

Culture, Communications, Welsh Language, Sport and International Relations Committee Forward Work Programme – Sport Wales response

August 2021

The Culture, Communications, Welsh Language, Sport and International Relations Committee of the Senedd was established on 23 June 2021 to examine legislation and hold the Welsh Government to account by scrutinising its expenditure, administration and policy matters, encompassing (but not restricted to): the Welsh Language, culture; the arts; historic environment; communications, broadcasting; the media, sport, and international relations.

As we progress the work of the committee, we would like to hear from you if you work in any of these areas. Please write to us and let us know:

- What is the current impact of the COVID-19 pandemic on your sector, and what further support is needed from the Welsh and UK Governments both to mitigate the impact of the pandemic and enable the post-pandemic recovery?
- What issues should the committee prioritise in planning our work programme for the immediate and longer term? and
- How does Brexit and the new UK-EU relationship affect you or your organisation? What support have you received to respond to the changes? What further support, if any, is needed from Welsh and UK Governments?

Your response will be used to inform our longer-term forward work plan and our more immediate scrutiny of the Welsh Government.

If you would like your comments to inform our planned scrutiny of Welsh Ministers early in the autumn, please ensure it reaches us by **3 September 2021**.

We will consider any responses received after this date in our forward work planning.

1. What is the current impact of the COVID-19 pandemic on your sector, and what further support is needed from the Welsh and UK Governments both to mitigate the impact of the pandemic and enable the post-pandemic recovery?

The impact of COVID-19 on the Sport Sector in Wales has been hugely significant. We know that without considerable financial support packages, much of the sector would not have been able to adapt; survive; and continue to provide the sporting offers they have throughout all stages of the pandemic. The evidence we present below, outlines what we know of the impact – both from a financial and people-centred focus.

Notably – the impact of COVID-19 has also highlighted the essential need for sport and physical activity to be considered in cross sector policy making. Sport Wales would therefore like to see the committee reflect the need for **integrated policy design** in its work; working proactively with other committees ensuring that sport and physical activity are **embedded across multiple policy areas** while actively urging the government to do the same.

The Impact across the Sport Economy

The Sport Industry Research Centre (SIRC, Sheffield Hallam University) was commissioned by Sport Wales to study the effect of COVID-19 on the sport economy in Wales, for the year 2020. This work builds on a succession of economic updates over the past 20 years with similar methods and indicators. This means we can make like for like comparisons over time and estimate change based on the latest available evidence.

In 2020 the overall economy (UK, 2020) was expected to decline by 10%. At the same time sport related **GVA in Wales fell by 20%, almost twice the decline in the UK**. GVA in Wales is therefore down by £209m. In Wales the GVA generated through spectator sports had seen the greatest reduction (-43%). **Welsh Leisure and Culture Trusts** continue to incur a net loss of £292,000 per month during lockdown, making **bankruptcies a real possibility**.

It is important to note that these conditions would have been a lot worse without the £22.7 million investment on sport support packages, which we will detail more about in our response below. It is estimated that without investment, sport related GVA in Wales could have fallen by three times more than the UK economy. The voluntary sector in Wales, for example, would have seen an even greater decline without this contribution (-80% vs. -50%). In addition, **15.2 thousand (FTE) sport jobs would have been at risk** of being lost without public support.

The Impact of Sport Wales support on the sector during Coronavirus

Emergency Relief Fund (ERF)

We launched the ERF on 9 April 2020 in response to the immediate issues facing clubs due to coronavirus and the then recent flooding. To launch this fund, we utilised funding of £200,000 of repurposed funding from Sport Wales budgets and an additional £200,000 funding from the Welsh Government. In May we took the decision to increase this by a further £150,000 from our repurposed budgets.

This emergency funding was set aside for not-for-profit community sport in Wales and targeted at clubs who were already facing significant challenges. Clubs were eligible to apply for a maximum £5,000 to pay for rent, fixed-hires, utilities and insurance.

Sports' Resilience Fund (SRF)

We also immediately worked to instil flexibility into the sport sector, ensuring that sports organisations, clubs and facilities could receive their usual funding and payments, which were made urgently.

Working with Welsh Government we repurposed a total of £8.5m of Sport Wales funding as part of the SRF, to protect existing sport and physical activity organisations who were negatively impacted by the coronavirus pandemic, while also preparing and strengthening sport and physical activity organisations (incl. those beyond existing partners) to thrive, in line with the Vision for Sport in Wales. To date, 28 strategic partners including leisure trusts, national partners, and national governing bodies have been supported to a total value of £2.3m.

Be Active Wales Fund (BAWF)

Launched on 7 July 2020, the Be Active Wales Fund was initially focused on supporting not-for-profit clubs and organisations with immediate financial support through our 'Protect' funding stream. The

'Prepare' element was later added to help sports return to activity and met the guidelines set out for that sport to return to activity. This fund was made available in the first instance by repurposing the funding we distribute via the National Lottery.

Finally we added the 'Progress' stream of funding to BAWF to support clubs to develop their offer for the long term, utilising the Welsh Government's rescue package announced on 17 September 2020. This stream of funding was targeted at taking sport and activity to the next step, tackling inequalities and supporting long-term sustainability and innovation.

Through the three strands of the Be Active Wales Fund, over £3.74m has been invested into community sports and organisations in the financial year 2020/1.

Sport and Leisure Rescue Package (SLRP)

Through the Sport & Leisure Package Fund, Sport Wales have also distributed £2.7m across local authorities to help in the pandemic recovery. This is in addition to the annual allocations given to local authorities.

Freelancer and Private Providers Funds

The £3m Sport Freelancer Fund was established in November 2020, providing financial help for the sport sector's self-employed and freelance workers who directly deliver activities that get the nation moving, such as fitness instructors, personal trainers and coaches. The first round of the Sport Freelancer Fund was open between 25 November – 9 December 2020, and we opened a second round between 21 January – 3 February 2021. **£2.71m was allocated to Sport Freelancers in Wales**, with 99% of all applications supported.

The Private Provider Fund was established in January 2021, aiming to support and protect sustainable organisations and facilities with the sector. The fund also aimed to protect as many jobs within the sector as was possible and to ensure that organisations that were viable were not at risk of failure before the end of the financial year. The Private Provider Fund was open between 9 February – 19 February 2021. **£4.28m was allocated to Sport Private Providers in Wales**, with 91% of applications supported.

The Impact on People's activity levels and returning to sport

Our Research

We have worked with Savanta ComRes over the course of the pandemic to interview around 1,000 Welsh adults at 5-month intervals to understand the impact of the pandemic on their activity levels. The most recent survey comprised of 1,011 Welsh adults (16+) online from 12 March to 16 March 2021. Data were weighted to be demographically representative of Welsh adults 16+ by gender, age and the estimated households with children under 16. Our findings from this work conclude:

- Overall, there appears to have been a decline in participation levels since October (prior to the firebreak) when local restrictions were in effect across the majority of local authorities in Wales.
- This decline is not consistent across age ranges. Those aged between 16-34 tend to be doing **more** exercise than pre-pandemic, while those aged 35+ tend to report doing **less**. Those

aged 55+ are the most likely to be doing less, with 28% reporting no activity in the previous week.

- While participation levels amongst those from higher socioeconomic levels don't appear to be different to pre-pandemic, those from lower socio-economic backgrounds now report doing less. 24% of those from lower socioeconomic backgrounds report no physical activity (of at least 30 minutes) on any day in the previous week.
- Overall, adults are more likely to feel confident about returning to **outdoor** facilities at this time but concerns about returning to **indoor** facilities are still relatively high with the majority of adults not feeling confident about returning to these settings.
- 45% of adults feel more confident about taking part in sport and physical activity as a result of the ongoing COVID-19 vaccination programme.
- 40% adults currently worry about leaving the house to exercise or be active, while 63% of adults are worried about exercising close to other people as restrictions begin to ease. Social Distancing (11%), restrictions on the amount of people in one place (4%) and cleanliness/hygiene (3%) are the measures that adults are most likely to say will help them continue or take up sport once restrictions allow.

The Future Needs of our sector

Evaluating our funding streams have highlighted the **continued need for long-term, sustainable support** for the sector. Key findings include;

- Over half (56%) of funding requested to the Be Active Wales Fund was to help clubs progress, demonstrating how more funding is required to help 'future proof' clubs.
- 44% of respondents were either not sure or hopeful that they would remain sustainable over the next 12 months in the absence of any further 'emergency-type' funding.

As well as the pressing financial challenges that remain outstanding, the growing inequalities gaps, concerns around the return of volunteers to the sport sector and the increased public health concerns as a lasting impact of Covid-19 will all provide systemic challenges to the sector in future.

Sport Wales believes that as well as continuing with our existing work, investment and a step-change in how funding is spent across multiple policy areas will allow the sector to grow its capabilities in targeting defined outcomes in a public health agenda, within community cohesion and in doing so be forensic in its approach to tackling inequalities. Sport as a universal approach is one of the Welsh Government's key policy tools in reaching out across a wide range of demographic challenges.

Sport Wales's investment in the opportunities which drive a healthier nation can not only support a preventative agenda in terms of physical ill-health, but also the wider mental health agenda. There are numerous opportunities to build on existing collaborative approaches such as that within the Healthy Weight: Healthy Wales (HWHW) strategy. This is a long-term strategic commitment which has brought together different sectors and stakeholders and contains the mechanisms by which to deliver a collective approach.

Any funding in the HWHW strategy would naturally need to be ring-fenced for physical activity interventions, and ensuring this cross-cutting policy approach is delivered effectively by Government and partners in this space will ensure that sport is having the necessary effect in supporting post-Covid resilience, which builds on early successes such as the Healthy and Active Fund and the Welsh

Physical Activity Partnership between us, Public Health Wales and Natural Resources Wales, which is a vehicle for coordinated activity on a cross-sector approach.

We would like to see the committee reflecting the need for integrated policy design in its work and look at the work that sport, active travel, active education settings and active workplaces can and are doing to embrace the concept of an active lifestyles population, which is creating the opportunities and habits for physical activity to drive the nation's wellbeing as part of daily routines.

2. What issues should the committee prioritise in planning our work programme for the immediate and longer term?

Sport Wales believes everyone in Wales should be able to take up opportunities to be physically active, enjoy sport and physical activity safely and easily in their community and incorporate it as part of a lifestyle which supports weight control, mental wellbeing, and preventative healthcare.

We would like to see the committee proactively work alongside other committees such as the Health and Social Care committee, and the Children, Young People and Education committee to ensure that the cross-cutting nature of sport and physical activity is not viewed only through the lens of economy and/or culture. We believe that some of the most important programmes of work that Sport Wales is involved in should be reviewed and analysed across committees.

Some examples of opportunities for cross committee work reviewing how sport and physical activity can support other important policy areas are:

- **Sport Wales Role in Active Education**

Given the importance of sport and physical activity within preventative healthcare and the key role Sport Wales has been asked to play in delivering a pilot programme to look at enhancing the school day through physical activity opportunities, we will also be writing to both aforementioned committees to state these priorities for their work programmes too.

- **Enhancing the value placed on Sport and Physical Activity in supporting mental health**

It is well known that physical activity can support wellbeing and improve mental health, but there is much more that could be done to join this up throughout government and public agency workplans. Throughout the pandemic we have carried out a number of population surveys with Savantana ComRes which consistently showed that around 60% of people were being physically active to support their mental health.

Below we have set out our involvement in five key policy areas which are strategically important to the delivery of an active nation, alongside our aims in supporting them.

Public Health and Wellbeing

The [Vision for Sport](#) is our platform to transform Wales into an active nation. We know that encouraging more people to become more active can lead to population level improvements in health outcomes and overall wellbeing. For this to be achieved it requires cross-sector engagement - sport, nor Sport Wales, can achieve this alone. There are growing international examples where-by establishing wellbeing as a national marker for success can ensure collective action.

The Healthy Weight: Healthy Wales strategy and long-term strategic commitment has brought together different sectors and stakeholders and contains the mechanisms by which to deliver a collective approach. Yet, there is more that can be achieved with ambitious thinking centred on

integrated policy design bringing together: sport, active travel, active education settings and workplaces, and truly embracing the concept of developing an active population. Our 2018 study, undertaken by Sheffield Hallam University¹, confirmed that with every £1 invested in sport there is a £2.88 return, both creating social and economic value for Wales, and increasing the capacity of the NHS. Investment in sport really can transform health and wellbeing.

The Covid-19 crisis has also created a climate in which people's mental health has been hugely affected by economic pressures, isolation, and lack of access to community based physical activity. We recognise the essential need to support mental health as we move into a new phase of recovery following the pandemic. The benefits of physical activity in supporting mental health and opportunities in developing this are vast. Sport and physical activity can and should, play a significant role in this.

In the Sixth Senedd, Sport Wales would like to see an increased emphasis on the value sport and physical activity has in the preventative health agenda; and further growth in the profile of the role of sport and physical activity in supporting mental health.

Active, resilient young people

An enhanced offer to young people must be made to make progress against both the Future Generations Wellbeing Goals and the [UN Convention on the Rights of the Child](#). The international examples of this success, such as the [Norwegian rights of the child](#), are a positive example of how sport can put developing young people at the heart of its agenda.

Creating good quality, equal opportunities for young people to access physical activity in the from the earliest age, supporting teacher training, and an opportunity to rethink schools' place at the heart of communities are opportunities to provide an enhanced offer in the Sixth Senedd, whilst the new curriculum is embedded in our schools.

In the Sixth Senedd, Sport Wales would like to see active education systems where the new curriculum combined with an enhanced school day will see a focus on schools becoming hubs of physical activity for the whole community.

Tackling Inequalities - Cohesive and Connected Communities

It is evident through our research, that sport, and physical activity is not always accessible to all communities in Wales. This clearly shows the need to take an intersectional approach to address gaps in participation across all groups. People who are unable to be active, due their economic situation, ability, or wide-ranging access requirements, need sport and physical activity brought to them, and potentially delivered in a different way.

Within the Government's Covid-19 reconstruction report², the opportunity to rebuild communities was identified. Increased access and the enhancement of green space; opportunities for active travel; improvements in local leisure facilities; and integrated transport options will support people to be active close to home – supporting their local communities and improving their health and wellbeing in the process.

Within local communities, we recognise the need to accelerate and widen our work in working with underrepresented population groups in sport. Sport is a platform that can promote inclusion, foster

¹ Sport Wales, Sport Industry Research Centre, Social Return on Investment, 2018 available at <https://www.sport.wales/content-vault/social-return-on-investment-in-sport/>

² <https://gov.wales/coronavirus-reconstruction-challenges-and-priorities-html>, 6 October 2020

community cohesion and in some instances can tackle the social determinants of health such as crime, poverty, and systemic inequality. We hope to work with you to accelerate these positive wider impacts sport has across Wales.

In the Sixth Senedd, while work on reconstructing communities after Covid-19 continues, Sport Wales would like to see the protection and promotion of community spaces that promote physical activity enhanced; with a cross-sector drive to make facilities within communities accessible to all.

Wales on the World Stage

Nowhere is Wales' global reputation more prominently enhanced than through its sporting success. [The British Council's Soft Power Barometer Study](#) noted, sport is our primary international influence. As we rebuild from Covid-19 the return to performance sport will be crucial to our sense of national identity.

At Sport Wales our strategy is focused on ensuring we showcase not just what we win, but how we win. Our investment and development in coaching programmes, performance institute resources and the athletes we work with, our support for parental engagement and the ongoing study of ethical athlete environments, all aim to establish Wales as a global leader in athlete development.

We want to be known across the world as a nation who utilise the power of sport for personal development, bringing social, cultural, educational, and economic success from the principles of a person-centred approach. We want Wales to be recognised as a nation who, through sport, maximises an individual's potential to be leaders and role models, in communities, business, culture, public services, or even to be a gold medal winning Welsh athlete.

In the Sixth Senedd, Sport Wales would like to see a focus on the wider contribution our sporting ethos can have on supporting the next generation of athletes, encouraging the use of legacy funding at a community level and working with us in promoting a person-centred approach to sport.

Resilient and Digital Sector

The past 18 months have been a challenging time for the resilience of our sector. The impact of Covid-19 on the spectrum of sport is still developing and is unlikely to be fully understood for some time. In addition to the pandemic there have been other challenges. Many clubs and sport facilities suffered significant impacts from the 2020 flooding, highlighting the need to consider how environmental change can also threaten sport in Wales. Our work has helped support National Governing Bodies to take significant steps forward in their governance approaches, including establishing the Governance and Leadership Framework. We have supported organisations to put in place financial planning, organisational audits and commercialisation strategies under our existing approach. Greater investment will help ensure we build upon this work, responding to the needs of the sector and identify opportunities to build long-term resilience.

Recent challenges have also uncovered many positives about sport in Wales. The capacity of the sector to come together, support each other and the ability to adapt services to meet the need of the people of Wales in a short space of time was a huge success. We are exploring how we can utilise digitalisation to augment our own and our partners' work; and how new, emerging sports may foster new engagement and enhance sector resilience. Our complexity approach and way of working

supports this innovation, and we look forward to working with you to explore how collaborative investment may enhance this.

In the Sixth Senedd, Sport Wales will be aiming to work with the sector and others to explore how digitalisation and new emerging sports, can build sector resilience and how future investment in relation to this might be supported.

3. How does Brexit and the new UK-EU relationship affect you or your organisation? What support have you received to respond to the changes? What further support, if any, is needed from Welsh and UK Governments?

We have summarised three incidents which have resulted from the new UK-EU relationship, which we are aware of.

Example one: the impact on travel restrictions

Recently, British Cycling have supported riders in calling on the UK Government to act to protect the future of talented young people in the sport, with hundreds of riders facing severe disruption due to post-Brexit travel arrangements and the lack of racing opportunities in the UK.

For over half a century aspiring British riders have made their mark in the sport racing for amateur teams on the continent, with many receiving invaluable financial support from organisations such as the Dave Rayner Fund. Following the United Kingdom's withdrawal from the European Union, visitors to EU nations are now limited to a stay of 90 days in a 180-day period, with riders seeing offers to race for teams withdrawn as a result of the changes. Hundreds of riders face severe disruption due to post-Brexit travel arrangements and the lack of racing opportunities in the UK.

Several cyclists recently wrote to Secretary of State for Digital, Culture, Media and Sport, Oliver Dowden about this disruption. The riders called on the Government to investigate the possibility of a resolution in time for the start of the 2022 season, which would enable amateur sportspeople to live and race on the continent for extended periods. Within cycling training, the intensity of regular top-level racing and the ability to test limits in unfamiliar settings is a key part of being able to reach the top of international competition.

The riders noted that with their professional contracts with top tier teams they have been largely protected from the impacts, but that if younger riders are experiencing the same current restrictions on visa free residency early in our careers, they may well experience severe disadvantage.

The impact of Covid-19 across Europe has masked the problem in 2021, due to the subsequent restrictions in place on travel across borders.

The current challenges facing riders have been exacerbated by the difficulties facing British race organisers closer to home, due to the ongoing difficulty of securing the necessary permissions for road race events. The number of races fell by 23% from 2016-19 due to rising costs and the complexity of regulations, and the additional hesitancy of local stakeholders to sanction events under Covid-19 restrictions meant that the challenge grew further.

Example two: living abroad to train

The athlete concerned wrote to Sport Wales regarding Welsh/British athletes living abroad, and was living in Spain, training full time. They had signed for a team to be playing in a league which hadn't

started due to Covid-19. Their (TIE) residency in Spain was proving difficult as their contract with the club didn't qualify as a work contract due to the league not starting and not being officially employed by hour.

This situation had led the athlete to feel quite stressed out and feeling particular pressure to adhere to the 90 days out of 180 rule with EU-exit. The athlete wrote to us to see if there was any advice or other athletes we were aware of who had possibly managed work around the issue, if there were temporary visas available, or if Welsh Government could write supportively in favour of a Welsh elite athlete.

The athlete wrote again later to confirm that the problem had been resolved after working through three different agencies and a great deal of paperwork to ensure their ability to remain in Spain was accepted. The requirements on the athlete were a full work contract, however the particular sport only pays per match and so the contract was not applicable.

They had to instead pay for private health insurance and providing proof of substantial funds in their bank account. They also had to involve an agency to support the applications due to a heavy amount of paperwork and little clarity on the forms or information which would be needed, making it difficult for a private individual to complete the process without help.

Example three: potential supply chain issues

In addition the above, we have heard of one example involving water sports, whereby equipment required for participation was difficult to obtain from Europe. Feedback from our partners in this area was suggestive of this being the cumulative impact of both Brexit and Covid.