately greater for those already disadvantaged (Socio-economic deprivation; ethnic minority people; young people with a disability; girls). Whilst recognising that the factors causing these reductions are complex and will **involve** the huge disruption of Covid-19 it would be wrong not to re-state this sobering evidence for this objective. It makes a strong argument for the continuation of EDI as Wales' highest priority.

Positive indicators of this objective:

- Improving accessibility: digitally, through extensive work on our communications and digital processes, including upskilling our staff and the sector; and physically, with improved access to the entrance at Sport Wales National Centre for people with a disability; for the first time British Sign language interpretation was provided at a Sport Wales event: The Sport Summit.
- EDI is a high priority in a number of projects and on-going work focused on the sport sectors workforce, including Positive Action Leadership (PAL) developing leadership capability.
- Welsh Boxing was supported to use School Sport Survey data to help shape the work that will contribute to delivering its community strategy and a more deliberate and purposeful focus on social cohesion and working with under-served communities in Wales. This is an example of the data being used to support strategic direction.
- Sport Wales National Centre hosted Midnight Ramadan, connecting with Foundation 4 Sport Coaching, a local organisation providing sports opportunities to Cardiff's Muslim community.
- Capital investment: a new Expression of Interest scheme was launched, prioritising projects that could impact on deprivation and inequality, with £3m awarded to 30 projects.



To bring people together for the long-term:

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

Last year we reported that, while **collaboration** was an embedded working approach, **integration** was less established. Progress in this area has been limited during the year.

Good progress in strengthening sustainability within the sector has been made with Sport Wales publishing its first ever Environmental Sustainability plan. The new plan included **collaboration** and **involvement** with the sports sector and other Sports Councils in the UK as well as national public sector and third sector organisations across the UK.

Capital funding schemes also made further progress in relation to **collaboration** as a new Court Collaboration **involving** basketball, netball and tennis. Sport Partnerships have moved from concept and planning to reality with Actif North Wales using its insightful data to connect with new and existing partners. The School Sport Survey continues to be driven by **collaboration** through the feedback and delivery of Local Authorities and schools, helping to continuously grow and improve the survey and its use. Additionally, the work in progress to enable the sector to directly access more specific breakdown of survey data should support insight-based decision making.

Progress has also been against this objective through our work to find a new Commissioned Partner to run the operations of Plas Menai, thus ensuring a sustainable, **long-term** future for this important asset.

Reviewing this objective raised challenges which will need to be addressed to make further progress.

We have a lot of good data and need to consider how we use that data to shape plans, priorities and track progress. Whilst Sport Wales no longer uses a target-driven approach with partners, using data to learn and improve is still very important and should be strengthened.

Positive indicators of this objective:

- **Capital funding:** Sport Wales established ground-breaking schemes to fund projects focused on sustainability; including a new pilot approach working with football and rugby on club sustainability.
- The **collaborative** process to agree mutual work areas with partners was further developed this year by including our Insight team to increase the focus on the survey data and research findings.
- Regular joint meetings with Sport Wales partners in national third sector organisations are not just to update on future projects but are a space for genuine dialogue with challenges and alternative solutions discussed constructively.





To showcase the benefits of sport:

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

This objective is evidenced by our work supporting the Healthy Weight, Healthy You behaviour change campaign that launched in January in partnership with Public Health Wales, Welsh Government and National Resources Wales. The campaign aims to help adults across Wales lead healthier lives, with physical activity a key part of the campaign.

We work in partnership with Chwarae Teg as the sponsor of the Women in Sport award at the Chwarae Teg Womenspire awards celebrating the success of inspiring women in our sector.

In showcasing the feats of Team Wales at the 2022 Commonwealth Games, we chose to put much of our focus on key messages about developing an inclusive sport system and not just medals.

This is a key Remit Letter commitment to maximise opportunities to showcase Wales to the world.

A key piece of work for this objective has been planned this year as we have commissioned Sheffield Hallam University to research social return on investment. This will report in 2023/24 and will give independent objective assessment of sport's contribution to health, education, social cohesion and criminal justice.

Positive indicators of this objective:

- **Capital Investment:** A clear focus on environmental benefit. How sustainability can be extended through sport and that sustainability doesn't have to be a negative place for sport.
- **Ministry of Justice - Youth Justice Sport Fund:** We saw the potential and as part of the steering group helped connections leading to additional funding for eight projects in Wales.
- **Crowdfunder:** We are strengthening the reach of sport in communities. Beyond the funding the benefits to clubs are the connections they form. Many brilliant examples of clubs engagement work. They learn and also share through self-formed informal networks.



To be a highly valued organisation:

Sport Wales is a respected organisation, striving to overachieve by delivering a first class service through our valued staff.

Sport Wales National Centre has sought independent assessment on a wide range of its operations over the course of the year and has achieved positive, objective results. Our average monthly scores in 2022/23 from the Proinsight service of mystery shoppers were 96% for accommodation and sports facilities. On the catering side, our inspected Food Standards Rating is 5 out of 5 and the department has maintained the highest achievable standard of Gold in the Healthy Options awards.

Our work on sustainability has included establishing a number of new workstreams covering a range of aspects such as electric vehicle charging points in Cardiff and the move to an all-electric fleet; a project to improve sustainability in procurement; and the preparations and establishment of the first funding schemes aimed at sustainability.

It also **involved** installing the highly innovative heat pump system at Plas Menai, a huge initiative especially as it was a retrofit project at a very large public building in a marine conservation area. This **involved** overcoming many different problems (large complex construction in a new area of technology; procurement; project management).

As part of this review the views expressed from some partners have asked that Sport Wales try new approaches or iterate more quickly.

Positive indicators of this objective:

- The delivery of qualifications and on-going support of partner staff in Strength and Conditioning.
- The development of more sustainable procurement practices and of sourcing food from the most sustainable sources minimising food miles and extending the circular economy.
- Working with families and young children to understand their needs and reduce the risk of child obesity.



EQUALITY OBJECTIVES



Increase workforce diversity and inclusion

Sport Wales has continued the progress from the previous year in terms of diversifying its workforce. Ethnic minority employees now comprise 9% of our workforce, which is significantly higher than the national population. The proportion of LGBTQ+ is also above the national population average.

We have shown that we are keen to accelerate the increase this diversity further during 2022/23, with changes made to recruitment processes to continue to increase impact. These have included further change to better promote recruitment to under-represented groups; working with partner organisations such as Cardiff Metropolitan University to attract more diverse applicants and changing processes on recruitment such as drop-in sessions and guaranteed interview schemes.

We hope that these changes will continue to facilitate progress in further diversifying the workforce where significant further change is still required. This is particularly evident in terms of disability, where the number of staff identifying as disabled is well below the national average of 21%.

In addition to the more immediate impacts set out above, we have also started longer term work to promote Sport Wales as an employer within local communities.

This has included work with diverse pupil cohorts from local secondary schools to give them opportunities to meet staff and visit Sport Wales to get a taste of what it is like to work here. On a shorter timescale, we are also providing more direct opportunities through our Institute as plans are in place to fund Master's degree courses and provide paid internships. This initiative focused on candidates affected by socio-economic disadvantage to provide the skills required for employment with Sport Wales.



Eliminate pay gaps

The gender pay gap at Sport Wales as of 31 March 2023 was 7% (Median) or 9% (Mean). This is an increase from 0% (Median) and 6.1% (Mean) as of 31 March 2022. Whilst clearly disappointing, these figures remain below national averages. These figures have been impacted by a higher than average staff turnover rate within the year and further analysis is required to understand how this has impacted different areas of the business.

Diversity at Leadership and Executive level is lower than across the rest of the organisation and an important next step is to consider how we can positively impact this area through succession planning and our continued commitment to staff training, alongside more inclusive recruitment practices. Diversity at Board level remains positive.

With improving diversity in other characteristics, we should consider in future the point at which pay gap information would be statistically viable and should begin to be collected for some of the other protected characteristics.



Engage with the community

(**Long-term** outcome: Diverse communities throughout Wales will be actively engaged in our organisations' work. Strategies, policies and decisions will be co-produced with diverse individuals. People's experiences and views will shape our organisations).

The user design approach is becoming well understood and used in aspects of our work and projects, for example, the Community Investment review. The learning from this project is also being shared within the organisation through regular show and tell sessions. There has been a recognition in reviewing this objective that a concept such as user design can take significant time to embed in all work. Therefore, whilst it is establishing, it is not yet embedded. There is also an important view that we need to put more effort in looking at what partners require because their use of user design is more important as they are closer to participants – we need to understand what they need and provide it.

It is positive to see the use of technology (as evidenced by the UPSHOT tool being used in the 60+ programme) as an innovation to enable better engagement with service users and communities. Simple qualitative processes are also important and the depth of learning from these justify the greater time they often require.

One of the key strategic objectives of our partnership with Parkwood to run the operations of Plas Menai is to increase community engagement. Initially, this is focused on increasing usage by school pupils and Parkwood Leisure also plans to offer support to North Wales communities through bursaries and apprenticeships.

Covid-19 and the cost of living crisis have impacted local and regional resources across Wales, leading to a reduction in Local Authority facilities and sports development staff, who play a vital role in engaging with communities. Continued rollout of Sport Partnerships will help to facilitate better community engagement, putting local need at the heart of decision making within different regions across Wales.



Ensure equality is embedded into the procurement / commissioning process and is managed throughout delivery

Following our **involvement** in the Infuse Programme, we have initiated a project to consider how sustainability can be embedded into procurement at Sport Wales, including needs in relation to EDI. A discovery phase has been completed and a set of recommendations will be proposed suggesting focus areas as next steps to the project.

The procurement of a commissioned partner to run the operations of Plas Menai was the biggest procurement exercise that we undertook last year. EDI was a key aspect of the tender assessment process, both in terms of workforce diversity and service provision to under-represented groups.





Ensure service delivery reflects individual need

(**Long-term** outcome: People and shared good practice actively influences delivery of services to meet individual needs)

This objective is very closely aligned with the wellbeing objective of 'person centred' that is at the core of our strategy. It is an established approach within Sport Wales, for example in the athlete centred approach of Touch Base Space - the availability of a Clinical Psychologist for athletes to discuss concerns over their mental health or wellbeing.

In the Positive Action Leadership programme, individual needs are considered through the use of talking circles to understand the learning needs of each individual on the programme and to share these with the group for mutual support. The establishment of an Athlete Panel will give crucial insight and draw on best practice from current and previous participation environments.

Reflection logs have continued to be the primary tool to progress the business plan on a month-to-month basis, ensuring learning is at the heart of operational delivery. Reflection logs have also been introduced to Be Active Wales Fund processes for applicants to feedback on what they learned. A wide range of information, learning and training events are provided both to Sport Wales staff and externally to the sector. Regular internal Lightning Learning sessions of bite sized information, stimulus and thought leadership are popular with staff.

The Citbag resource for teachers has been the subject of much user research. We have adapted and updated on a number of occasions and is keen to continue to do this. Continued evaluation and improvement will help teachers to use the resources.



WELSH LANGUAGE STANDARDS REPORTING

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 25th January 2017.

This section assesses our performance against our Welsh Language Standards, and provides details of the 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 have continued their partnership to support and encourage national organisations in the sports sector to extend their Welsh language offers.

Sport Wales sees this work as an important part of our Welsh language duties through encouraging the development and promotion of more opportunities to use the Welsh language. A number of National Governing Bodies are close to completing their action plans to extend their services in Welsh and achieve the Welsh Language Commissioner's Cynnig Cymraeg award.





Marketing, communications and digital

All of our public e-communications and media content continue to be produced bilingually, with recent changes making 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.

Our Welsh language Twitter and Facebook accounts have seen significant increases in interactions and engagements. On social media we also **integrate** Welsh phrases, such as 'Llongyfarchiadau' and 'Pob Lwc' into our English content to encourage others to use the language when celebrating Welsh sport.

St David's Day is one example of how we're using significant days in the Welsh calendar to promote the use of the Welsh Language. We published infographics and Welsh words and phrases that could be used in a sporting context, this communication performed very well – reaching nearly 15,000 people with this one tweet alone.

Another example of our positive work in this area is how we promoted Welsh Language Rights Day (WLRD). Sport Wales put a strong focus on this opportunity in 2022 which included:

- Internal Communications to all Sport Wales staff in the week before, explaining the day's significance, giving information about the Welsh language and asking for their support to extend its use and to promote WLRD.

- External Communications on all social channels running a short campaign of the following elements:
 - Internal developments and services at Sport Wales.
 - Video clip in Welsh from our Interim CEO talking about the importance of the Welsh language to sport and to Sport Wales to encourage greater use.
 - Promoting the use of Welsh language in sports clubs.
 - Promoting our grants to support Welsh language sporting opportunities.

We launched Citbag, a bilingual online hub of physical activity resources aimed at teachers. The bilingual name for the resource emphasised our efforts to use the appeal of the Welsh language across all our audiences.

Whilst working with national / UK wide partners we continue to ensure that assets and materials that we are invited to use to support campaigns are available in Welsh or bilingual. Examples include The National Lottery's annual campaigns and UK Coaching's annual UK Coaching Week campaign.

The Communications team held an in-house learning session to consider current Welsh language practice at Sport Wales. This drew on the Welsh Language Commissioners' draft Code of Practice circulated in 2022 and recent mystery shopper feedback. Improvements were discussed and planned in a number of areas.



Grant funding

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

Cronfa Cymru Actif / Be Active Wales Fund

Of the 595 Be Active Wales Fund awards, 22 are from organisations that stated that they provide sporting activity entirely through the medium of Welsh, whilst 145 organisations said they use it partially.

The combined impact of the 167 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 2022/23

No. of sessions delivered in Welsh (full)



No. of Welsh coaches (full)



No. of sessions delivered in Welsh (partial)



No. of Welsh coaches (partial)



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 templates. 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 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 us, 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.



Service delivery

All signage in both of our National Centres and at our events are bilingual. New bespoke signage has been purchased ensuring that the Welsh will be read first. We've added high profile signage of individual sports facilities and for our new electric vehicles in 2022/23.

We have developed a process for all staff on how to operate with Welsh language enquiries and this process is detailed on the Welsh Language pages of our corporate intranet.

We have provided a Welsh language simultaneous translation service (online) for the CLIP programme of learning seminars.



Policy making

The Insight, Policy and Public Affairs team ensure our written responses to Government and Senedd consultations are submitted in Welsh and English at the same time.



Operational

During 2022/23, all vacancies had bilingual / multi-lingual skills listed as a desirable criteria on job descriptions. A total of 20 new starters joined Sport Wales during 2022/23 on permanent or fixed term contracts. Of these new starters, four are either fluent or partial Welsh speakers, including some in key public facing roles. All recruitment information is produced bilingually, and applicants are given the option to interview in either Welsh or English.

Our staff handbook which details our corporate policies covering everything from health and safety to performance and absence management and workplace benefits is bilingual. All staff are aware of the opportunity to have Welsh as their preferred communication language in the workplace, including our complaint and grievance processes.

All staff are given the opportunity to improve their Welsh skills through formal Welsh language training during working hours, which is regularly promoted by our HR team.

During 2022/23, three people have attended entry level Welsh courses.

All email signatures are managed centrally by our ICT department and are bilingual.

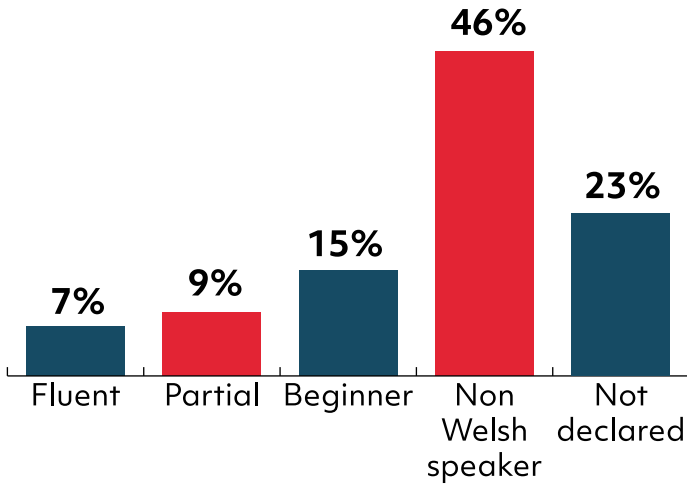




Record keeping

We keep a record of the number of Welsh speakers within Sport Wales. In 2022/23 we had the following:

Level of Welsh



The above data includes a continued increase in declarations from staff through engagement work to improve this monitoring system (increased to 77% from 73% in 2021/2022 and 36% in 2019/20). There has been a small decrease in the proportion of Welsh speakers from 33% in 2021/2022 to 31% this year and this was largely due to Plas Menai staff based in Caernarfon leaving Sport Wales employment as part of the commissioned partnership with Parkwood.

We keep a record each year of complaints relating to our adherence to the Welsh Language Standards.

During 2022/23 we received one formal complaint regarding our Welsh language standards. The complaint related to the operation of Plas Menai and to the decision-making process that Sport Wales used to consider entering a **long-term** contract with a commissioned partner. The investigation into this complaint is ongoing.



Supplementary – service delivery / policy making / operational / record-keeping

Our 'Welsh Language Scheme' includes all of our Welsh Language 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.

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.

Case Study: The Urdd



The text below highlights some of the excellent work to provide Welsh language and bilingual sports opportunities by Urdd Gobaith Cymru in partnership with Sport Wales:

- Establishment a new post of Equality & Diversity officer – and recruited Nooh Omar Ibrahim. Nooh's contribution to sport in Cardiff through his volunteering and previous work with Cricket Wales and WRU was recognised as he was nominated for the BBC Sports Personality of the Year 2022 Unsung Hero award. He has moved quickly in his new role to engage with Cardiff Muslim School and to connect with new communities through the medium of Welsh.
- Provision of sport in the Welsh language in ethnic minority people in Cardiff has shown good progress.
- New apprenticeship partnerships have been established with Leisure Trusts and Local Authorities to improve the training and skills of the workforce in sport and leisure facilities. A significant number of these apprenticeships will be delivered in the Welsh language to ensure facilities can be accessible to all.
- The Urdd delivered the Urban Games in Cardiff Bay in 2022 and plans are in place for 2023. This provides exciting and inspiring experiences that are different to many traditional sports. The sports **involved** included 3x3 Basketball; 3x3 Wheelchair Basketball; BMX; Scootering; Skateboarding; WMXC Adaptive Skate.

- The #FelMerch project has continued to inspire, support and empower girls and young women aged 14-25 to participate in sport in their communities, whatever their ability or experience. In 2022, five girls from the programme had the opportunity to travel to Qatar to coach and to showcase the #FelMerch product. This was as part of a team of 10 Urdd staff and young ambassadors who held arts and sports sessions at schools in Doha, Qatar and Dubai as part of celebrating Wales at the Men's Football World Cup. Through these sessions, Wales, our language, culture and country was introduced to a new audience for the first time. The sessions offered children the opportunity to learn and play together.
- The Urdd staff are looking at how school and community sport can better engage with communities, drawing on learning from Norway & Sweden. This follows the inspiring keynote speech from Per Tøien, senior advisor to the Norwegian Olympic and Paralympic Committee and Confederation of Sports at the Sport Summit in December 2022.

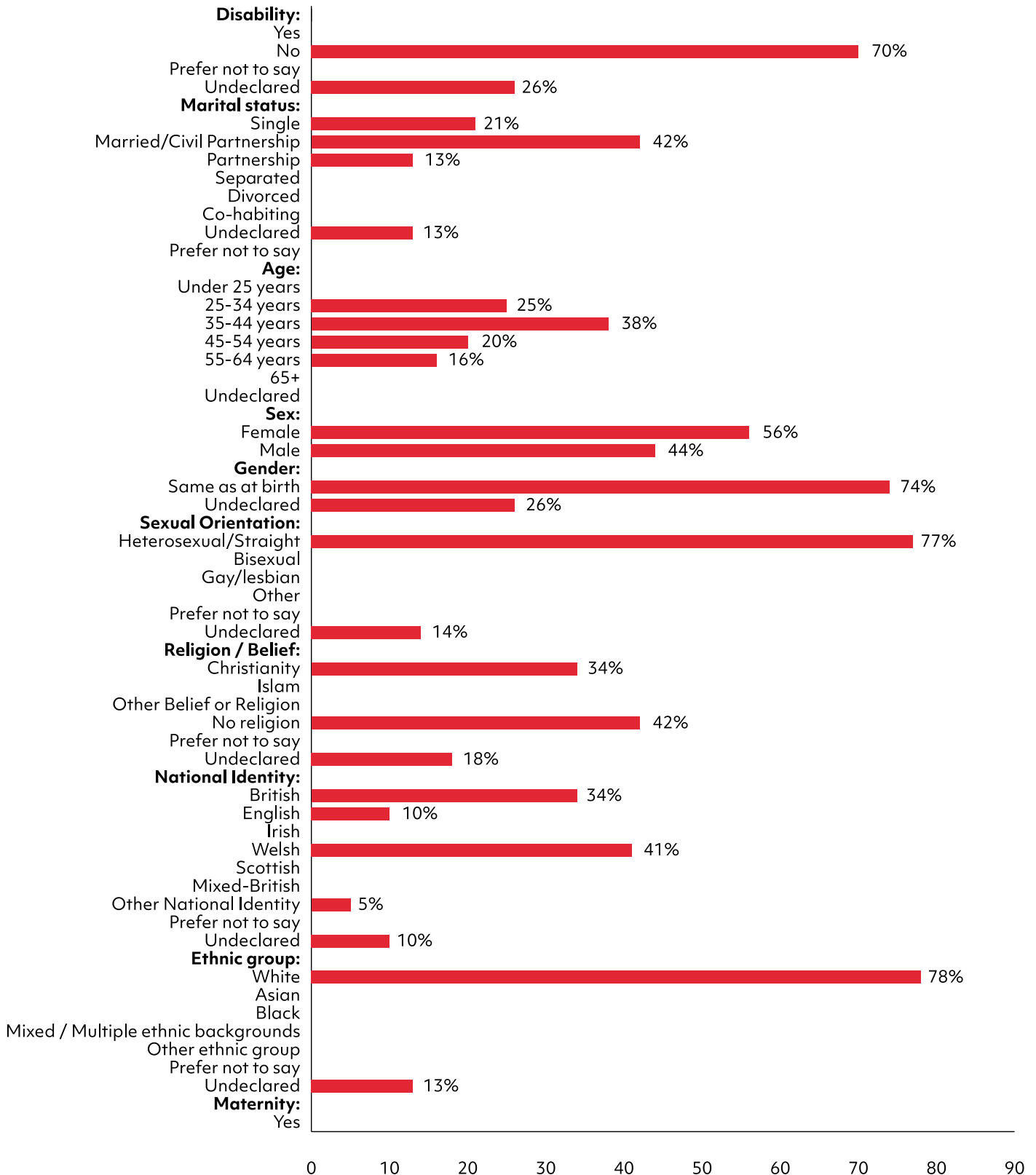


PERFORMANCE ANALYSIS

Current equality statistics

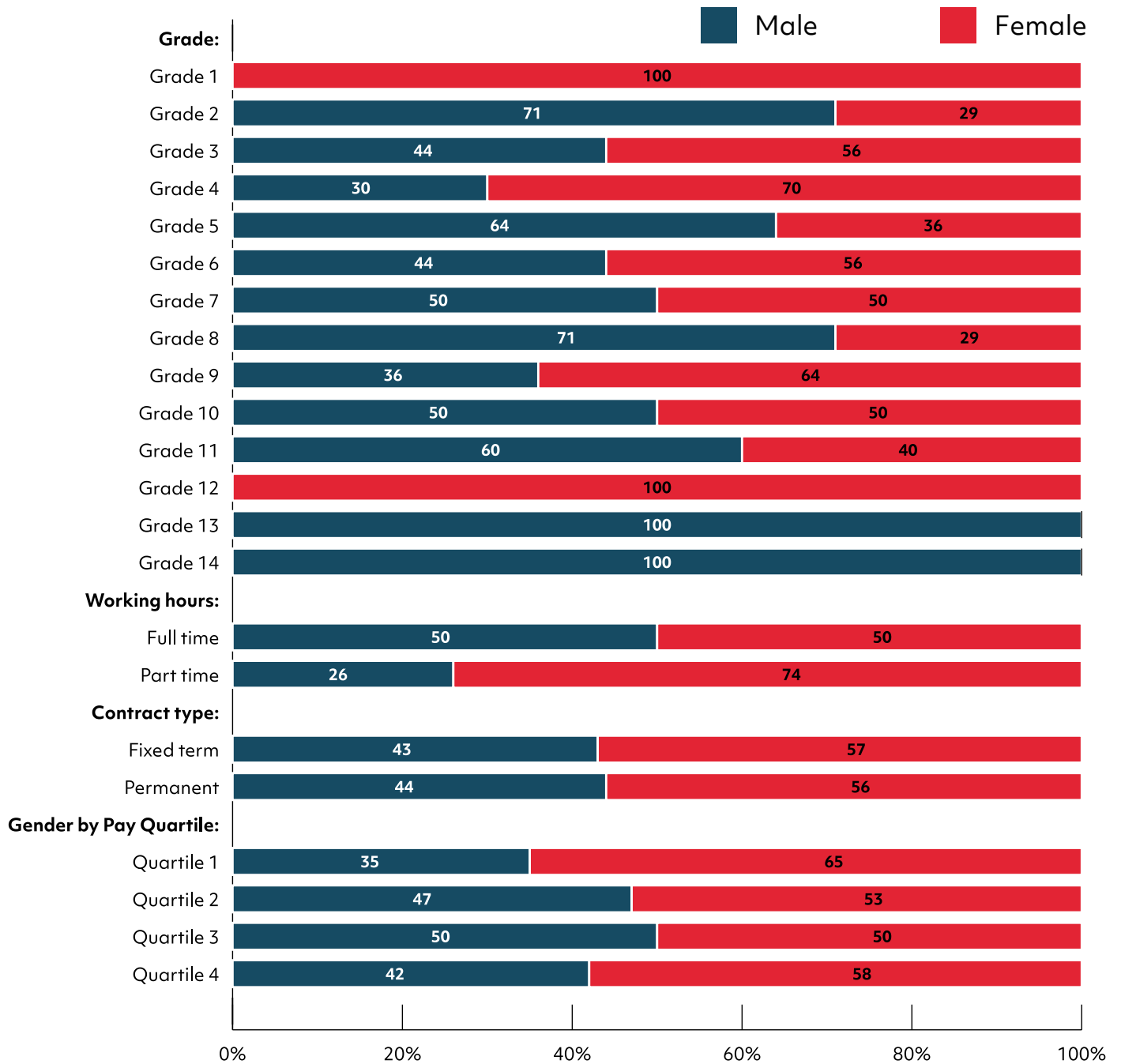
As of 31/3/23, Sport Wales employed 151 people in permanent and fixed term roles.

The equality statistics for those staff are in Figure 1:



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

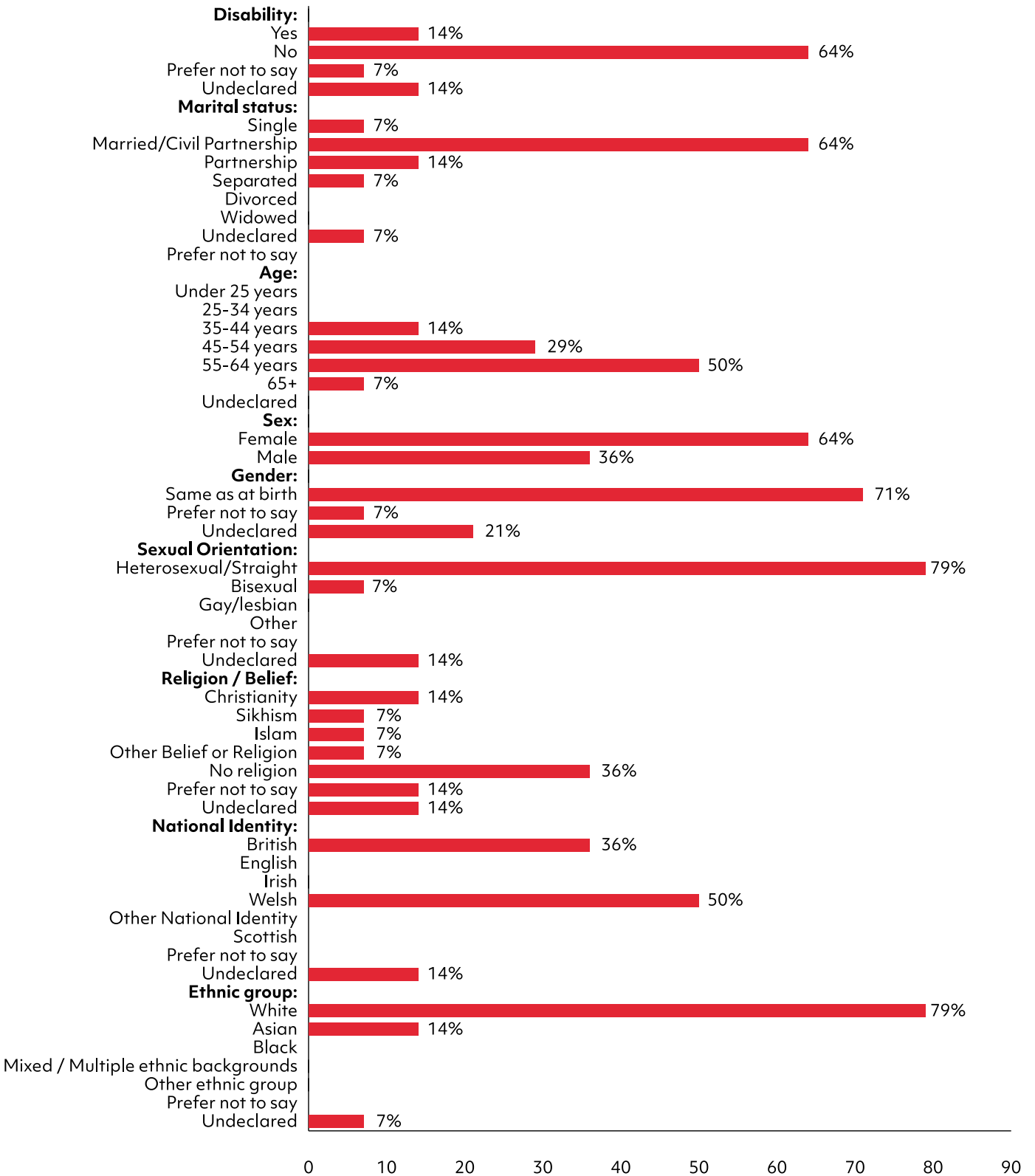
Figure 2 illustrates the number of men and women employed broken down by grade, working hours and contract type during 2022/23:



The gender pay gap in Sport Wales as of 31 March 2023 is 7% (Median) or 9% (Mean). This is an increase from 0% (Median) and 6.1% (Mean) as of 31 March 2022.

Equality statistics - board

Figure 3 illustrates the equality statistics for our board members during 2022/23:

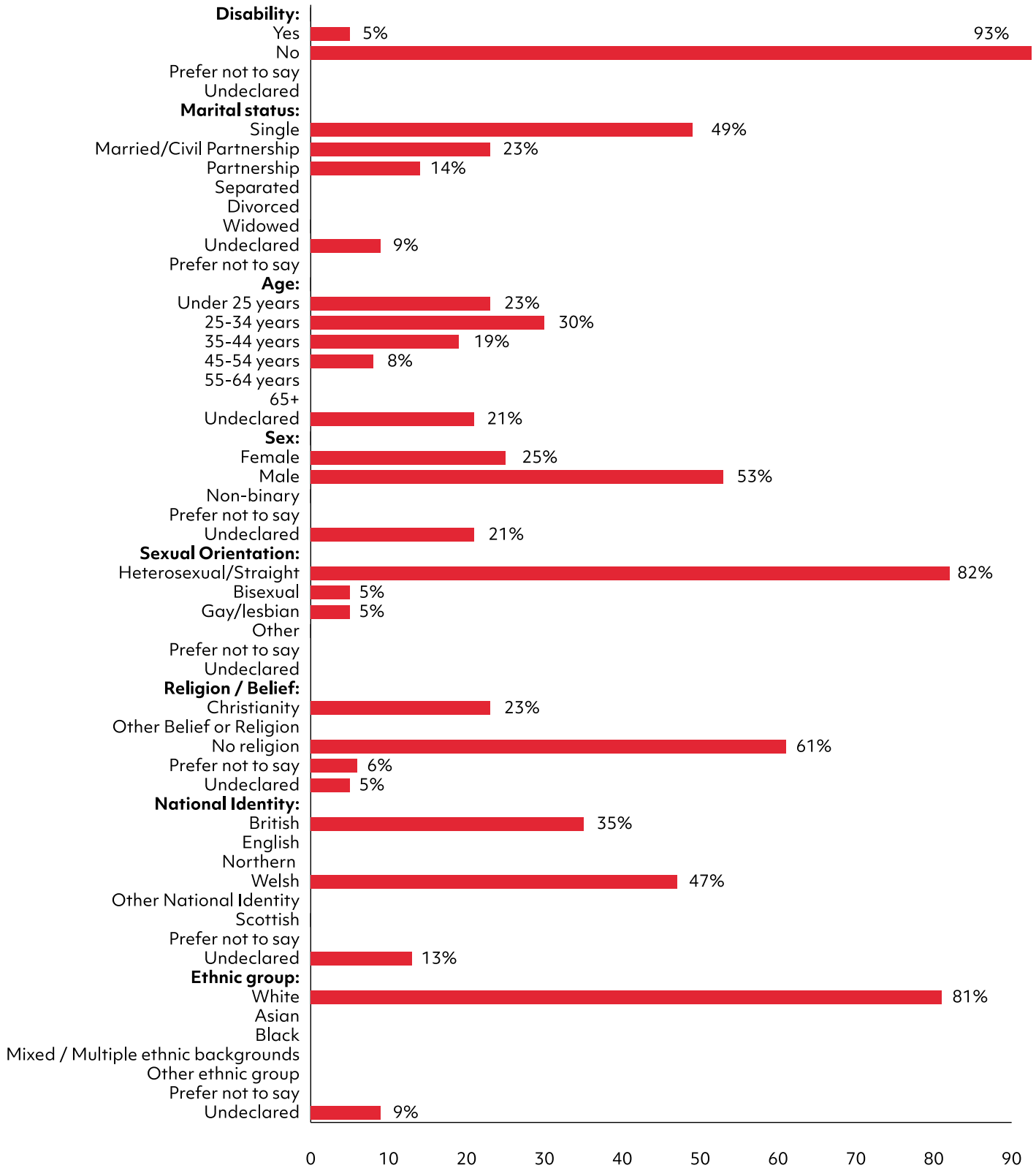


*Data labels have not been included for figures lower than 5%

Recruitment

In 2022/2023 we received 567 job applications.

Figure 4 shows the equality information for applicants:

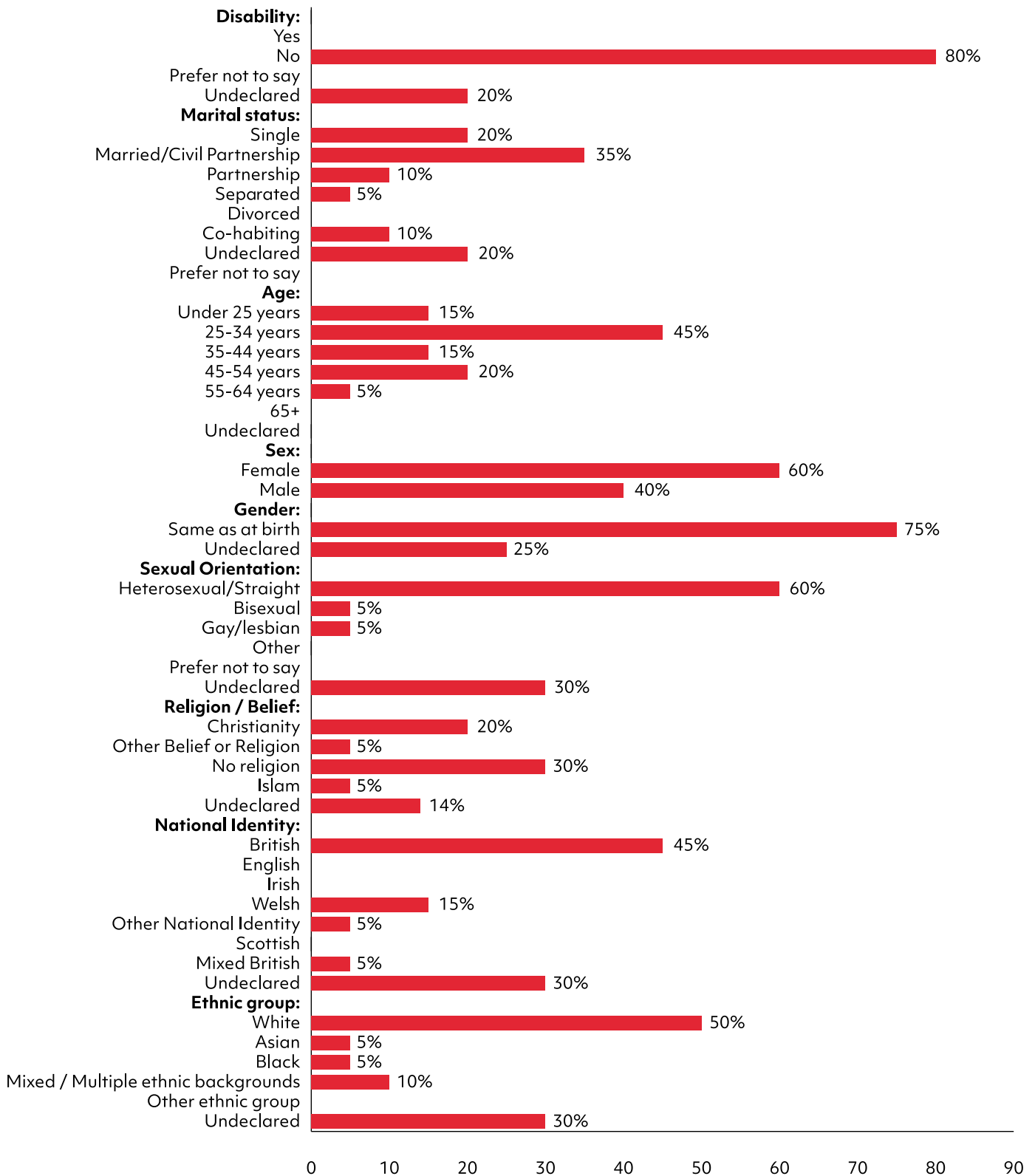


*Data labels have not been included for figures lower than 5%

New starters

There were 20 new starters (on a fixed term or permanent contract) during the period 1 April 2022 – 31 March 2023.

Figure 5 shows the equality information for those new starters:

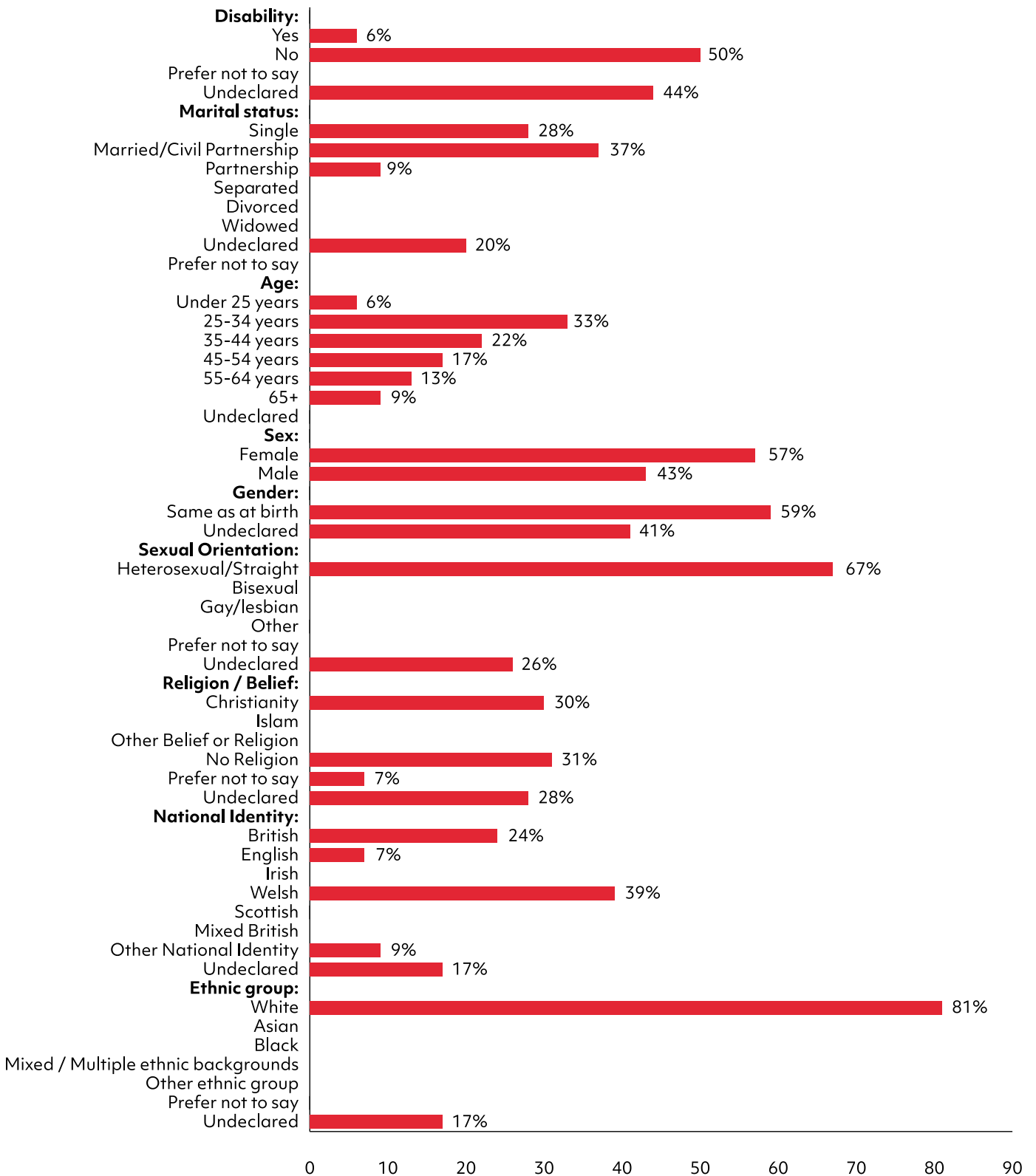


*Data labels have not been included for figures lower than 5%

Leavers

There were 54 leavers (on a fixed term, seasonal or permanent contract) during the period 1 April 2022 – 31 March 2023.

Figure 6 shows the equality information for those leavers: :



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

Complaints, grievances and disciplinarys

We have 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 found. Processes are also available for complaints made by the general public. During the reporting year no grievances and two disciplinarys were held.

Specific equality training

All new starters undertake equality and diversity online training. An induction session is provided for new starters on equality, diversity and inclusion and a new wide-ranging programme of EDI training and support has been offered to all staff and delivered in 2022/23. Sport Wales staff have joined a number of training programmes as delegates: The Inclusive Leadership Programme from Chwarae Teg; Becoming an Inclusive Leader which was established by Sport Wales for the sports sector in Wales and a wide range of conferences and seminars.

Sport Participation Report

Characteristic	School Sport Survey 2022	National Survey for Wales 2021/22	Notes:
	Participation in sport three or more times a week ¹ .		Only these settings included in the children's measure - extracurricular or community club are used.
Overall (all)	39.5%	33.6%	
Women and girls	36.4%	29.7%	We hold data on children who do not identify with the gender of 'boy' or 'girl'.
Other genders	28.1%	-	

¹ Future Generations Indicator 38

Characteristic	School Sport Survey 2022	National Survey for Wales 2021/22	Notes:
Ethnically diverse communities	35.9%	6%	The ability to explore ethnicity is contingent on sample size. We can provide much more detail for children due to the sample size (approx. 115,000 people). Further adult analysis is limited due to the maximum achievable sample size (12,000 people).
Asian / Asian Welsh / Asian British	30.1%	-	
Mixed / Multiple Ethnic Groups	42.8%	-	
Black / Black Welsh / Black British	38.3%	-	
Other Ethnic Group	33.1%	-	
White (Welsh, English, Scottish, Northern Irish, British)	40.8%	33.4%	
White Other (includes Gypsy or Irish Traveller, Irish, Roma, and any other White background)	36.0%	35.7%	
Socioeconomic deprivation	32.3%	-	Children who attend schools with the highest levels of eligibility for free school meals are considered 'deprived'; a different measure is used for adults termed material deprivation.
Material deprivation	-	19.1%	
Disability or impairment	34.9%	25.0%	Adult question: 'Do you have any physical or mental health conditions or illnesses lasting or expected to last for 12 months or more?'
Welsh Speakers	46.3%	40.2%	

Investment report

A total of 595 Be Active Wales Fund awards were made in 2022/23. The number of awards made and total funding awarded to each of the priority areas of the scheme were:

Priority area	Number of awards	Total funding awarded
Women and girls	413	£3,334,615
Black, Asian and Minority Ethnic	154	£1,031,633
Disability	197	£1,733,285
Lesbian, gay and bisexual	82	£568,372
Transgender	52	£317,656
Social economic deprivation	350	£2,666,744
Welsh language	139	£1,090,633
Creating long-term sustainability	513	£4,022,835
Total for all priority areas	595	£4,330,967

Applicants entered text to state which priorities their projects addressed. Projects did not have to reference just one priority area, so the sum total of applications for each area will not equal the total number of awards.



Data analysis

Workforce:

The declaration of diversity characteristics across all staff has continued to increase.

Staff diversity for the protected characteristic of ethnicity has increased with all non-white ethnic groups comprising 9% of the workforce at 31/3/23. This progress is positive as Sport Wales has recognised our lack of diversity in ethnicity and has taken action through significant changes to recruitment practice. There have been increases in the diversity of applicants, interviewees and successful appointments. Whilst this progress is positive, it should also be recognised that the non-white population of Cardiff (where the majority of Sport Wales staff are based) is 20.8%, evidencing that further progress is needed.

The number of staff identifying as disabled has reduced and is now far below the national average of 21% (source ONS, 2021 Census), 6% of leavers were disabled with no new starters identifying as disabled.

Sports participation:

Our School Sport Survey showed an alarming drop in the overall figure of those participating at least three times a week - dropping by 8.1 percentage points (pp) to 39.5% of young people. This is likely to have been heavily impacted by the Covid-19 pandemic. The previous survey was in 2018.

Groups whose data show the greatest levels of disadvantage include:

- Asian / Asian Welsh / Asian British groups (9.4 pp below overall average and a drop of 9.5 pp on the previous data in 2018);
- Those in socio-economic deprivation (7.2 pp below overall average and a drop of 9.9 pp on 2018);

- Other Ethnic groups (6.4 pp below overall average and a drop of 12.6 pp on 2018);
- Those with a disability or impairment (4.6 pp below overall average and a drop of 11.7 pp on 2018);
- Girls' participation (3.1 percentage points below overall average and a drop of 9.3 pp on 2018).

Data on Black / Black Welsh / Black British pupils is a concern as it has dropped by 12.2 pp, well above the overall average fall. This has shifted the group from one that was previously 2.9 pp above the overall average to now being 1.2 pp below.

Around one-third of all pupils in Wales completed the survey, and so small changes since 2018 could be explained by statistical variation, as not all pupils in Wales participated. However, larger changes are likely to reflect genuine differences in population behaviour.

National Survey for Wales: Due to differences in methodology used, results from the Sport & Active Lifestyles section of the National Survey for Wales 2021/22 should not be directly compared with results from previous editions of the National Survey for Wales. The previous survey data reported in the 2021/22 Sport Wales Annual Report was from 2019/20.

The most recent data showed that the greatest levels of disadvantage are in socio-economic deprivation (an alarming 14.5 pp below the overall average); disability and impairment (8.6 pp below overall); the figures for women's participation are also a concern at 3.9 pp below the overall average.

On a more positive note, Welsh speaking continues to be positively correlated with participation for both adults and children (SSS: 6.8 pp above average and NSW: 6.6 pp above average).

Identifying and collecting relevant information

The steps the authority has taken to identify and collect relevant information

We have always been committed to using high quality research to inform its policy and strategy and to advise 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 work 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**. The SSS has been improved as an easy read survey, as an example of a positive change. The development of the SSS has included a formal consultation process and piloting the survey to understand the information we need to collect, and in which ways.

Following the successful partnership with the Centre for Digital Public Service (CDPS) during 2021/22, several recommendations made by CDPS have been implemented. The biggest change made is the procurement of a new investment system. This new system will help us better collect and display our community investment data, allowing us to make more insight-driven investments in the future.

Since May 2020, we have undertaken seven rounds of the 'Welsh Activity Tracker', 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 national trends and inequalities in adult attitudes and behaviours across these protected characteristics throughout the course of the Covid-19 pandemic.

With the National Survey for Wales, a household survey of 12,000 adults in Wales covering adult participation in sport and physical recreation, the Welsh Government are responsible for any non-sector specific characteristics captured in the survey. Currently the characteristics include geography by regions of Wales; urban/rural; sex; ethnicity; illness, disability or infirmity; material deprivation; use of Welsh language. Results are available for each local authority in Wales. The survey is used to inform Future Generations Indicator 38 – 'Percentage of people participating in sporting activities three or more times a week'.

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.

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; Welsh Activity Tracker) 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 (a protected characteristic 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 and the ability to change questions in multi-stakeholder surveys.

We collect 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 may not be sustainable, e.g. the use of eligible free school meal claimants (as a proxy of socio-economic deprivation) because of the roll out of universal free school meals for all primary school children by 2024.

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. Also, through our work to expand the reach and impact of our community grants through partnership with the CDPS. Members of the Insight team at Sport Wales also regularly attend the Wales Statistical Liaison Committee (WSLC) organised by Welsh Government.

This helps to promote liaison and consultation on data and statistical issues between public sector organisations in Wales. There are several meetings a year and the Committee includes members from across the public sector. In addition, we is also part of the Official Statistics Producers in Wales Group.

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). The Insight Team are currently trialling a dashboard approach that would help to provide this type of overview using Power BI software.



LOTTERY FUNDING AND ADDITIONALITY

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 2022/23 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 £2,730,000 (2021/22 £3,018,000) were met during the year. The amount provided in the accounts for signed contracts relating to capital grants decreased by £288,000 in 2022/23 (2021/22 increase of £828,000).

Revenue grants

Revenue grant offers of £11,129,000 (2021/22 £8,831,000) were met during the year. The amount provided in the accounts for signed contracts relating to revenue grants increased by £2,298,000 in 2022/23 (2021/22 decrease of £3,437,000).

Movement on lottery balance to 31 March 2023

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

Balance at 1 April 2022	Unrealised Loss	Income Received (Net)	Money Drawn Down From National Lottery Distribution Fund	Balance at 31 March 2023
(£000)	(£000)	(£000)	(£000)	(£000)
15,054	-	16,232	(16,700)	14,586

The table shows a decrease in the balance held of £0.5 million, compared to an increase of £2.243 million in the previous financial year.

Financial results

Sport Wales's Lottery Distribution results are set out in the Statement of Comprehensive Net Income. Total net comprehensive income for the financial year amounted to £808,000 (2021/22 total comprehensive income of £3,983,000). This has been transferred to reserves.

The statement of financial position for 2022/23 shows a total net asset figure of £12,370,000 (2021/22 £11,562,000).

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)

Sport Wales has placed sustainability at the heart of its priorities in 2022/23 as for the first time is featured as one of the six business plan priorities. To implement this priority a multi-functional team of staff from across the organisation has been established, with actions to deliver and monitor key areas which are regularly discussed at Leadership team and reported to the Executive and Board.

A key requirement of the business plan priority was to produce Sport Wales' first strategic lead document on sustainability.

This was achieved in February 2023 with the publication of the Sport Wales Environmental Sustainability plan. This set out Sport Wales' commitment to playing our part in tackling the climate crisis, nature emergencies and realising the Welsh Government ambition for a net zero Welsh public sector by 2030.

The plan was produced in partnership with the Carbon Trust. Other collaborations were also vital to the development of the plan with Sport Wales drawing on its membership of the Sport and Environment Climate Coalition (SECC), a collective of UK sports organisations, and engaged with the sporting sector in Wales to understand the current picture and set future ambitions.

The plan sets the following ambitions:

- Achieve net zero by 2030.
- Be a sustainable organisation making a positive contribution to the environment and biodiversity.
- Provide leadership and support to the sport sector, extending our environmental impact beyond our own organisational boundary.

It then sets out more detailed actions across five key themes – People; Partners; Procurement; Places; Processes.

Sustainability has been an important theme across our investment in 2022/23. The Be Active Wales fund and our capital investment process have supported a wide range of clubs and sites to de-carbonise and improve their energy efficiency, also reducing their costs in the short and long terms. Projects supported included clubs and leisure facilities with solar panel installations, LED lighting, and a significant commitment to energy-efficient floodlighting. Two pilot funds were also established with the Welsh Rugby Union and the Football Association of Wales via the Cymru Football Foundation, solely to address sustainability. Forty-one clubs were able to improve their sustainability and community facilities through this funding.

At Sport Wales National Centre (SWNC) the lighting replacement programme continued with the replacement of existing lights with low energy LED lights in the main arena, hockey pitch and tennis courts.

Sport Wales continues to utilise video conferencing to meet virtually and continues to use different software tools to improve the experience for participants during online meetings or blended meetings.

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

Biodiversity report

The commitments and ambition in the Environmental Sustainability Plan on biodiversity are raising the profile of our biodiversity duty. The plan sets out our aim to enhance biodiversity and to support the sports sector in Wales to make improvements in biodiversity. The initial actions focus on awareness, education, and training both of our own staff and through working with our partners, identifying, facilitating, or signposting of learning opportunities to the wider sector. As this awareness develops, we will need to ensure that the sector has access to the knowledge, information and resources to give clear and simple advice to clubs and facilities on how they can maintain and enhance biodiversity.

The plan commits Sport Wales to enhance biodiversity at each of our sites extending areas for pollinating insects; maintaining trees and habitat for wildlife to attract native species; continuing to reduce herbicides and chemicals used on site and maintaining water quality.

Through partnership with the Football Association of Wales, the sustainability project funded two football clubs to focus on biodiversity. The projects are for the planting of a wildflower meadow and the planting of trees on their grounds.

Wales Golf has continued to play a leading role in the development of biodiversity in the sports sector with its partners in Welsh golf clubs, and the expertise of golf's sustainability-focused organisations. Investment received resulted in twenty-seven clubs delivering sustainability projects during the year. Of which, fifteen projects focussed on the Fostering Nature theme to enhance biodiversity. The projects included clubs committing significant areas to wildflowers or to re-wilding; improvements to habitat on protected land or to protected species, and clubs collaborating with wildlife trusts and wildlife organisations.

Sport Wales aims to follow up on biodiversity projects in the sport sector to understand what was learned and how projects progressed. This is particularly relevant as the investment in biodiversity projects is at an early stage.

ACCOUNTING OFFICER:

B Davies

19 October 2023

ACCOUNTABILITY REPORT

CORPORATE GOVERNANCE REPORT

DIRECTORS REPORT

Board

During 2022/23, Sport Wales comprised the following board members;

- **Lawrence Conway**** (Chair Reappointed 01.09.2021 - 03.07.22)
- **Baroness Tanni Grey Thompson DBE DL**** (Chair Appointed 04.07.22)
- **Pippa Britton**/***** (Vice Chair Reappointed 01.10.2020)
- **Ashok Ahir*/***** (Reappointed 01.10.2020)
- **Ian Bancroft** (Reappointed 01.10.2020)
- **Alison Thorne*/***** (Reappointed 01.10.2020)
- **Judi Rhys MBE***** (Reappointed 01.09.2021)
- **Prof Leigh Robinson***** (Reappointed 01.09.2021)
- **Phil Tilley** (Reappointed 01.09.2021)
- **Martin Veale JP */**/***** (Reappointed 01.09.2021)
- **Rajma Begum***** (Reappointed 01.09.2022)
- **Hannah Bruce (Nee Murphy)** (Reappointed 01.09.2022)
- **Delyth Evans** (Reappointed 01.09.2022)
- **Nicola Mead-Batten*** (Reappointed 01.09.2022)
- **Dafydd Trystan Davies** (Reappointed 01.09.2022)

- **Acting Chief Executive B Davies OBE** (Effective 01.04.2022 to 26.03.2023)
- **Chief Executive B Davies OBE** (Effective from 27.03.23)

* Member of the Audit and Risk Assurance committee

** Member of the Remuneration committee

*** Member of Equality, Diversity and 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 2022/23. 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 109.

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) 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 all invoices, including disputed invoices once the dispute has been resolved, in line with these terms. During the year ended 31 March 2023, Sport Wales paid 100% (2021/22 100%) of invoices within the terms of its payment policy.

No interest was incurred during the year as a result of late payments. Sport Wales also aims to pay suppliers wherever possible within 10 days in accordance with the Managing Welsh Public Money guidance issued in January 2016. During 2022/23, 95% (2021/22 93%) of transactions 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 2022/23 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 expenditure, 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 HM Treasury Government Financial Reporting Manual and in particular:

- Observe the accounts direction issued by Welsh Ministers and Department for Culture, Media and Sport (DCMS), 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

19 October 2023

ANNUAL GOVERNANCE STATEMENT 2022/23

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.

Baroness Tanni Grey Thompson began her tenure as Chair from 4th July. Sport Wales would like to place on record its thanks to outgoing Chair Lawrence Conway for his dedicated service in helping to shape and drive the Vision for Sport and the Sport Wales strategy, providing secure foundations for the future. No other Board members were appointed during the year.

Following a competitive and rigorous recruitment process led by independent consultants, the current Acting CEO, Brian Davies, was successfully appointed to the role of Chief Executive Officer from March 2023.

Sport Wales is committed to equality and the diversity of its Board, which now comprises 64% female representation, 14% ethnically diverse membership and 14% who 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 its permanent committees are shown in the table below.

Board Member	Board Meeting (Number of meetings attended of up to 5)	Audit and Risk Assurance Committee (Number of meetings attended of up to 4)	Equality, Diversity and Inclusion Committee (number of meetings attended of up to 3)	Remuneration Committee (number of meetings attended of up to 1)
Lawrence Conway (Chair)	1 / 1	Not Applicable	Not Applicable	Not Applicable
Baroness Tanni Grey-Thompson, DBE, DL (Chair)	4 / 4	Not Applicable	Not Applicable	1/1
Pippa Britton (Vice Chair)	5 / 5	Not Applicable	2/3	0/1
Ashok Ahir	4 / 5	3 / 4	2/3	Not Applicable
Ian Bancroft	4 / 5	Not Applicable	Not Applicable	Not Applicable
Alison Thorne	4 / 5	3 / 4	1/3	Not Applicable
Judi Rhys MBE	5 / 5	Not Applicable	1/3	Not Applicable
Prof Leigh Robinson	4 / 5	Not Applicable	3/3	Not Applicable
Phil Tilley	5 / 5	Not Applicable	Not Applicable	Not Applicable
Martin Veale JP	5 / 5	4 / 4	3/3	1/1
Rajma Begum	4 / 5	Not Applicable	Not Applicable	Not Applicable
Dafydd Trystan Davies	5 / 5	Not Applicable	Not Applicable	Not Applicable
Hannah Bruce	5 / 5	Not Applicable	Not Applicable	Not Applicable
Delyth Evans	4 / 5	Not Applicable	Not Applicable	Not Applicable
Nicola Mead-Batten	5 / 5	3 / 4	Not Applicable	Not Applicable
(Independent members – Audit and Risk Assurance Committee only)				
Robert Williams	Not Applicable	3 / 4	Not Applicable	Not Applicable
Hywel Tudor	Not Applicable	3 / 4	Not Applicable	Not Applicable
Overall Percentage Attendance rate	91%	79%	67%	67%

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 2022/23 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.

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 issued by DCMS;
- 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 ARAC Chair of any significant matters. The ARAC 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 2022/23 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 113. The committee met once during the year.

Equality, Diversity and Inclusion Committee

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 committee met 3 times.

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.

Interim arrangements from the previous year remained in place with Brian Davies in the role of Acting Chief Executive and Owen Lewis and Joanne Nicholas joining the Executive as part of these arrangements. Emma Wilkins and Graham Williams remain on the Executive.

Following a competitive and rigorous recruitment process led by independent consultants, the current Acting CEO, Brian Davies, was successfully appointed to the role of Chief Executive Officer from March 2023. Owen Lewis and Joanne Nicholas remain on the Executive until such time that the substantive Director: Sport System role is filled.

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

Following agreement in 2021/22, Board meetings continued to be conducted in a hybrid manner. 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. Included in this was succession planning for sub-group Chair roles and engaging informally with staff across Sport Wales following Board meetings.

There were also a number of Board development sessions delivered through the year on subjects ranging from Sustainability and Decarbonisation to improving the reach and impact of our Community Investments.

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 2023 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.

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 and 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. 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 and Assurance Group on their specific areas of risk and how they control or mitigate those risks.

Sport Wales' risk management arrangements are subject to an annual internal audit and presented to the Audit and Risk Assurance Committee.

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.

At the date of reporting, a number of key risks have been identified and included in the Corporate Risk Register.

There is a substantial risk that the rising cost of living may adversely impact on delivery of the Sport Wales strategy, as the sector may respond by reducing activities, curtailing opening hours or increasing costs. This is likely to have a bigger impact on the more vulnerable in society, thus reducing accessibility to sport.

On a similar theme, whilst Sport Wales is grateful to Welsh Government for an increased budget for 2023/24, costs linked to the increased cost of living, continue to present a challenge to effectively delivering Sport Wales' objectives. The rising cost of living may also have an adverse impact on Sport Wales staff, particularly lower paid employees.

The likelihood of death or serious injury at a site operated by Sport Wales has reduced as a result of the commissioned partnership with Parkwood to run the operations of Plas Menai. Risk Management, including all aspects of health and safety are now contractually the responsibility of Parkwood Leisure, who have Public Liability in place to mitigate the potential financial impact of this risk. Given the nature of our strategic partnership with Parkwood Leisure, a reputational risk remains with Sport Wales if a death or serious injury were to occur at Plas Menai.

Other risks on the corporate risk register include a failure to comply with all legislation, sensitive information loss or cyber incident, and a lack of engagement among staff as we develop a long-term strategy for hybrid working.

Sport Wales has an overall informed and measured appetite for taking risk to achieve its priorities. Risk appetite is set 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.

It is encouraging to note that arising out of the internal audit work, there were no findings classified as being of “high” risk. In total 14 recommendations were made, of which 5 were classified as “medium priority” and the remaining 9 were classified as “low priority”, together with 6 action points from advisory reports.

In terms of follow-up action, 5 out of 7 previous recommendations had been implemented at the time of the audit. The remaining recommendations had timescales re-assessed by the Audit and Risk Assurance Committee and are on target to be completed in line with these expectations.

All recommendations made by our internal and external auditors are monitored by our Audit and 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 and an Investment Model for how we distribute funding to data-driven partners has now been fully implemented. 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 and 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 2022/23 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.

Ongoing 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, including the implementation of cyber security software, which combines machine learning and ongoing support to improve our resilience.

We have also implemented a new finance system to further strengthen the control environment of a core system. This new system is cloud-based and therefore reduces the reliance we have on legacy servers within the organisation, one of the key barriers to us achieving Cyber Essentials Plus accreditation.

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

19 October 2023

REMUNERATION AND 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 our recognised Trade Union, the Public and Commercial Services (PCS) Union. A full equality impact assessment is carried out on all policies as part of this process. 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 are a Level 2 Disability Confident Employer and have also signed the Business in the Community Race at Work Charter.

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 £11.51 per hour. All staff were awarded a pay award of 4% during the year to help with the rising cost of living.

In addition to this, Sport Wales implemented a pay parity process during the year that ensured that all our staff were paid 'at least the minimum salary for Welsh Government equivalent grade'. This positively impacted the salaries of 30 staff, with 77% of those impacted falling within our lowest 3 pay bands.

Staff turnover for 2022/23 was 34.96% (2021/22 14.05%). This large increase in comparison to the previous year was expected due to the TUPE transfer of staff to Legacy Leisure as part of the Plas Menai commissioned partnership. Turnover excluding TUPE transfer was 20.63%. There were no redundancies within the year.

Sickness absence data

The sickness data for employees of the whole organisation for 2022/23 (2021/2022) is as follows:

Total Days Lost	Total Number of Employees (FTE)	Total Sick Days Lost Per Person
768.00 (715.31)	159.62 (169.93)	4.81 (4.21)

The overall absence rate for 2022/23 is 2.3%. This is a slight increase from the 2021/2022 rate of 1.9%, but still remains well below the ONS reported rate of 3.6% for public sector workers.

Of the 2.3%, 1.3% were classed as long term and 1.0% as short term. During 2022/23, we worked collaboratively with PCS, to agree changes to our Sickness Management Policy to ensure our employees are supported in the best way possible. The updated policy will be communicated to staff through a series of engagement events in early 2023/24.

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 1.5 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 interim Chief Executive received a gross salary of £108,000 (2021/22 £104,000). 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 118. 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 full time equivalent staff involved		2022/2023	2021/2022
	2022/23	2021/22	£'000	£'000
Gross salary costs				
Chair L Conway*/**	0.20	0.20	5	18
Chair T Grey-Thompson*/**	0.20	0.20	13	-
(Acting) Chief Executive	0.25	0.25	27	22
Other Staff	53.22	54.96	3,383	3,234
			3,428	3,274
Salaries and wages			2,247	2,320
Social Security costs			244	239
Other Pension costs			708	941
IAS19 Adjustments			229	(226)
			3,428	3,274

* 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.

** Tanni Grey Thompson appointed Chair 4 July 2022 replacing Lawrence Conway

Staff costs are further analysed as follows:

	2022/2023	2021/2022
	£'000	£'000
Administration	1,974	1,738
Sports Science Support to Athletes	1,454	1,536
	3,428	3,274

Remuneration (subject to audit)

Name	Title	% AppORTIONED to Lottery	Salary £000	Pension Benefit to nearest £1,000	Total £000
		2022/23 (2021/22)	2022/23 (2021/22)	2022/23 (2021/22)	2022/23 (2021/22)
Baroness Tanni Grey-Thompson DBE, DL ²	Chair	50% -	25 - 30 -	- -	25 - 30 -
Mr Lawrence Conway ³	Chair	50% (50%)	5 - 10 (35 - 40)	- -	5 - 10 (35 - 40)
Ms Pippa Britton	Vice Chair	50% (50%)	10 - 15 (10 - 15)	- -	10 - 15 (10 - 15)
Mr Brian Davies OBE ⁴	(Acting) CEO	25% (25%)	105 - 110 (85 - 90)	(5,000) (56,000)	100 - 105 (140 - 145)
Ms Emma Wilkins ⁵	Director – Finance and Business Services	25% (25%)	70 - 75 (45 - 50)	28,000 (14,000)	100 - 105 (60 - 65)
Mr Graham Williams	Director – Sport Intelligence & Service Development	25% (25%)	80 - 85 (75 - 80)	81,000 (52,000)	160 - 165 (125 - 130)
Mr Steven Morgan ⁶	Head of Operations – Plas Menai	0% (0%)	45 - 50 (55 - 60)	16,000 (15,000)	65 - 70 (70 - 75)

² Appointed 4th July 2022. FYE salary banding £35k - £40k

³ Term ended 3rd July 2022

⁴ Acting CEO until 26th March 2023, then CEO from 27th March 2023

⁵ Appointed 9 August 2021. FYE salary banding 70k - 75k

⁶ TUPEd to Parkwood / Legacy Leisure on 1st February 2023

Name	Title	% Apportioned to Lottery	Salary £000	Pension Benefit to nearest £1,000	Total £000
		2022/23 (2021/22)	2022/23 (2021/22)	2022/23 (2021/22)	2022/23 (2021/22)
Mr Craig Nowell ⁷	Assistant Director – National Sport Facilities, Infrastructure & Capital	0% (0%)	60 - 65 (60 - 65)	352,000 (19,000)	415 - 420 (80 - 85)
Mr Owen Lewis ⁸	Assistant Director - Sport System Strategy and Services	100% (100%)	65 - 70 (60 - 65)	51,000 (26,000)	115 - 120 (90 - 95)
Mrs Joanne Nicholas ⁹	Assistant Director - Sport System Delivery and Relationships	50% (50%)	65 - 70 (60 - 65)	32,000 (18,000)	95 - 100 (80 - 85)
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 Bruce	Council Member	50% (50%)	5 - 10 (5 - 10)	-	5 - 10 (5 - 10)

⁷ Interfund transfer from a LGPS pension

⁸ Acting up as part of the Executive team since 18th September 2021

⁹ Acting up as part of the Executive team since 18th 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:

(real increase in pension* x 20) + (real increase in lump sum*) – (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.

Pension benefits of senior managers (subject to audit)

Name	Real increase in Pension (and lump sum) at state pension age for 2022/23	Total accrued Pension (and lump sum) at state pension age at 31 March 2023	CETV at 31 March 2023	CETV at 31 March 2022	Real Increase/ (Decrease) CETV in Year
	£000	£000	£000	£000	£000
Mr Brian Davies OBE Acting CEO	0.0 – 2.5 (-10 – 12.5)	30 – 35 (20 – 25)	624	439	174
Mr Graham Williams Director – Sport Intelligence & Service Development	2.5 - 5.0 (2.5 - 5.0)	35 – 40 (45 – 50)	747	567	171
Ms Emma Wilkins Director – Finance and Business Services ¹⁰	0.0 - 2.5 (0.0 - 2.5)	5 – 10 (0 – 5)	95	51	37
Mr Steven Morgan Head of Operations – Plas Menai ¹¹	0.0 - 2.5 (0.0 - 2.5)	10 - 15 (0 - 5)	215	151	60
Mr Craig Nowell Assistant Director – National Sport Facilities, Infrastructure & Capital ¹²	15.0 – 17.5 (7.5 – 10.0)	15 – 20 (5 – 10)	288	21	261
Mr Owen Lewis Assistant Director -Sport System Strategy and Services	2.5 – 5.0 (0.0 – 2.5)	20 – 25 (10 - 15)	339	234	99
Mrs Joanne Nicholas Assistant Director -Sport System Delivery and Relationships	0.0 - 2.5 (0.0 - 2.5)	0 - 5 (0 - 5)	55	25	24

¹⁰ Appointed 9 August 2021

¹¹ TUPEd to Parkwood 1st February 2023

¹² Interfund transfer of a LGPS pension

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.

	2022/23	2022/23	2022/23	2021/22	2021/22	2021/22
Percentile Pay Ratio	Chief Executive (Highest paid Director) £000	Employee £000	Ratio	Chief Executive (Highest paid Director) £000 Restated	Employee £000	Ratio
25th	107.5	28.9	3.7	102.5	25.6	4.0 (Restated)
Median	107.5	33.4	3.2	102.5	33.6	3.1
75th	107.5	43.3	2.5	102.5	44.6	2.3

Employees don't receive benefits in kind or performance pay.

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 £22,150 to £107,732 (2021/22 remuneration ranged from £20,193 to £103,588). The small movements in the ratios are attributable to a change in the staff mix during the year with Plas Menai employees TUPEd to Parkwood as at 1 February 2023, as well as using more agency staff whose FTE is within the 25% quartile. 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 4%. The average percentage change from the previous financial year in respect of the employees of Sport Wales taken as a whole was 4%.

Tax policy for off-payroll appointees

As at 31 March 2023, there were 8 arrangements that had existed (2021/22, 8 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 corporate directors are 60% male and 40% female. Of the remaining permanent employees 43% are male and 57% female.

ACCOUNTING OFFICER:

B Davies

19 October 2023

PARLIAMENTARY ACCOUNTABILITY AND 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:

Capital Grants

2018-19	3,655,127
2019-20	2,804,695
2020-21	2,189,903
2021-22	3,018,000
2022-23	2,730,000

Revenue Grants

2018-19	10,488,000
2019-20	10,399,000
2020-21	12,268,473
2021-22	8,831,410
2022-23	11,129,000

Administration costs

2018-19	1,544,782
2019-20	1,665,468
2020-21	1,680,730
2021-22	2,255,231
2022-23	2,130,718

Losses, special payments and material income (subject to audit)

During 2022/23 there have been no losses, special payments or gifts made. There has also been no material fees or charges income.

ACCOUNTING OFFICER:

B Davies

19 October 2023

The certificate and report of the comptroller and auditor general to the houses of parliament and the senedd

Opinion on financial statements

I certify that I have audited the financial statements of the Sports Council Wales's Lottery Distribution Activities for the year ended 31 March 2023 under the National Lottery etc Act 1993.

The financial statements comprise the Sports Council Wales's Lottery Distribution Activities'

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Expenditure, 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 Wales's Lottery Distribution Activities' affairs as at 31 March 2023 and their net expenditure 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 and Regularity of Public Sector Bodies in the United Kingdom (2022). 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 am independent of the Sports Council Wales's Lottery Distribution Activities 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 Wales's Lottery Distribution Activities' 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 Wales's Lottery Distribution Activities' 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 Wales's lottery Distribution Activities 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 is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the Annual Report 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.

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 Wales's Lottery Distribution Activities and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability reports.

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

- Adequate accounting records have not been kept by the Sports Council Wales's Lottery Distribution Activities or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; 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 Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- Maintaining proper accounting records;
- Providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- Providing the C&AG with additional information and explanations needed for his audit;
- Providing the C&AG with unrestricted access to persons within the Sports Council Wales from whom the auditor determines it necessary to obtain audit evidence;
- Ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- Ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993;
- Ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- Assessing the Sports Council Wales's Lottery Distribution Activities' 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 Accounting Officer anticipates that the services provided by the Sports Council Wales's Lottery Distribution Activities 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, I:

- Considered the nature of the sector, control environment and operational performance including the design of the Sports Council Wales's Lottery Distribution Activities' accounting policies;
- Inquired of management, the Sports Council Wales's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Sports Council Wales's Lottery Distribution Activities' policies and procedures on:
 - Identifying, evaluating and complying with laws and regulations;
 - Detecting and responding to the risks of fraud; and
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Sports Council Wales's Lottery Distribution Activities' controls relating to the Sports Council Wales's Lottery Distribution Activities' compliance with the National Lottery etc Act 1993 and Managing Public Money;
- Inquired of management, the Sports Council Wales's head of internal audit and those charged with governance whether:
 - They were aware of any instances of non-compliance with laws and regulations;
 - They had knowledge of any actual, suspected, or alleged fraud;
- Discussed with the engagement team 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 Wales's Lottery Distribution Activities for fraud and identified the greatest potential for fraud in the following areas: 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.

I obtained an understanding of the Sports Council Wales's Lottery Distribution Activities' framework of authority and other legal and regulatory frameworks in which the Sports Council Wales's Lottery Distribution Activities operates. I focused 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 Wales's Lottery Distribution Activities. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, employment law, pensions legislation and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management and the Audit Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- In addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members 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/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income 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.

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 I identify during my audit.

Report

I have no observations to make on these financial statements.

COMPTROLLER AND AUDITOR GENERAL:

Gareth Davies

October 2023

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 2023

	Notes	2022/23	2021/22
		£'000	£'000
Expenditure			
Grant offers made in year	3	14,268	11,666
Less lapsed and revoked offers	3	(3)	(65)
Staff costs	7	3,428	3,274
Depreciation	9	34	36
Other operating costs	8	514	476
Total Expenditure		18,241	15,387
Gross Income			
Proceeds from National Lottery Distribution Fund (NLDF)	11	(16,112)	(16,515)
Investment returns from the NLDF	11	(319)	(23)
Recoveries of grant		(9)	(6)
Other income	8	(252)	(227)
Total Income		(16,692)	(16,771)
Net Expenditure / (Income) before interest and taxation		1,549	(1,384)
Pension finance cost	18	65	109
Loss on Disposal of Property, Plant & Equipment	9	-	1
Interest receivable		(11)	-
Net Expenditure / (Income) before taxation		1,603	(1,274)
Taxation payable	6	2	-
Net Expenditure / (Income) after taxation		1,605	(1,274)
Other Comprehensive (Income) / Expenditure			
Actuarial (Gain) on Pension	18	(2,413)	(2,709)
Total Comprehensive (Income) / Expenditure for the year ended 31 March 2023		(808)	(3,983)
Balance at 1 April		(11,562)	(7,579)
Balance at 31 March		(12,370)	(11,562)

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.

The notes on pages 131 to 148 form part of these accounts.

Statement of Financial Position as at 31 March 2023

	Notes	As at 31 March 2023	As at 31 March 2022
		£'000	£'000
Non Current Assets			
Property, plant and equipment	9	51	85
Pension Asset	18	53	-
Total Non Current Assets		104	85
Current Assets			
Trade receivables and other current assets	10	-	-
Investments - balance held in NLDF	11	14,586	15,054
Cash and cash equivalents	13	487	1,114
Total Current Assets		15,073	16,168
Total Assets		15,177	16,253
Current Liabilities			
Grant accrual	3	(463)	(57)
Other current liabilities	12	(2,344)	(2,568)
Total Current Liabilities		(2,807)	(2,625)
Non Current Assets plus Net Current Assets		12,370	13,628
Non Current Liabilities			
Grant accrual	3	-	-
Pension liability	18	-	(2,066)
		-	(2,066)
Assets less Liabilities		12,370	11,562
Reserves:			
Income and Expenditure Reserve		12,317	13,628
Pension Reserve	18	53	(2,066)
		12,370	11,562

The notes on pages 131 to 148 form part of these accounts.

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

ACCOUNTING OFFICER:

B Davies

19 October 2023

Statement of Cashflows for the year ended 31 March 2023

	Notes	2022/23	2021/22
		£'000	£'000
Cash flow from operating activities			
Net (Expenditure) / Income after taxation		(1,605)	1,274
Decrease in receivables	10	-	14
Increase in payables	3, 12	182	85
Decrease / (Increase) in balance held at NLDF	11	468	(2,243)
Interest received		(11)	-
Loss on disposal of property, plant & equipment	9	-	1
Depreciation of plant & equipment	9	34	36
Pension cost	18	294	(117)
Net cash outflow from operating activities		(638)	(950)
Cash flow from investing activities			
Interest received		11	-
Cash flow from financing activities			
Purchase of property, plant & Equipment	9	-	-
Proceeds from sale of property, plant & equipment	9	-	8
Net cash outflow for the year	13	(627)	(942)
Net decrease in cash and cash equivalents in the period			
Cash and cash equivalents at the beginning of the period		1,114	2,056
Cash and cash equivalents at the end of the period		487	1,114
		(627)	(942)

The notes on pages 131 to 148 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 2023**

	Balances held in NLDF	Balances held at SCW	Pension Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 April 2021	12,811	(340)	(4,892)	7,579
Changes in Taxpayers' Equity 2021/22				
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
Balance as at 31 March 2022	15,054	(1,426)	(2,066)	11,562
Changes in Taxpayers' Equity 2022/23				
Income from the National Lottery	16,112	-	-	16,112
Drawn down in year by Sport Wales	(16,700)	16,700	-	-
Investment Returns	319	-	-	319
Other Operating Income	-	252	-	252
Recoveries of grants	-	9	-	9
Expenditure in year	(199)	(17,804)	-	(18,003)
Pension Cost	-	-	2,119	2,119
Balance as at 31 March 2023	14,586	(2,269)	53	12,370

The notes on pages 131 to 148 form part of these accounts.

Notes to the accounts for the year ended 31 March 2023

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 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 2022/23 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 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 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 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 130.

The balance held at 31 March 2023 at the NLDF, is unaudited as the audit of the Fund is incomplete. Any adjustment arising from that audit will be reflected in the 2023/24 accounts and is not expected to be material. The opening balance of the fund was not adjusted for 2021/22.

1.3 Property, Plant and Equipment

Sport Wales capitalise any property, plant and equipment over £5,000 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' 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. 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.

IFRS 16 (Leases) became effective on 1 April 2022. The Sport Wales Lottery Distribution Account has not entered into any lease arrangements.

IFRS17 was published in May 2017 and is expected to replace the current financial reporting standard for insurance (IFRS 4) with effect 1 January 2023. The Sport Wales Lottery Distribution Account has not entered into any insurance contracts so Sport Wales does not anticipate that this standard will have any impact on future financial statements.

2. Grants met (paid) in the year

Revenue Grants	2022/2023	2021/2022
	£'000	£'000
Perform & Succeed	7,774	7,788
Local Authorities support	47	47
Lottery Growth	-	189
Sport Partnerships	30	-
Be Active Wales Fund	3,220	751
Leadership	58	56
Per Note 3	11,129	8,831

Capital Grants	2022/2023	2021/2022
	£'000	£'000
National Partners	1,623	1,741
Development / Local Authority Grants	1,107	1,277
Per Note 3	2,730	3,018

The grant figures in the notes above includes £295,520 direct expenditure incurred on behalf of grant recipients (£375,486 in 2021/22).

3. Grant accrual

	Capital	Revenue	2022/2023 Total	2021/2022 Total
	£'000	£'000	£'000	£'000
Balance as at 1 April	54	3	57	305
Grant offers met in the year	(2,730)	(11,129)	(13,859)	(11,849)
Grant offers not taken up	(3)	-	(3)	(65)
Grant offers made in the year	2,684	11,584	14,268	11,666
Movement in year	(49)	455	406	(248)
Accruals balance as at 31 March	5	458	463	57
Analysed as:				
Amounts falling due within one year	5	458	463	57
Amounts falling due after one year	-	-	-	-
Analysis of expected timing of cash flows				
Amounts due during 2022/23 Financial Year			-	57
Amounts due during 2023/24 Financial Year			463	-
Amounts due during 2024/25 Financial Year			-	-
Balance at 31 March 2023			463	57

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

	2022/2023	2021/2022
	£'000	£'000
Grant Liability	511	-
	511	-

5. Capital commitments

At 31 March 2023, the Lottery account had no contractual commitments for Capital or Property, Plant and Equipment (2021/2022 Nil).

6. Taxation payable

	2022/2023	2021/2022
	£'000	£'000
Tax payable on interest received at 19% (2021/2022 - 19%)	2	-

7. Staff numbers and related costs

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

	Average No. of full time equivalent staff involved		2022/2023	2021/2022
	2022/23	2021/22	£'000	£'000
Gross salary costs				
Chair L Conway*/**	0.20	0.20	5	18
Chair T Grey-Thompson*/**	0.20	0.20	13	-
(Acting) Chief Executive	0.25	0.25	27	22
Other Staff	53.22	54.96	3,383	3,234
			3,428	3,274
Salaries and wages			2,247	2,320
Social Security costs			244	239
Other Pension costs			708	941
IAS19 Adjustments			229	(226)
			3,428	3,274

* 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.

** Tanni Grey Thompson appointed Chair 4 July 2022 replacing Lawrence Conway

Other Pension costs totalling £708,000, include a lump sum contribution of £202,000 towards the net pension liability (2021/22 £394,000). 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 2022/23, the actual employer's contribution was £543,000 (26% of £2,090,000). The lottery apportioned current, past and settlement service cost for 2022/23 totalled £772,000 (26% of £2,970,000) which must replace the actual employer's pension costs included in the SoCNI. Therefore, the net effect was £229,000 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.

Any 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:

	2022/2023	2021/2022
	£'000	£'000
Administration	1,974	1,738
Sports Science Support to Athletes	1,454	1,536
	3,428	3,274

8. Other operating costs and other income

Costs	2022/2023	2021/2022
	£'000	£'000
Direct Costs	212	286
Accommodation	64	59
Audit Fee	21	21
Recharges for Sport Wales Services	217	110
	514	476

Income	2022/2023	2021/2022
	£'000	£'000
UK Sport Grant	252	227
	252	227

9. Property, plant and equipment

	Equipment	Total
	£'000	£'000
Cost or Valuation at 1 April 2022	347	347
Additions	-	-
Disposals	(4)	(4)
At 31 March 2023	343	343

Depreciation at 1 April 2022	(262)	(262)
Charge for the year	(34)	(34)
Disposals	4	4
At 31 March 2023	(292)	(292)
Net Book Value at 31 March 2023	51	51
Net Book Value at 31 March 2022	85	85

	Equipment	Total
	£'000	£'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

	2022/2023	2022/2023	2021/2022	2022/2022
	£'000	£'000	£'000	£'000
Proceeds from sale		-		8
Gross book value	4		161	
Accumulated depreciation	(4)		(152)	
Net book value		-		9
Loss on disposal		-		(1)

10. Trade receivables and other current assets

	31 March 2023	31 March 2022
	£'000	£'000
Due within 1 Year	-	-
Other receivables	-	-
Due within more than 1 Year	-	-
Other receivables and prepayments	-	-
	-	-

11. National Lottery distribution fund

	Balances held in NLDF
	£'000
Balance at 1 April 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
Changes in Taxpayers' Equity 2022/23	
Income from the National Lottery	16,112
Drawn down in year by Sport Wales	(16,700)
Investment Returns	319
Other Operating Income	-
Recoveries of grants	-
Expenditure in year	(199)
Pension Cost	-
Balance as at 31 March 2023	14,586

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

12. Trade payables and other current liabilities

	31 March 2023	31 March 2022
	£'000	£'000
Sport Wales	2,321	2,547
Accruals	23	21
	2,344	2,568

13. Analysis of changes in cash and cash equivalents

	2022/2023	2021/2022
	£'000	£'000
As at 1 April	1,114	2,056
Net change in cash and cash equivalent balances	(627)	(942)
As at 31 March	487	1,114

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 2022 and 31 March 2023.

15. Contingent assets

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority (GLA) dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors (via the core department).

We expect that the GLA will communicate directly with the Lottery Distributing Bodies on forecast of land receipts due to the National Lottery and the timing on when such payments will be made.

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 2022/23, £16,112,000 or 96.5% of income is derived from the National Lottery (2021/22 £16,515,000 or 98.5%). Of the remaining income, £319,000 or 1.9%, is derived from investment returns from the balance held with the National Lottery Distribution Fund, (2021/22 £23,000 or 0.1%), and £261,000 or 1.6% from sundry income (2021/22 £233,000 or 1.4%).

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 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% (2021/22 0.50%) in the year. The cash balance at the year-end was £487,000 (2021/22 £1,114,000). 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 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	Grant Payment in Year £000	Nature of link	Commitments not yet met £000
Baroness Tanni Grey-Thompson DBE, DL Chair	Youth Sport Trust	80	Patron	-
	University of Swansea	107	Fellowship	107
P Tilley Council Member	Welsh Triathlon Association	193	Member	-
	Welsh Cycling Union	675	Member	-
	Canoe Wales	250	Member	-
	Monmouth Rowing Club	1	Member & Treasurer & Wife ex chair	-
	Welsh Rowing Association	245	Wife member	-
M Veale JP Council Member	Pembrokeshire County Council	41	Lay member of Audit Committee	-
	Monmouthshire County Council	2	Lay member of Audit Committee	-
	Blaenau Gwent County Borough Council	2	Lay member of Audit Committee	-
	Merthyr Tydfil County Borough Council	72	Chair of Audit Committee & Lay member of Standards Committee	-
R Begum Council Member	Wales Council for Voluntary Action	74	Employed	-
B Davies OBE (Acting) CEO	Welsh Gymnastics	660	Spouse Coach	-
	Commonwealth Games Council for Wales	195	Sport Wales Representative on CGW Board	-
	Welsh Hockey Union	234	Daughter member of Wales U18's hockey team	-

Member's Panel	Body	Grant Payment in Year £000	Nature of link	Commitments not yet met £000
E Wilkins Director – Finance and Business Services	Creigiau Golf Club	2	Father - Member	-
G Williams Director – Sport Intelligence & Service Development	Welsh Netball	213	Children - Members	-
S Morgan Head of Operations - Plas Menai	URDD	391	Non-Exec Board member - Sport & Apprenticeship Programme	-
C Nowell Assistant Director – National Sport Facilities, Infrastructure & Capital	Stow Park Lawn Tennis Club	10	Son member / Wife Committee member	-
	Croesyceiliog AFC	6	Coach & committee member / son plays for U16s	-
J Nicholas Assistant Director – Sport System Delivery and Relationships	Commonwealth Games Council for Wales	195	Sport Wales Representative on CGW Board	-
	Rhiwbina Rugby Club	10	Children - members	-
	Whitchurch Football Club	4	Children – Members	-
Owen Lewis Assistant Director – Sport System Strategy and Services	Pentyrch Cricket Club	4	Children – Members	-

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 113 to 120.

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 2022/23 this is Sports Council for Wales 74% (2021/22 74%), and Lottery Distribution Accounts 26% (2021/22 26%).

- Sport Wales made a total pension contribution in 2022/23 of £2,090,000 (2021/22 £2,870,000) which is analysed as follows:
- Employers Pension contributions £1,313,000 representing 32.8% of pensionable pay (2021/22 £1,355,000 32.8%)
- There were no advanced contributions in respect of early retirement cost during 2022/23 (2021/22 Nil)
- Lump Sum Deficit Contribution of £777,000 (26% of which was met by Lottery), (2021/22 £1,517,000 of which 26% was met by Lottery Distribution)

The rate of employer's pension contributions from 2023/24 is 33.4%. This has been set as a result of the last triennial valuation of the scheme which was carried out as at 31 March 2022. 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 £2,170,000 to the fund in 2023/24. In addition to this 'strain on fund' contributions may be required as well.

The full pension cost to Sports Council for Wales is £250,000 (2021/22 £420,000) of which £185,000 (2021/22 £310,800) is allocated to the consolidated accounts, with the remainder of £65,000 (2021/22 £109,200) allocated to Lottery Distribution.

The full actuarial gain on pension to Sports Council for Wales is £9,280,000 (2021/22 gain of £10,420,000) of which £6,867,000 (2021/22 gain of £7,710,800) is allocated to the consolidated accounts, with the remainder of £2,413,000 (2021/22 gain of £2,709,200) allocated to Lottery Distribution.

The full pension liability to Sports Council for Wales is £1,470,000 (2021/22 £9,620,000), of which £1,523,000 (2021/22 £7,554,000) is allocated to the consolidated accounts, with the balance of £53,000 pension asset (2021/22 £2,066,000 pension liability) 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. Due to this, and as the pension deficit is low in comparison to previous years, this has resulted in a pension asset for the Lottery Distribution accounts.

Main financial assumptions

	31 March 2023	31 March 2022	31 March 2021
Discount Rate	4.7	2.7	2.1
Inflation - CPI	2.7	3.0	2.7
Rate of increase to pensions in payment	2.7	3.0	2.7
Rate of increase to deferred pensions	2.7	3.0	2.7
Rate of general increase in salaries	3.7	4.0	3.7
Mortality Assumptions:	Years	Years	Years
Future lifetime from age 65 (aged 65 at accounting date)			
Male	22.6	22.1	22.3
Female	24.7	24.6	24.7
Future lifetime from age 65 (aged 45 at accounting date)			
Male	23.2	23.2	23.3
Female	25.8	26.0	26.1

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 2023.

Analysis of movements in surplus (deficit) during the year

	31 March 2023 £m	31 March 2022 £m
Fair value of fund assets	57.54	61.70
Present value of liabilities	(46.14)	(71.32)
Unrecognised asset due to restriction of surpluses	(11.40)	0.00
Additional liability under minimum funding requirements due to commitment to pay deficit contributions	(1.47)	0.00
(Deficit) in scheme at end of year	(1.47)	(9.62)

Analysis of amount charged to Operating Costs

	31 March 2023 £m	31 March 2022 £m
Current service cost	1.80	2.00
Past service cost	0.00	0.00
Settlement cost	1.17	0.00
Interest cost	0.25	0.42
Expense recognised	3.22	2.42

Remeasurement of amounts recognised in Other Comprehensive Expenditure

	31 March 2023 £m	31 March 2022 £m
Return on plan assets (in excess of) / below that recognised in net interest	3.05	(4.73)
Actuarial (gains) due to change in financial assumptions	(28.80)	(5.18)
Actuarial (gains) due to change in demographic assumptions	(0.23)	(0.72)
Actuarial losses due to liability experience	3.83	0.21
Adjustment in respect of paragraph 64	12.87	0.00
Total amount recognised in Other Comprehensive Expenditure	(9.28)	(10.42)
Total amount recognised in the Statement of Comprehensive Net Expenditure	(6.06)	(8.00)

Changes to the present value of defined benefit obligation during the accounting period

	31 March 2023 £m	31 March 2022 £m
Opening defined benefit obligation	71.32	74.63
Current service cost	1.80	2.00
Interest expense on defined pension obligation	1.89	1.56
Contributions by participants	0.28	0.28
Actuarial (gains) on liabilities - financial assumptions	(28.80)	(5.18)
Actuarial (gains) on liabilities - demographic assumptions	(0.23)	(0.72)
Actuarial losses on liabilities - experience	3.83	0.21
Net benefits paid out	(1.90)	(1.46)
Past service cost (including curtailments)	0.00	0.00
Settlements	(2.05)	0.00
Closing defined benefit obligation	46.14	71.32

Changes to the fair value of assets during the year

	31 March 2023 £m	31 March 2022 £m
Opening fair value of assets	61.70	54.14
Interest income on assets	1.64	1.14
Remeasurement (loss) / gain on assets	(3.05)	4.73
Contributions by the employer	2.09	2.87
Contributions by participants	0.28	0.28
Net benefits paid out	(1.90)	(1.46)
Settlements	(3.22)	0.00
Closing fair value of assets	57.54	61.70

Actual return on assets

	31 March 2023 £m	31 March 2022 £m
Expected return on assets	1.64	1.14
Actuarial (loss) / gain on assets	(3.05)	4.73
Actual return on assets	(1.41)	5.87

History of asset values, present value of defined benefit obligation and deficit

	31 March 2023 £m	31 March 2022 £m	31 March 2021 £m	31 March 2020 £m	31 March 2019 £m	31 March 2018 £m
Fair value of assets	57.54	61.70	54.14	44.37	47.09	42.87
Present value of defined benefit obligation	(46.14)	(71.32)	(74.63)	(58.40)	(59.97)	(56.52)
Unrecognised asset due to restriction of surpluses	(11.40)	0.00	0.00	0.00	0.00	0.00
Additional liability under minimum funding requirements due to commitment to pay deficit contributions	(1.47)	0.00	0.00	0.00	0.00	0.00
(Deficit)	(1.47)	(9.62)	(20.49)	(14.03)	(12.88)	(13.65)

Sensitivity analysis

Funded Defined Benefit Obligation £46.14m	+0.1% p.a		-0.1% p.a	
	£m	% Increase / Decrease to Employee Liability	£m	
Change in Assumptions on Present value of the funded defined benefit obligations				
Adjustment to Discount rate	45.26	-1.9%	1.9%	47.02
Adjustment to Salary Increase rate	46.19	0.1%	-0.1%	46.09
Adjustment to Pension Increase rate	46.97	1.8%	-1.7%	45.36
	-1 year		+1 year	
Adjustment to Mortality rate	47.39	2.7%	-2.7%	44.89

19. EVENTS AFTER THE REPORTING PERIOD

In August 2023, Sport Wales agreed to make a £1,500 non-consolidated cost of living payment to permanent or fixed term staff who were employed at both 31 March 2023 and 30 June 2023. The estimated cost of this payment is £112,000, including national insurance and pension contributions.

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



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