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Dear Delyth Jewell MS (Chair),

Thank you and the committee for the recent welcome and scrutiny session from the Committee last month. We very much value the opportunity to share the work that Sport Wales and our partners are doing in Wales, and it is always beneficial to have the engagement of committee members as an integral part of our accountability approach.

We are writing to you as a follow up to the session to address some points Members requested further detail on, as well as to offer some additional points of information and clarification.

Funding

At the start of the session Alun Davies MS requested that we provide details of the funding difference noted in our opening response. As highlighted at the time this ranges from an estimated £20m per annum between Wales and other UK nations, and £200m+ simply to ensure Wales is in the median level of European nations where sport funding was concerned. Details of our manifesto focus on funding are captured in the Sport Wales Manifesto which has been attached with this letter.

To clarify, this funding gap is not between Sport Wales and other sport councils, but rather the investment made in the sport sectors of each comparable nation. Where the figures have been taken from is the Culture, Communications, Welsh Language, Sport and International Relations (CCWLSIR) Committee's own "A Decade of Cuts" report, Pages 85-86. The report can be accessed [here](#).

A further request was for information on the additional funding provided by the Welsh Government to cover increases in National Insurance. The total increase faced by the organisation due to the National Insurance increase was £174,000. We understand that this additional figure will be met by the Welsh Government, but it has yet to officially appear in a remit letter addendum.

Comparisons of previous budgets

Additionally, Alun Davies MS asked for our reflections on how our budget compared with the last several years. Below we have set out our reflections on funding over a ten-year period. onwards.

A key positive development was the introduction of a three-year indicative budget in 2022–23, which significantly aided medium-term planning and strategic alignment. However, the subsequent reversion to annual budget allocations in 2024–25 was disappointing and has reintroduced uncertainty into financial and delivery planning.



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Revenue allocations have not kept pace with inflation. Analysis of funding over a ten-year period has identified that If Sport Wales's core revenue funding had been uplifted annually in line with the Retail Price Index (RPI), the 2025–26 allocation would be £8.8 million higher than the current budget. This shortfall inevitably hinders and delays progress towards achieving the Vision for Sport in Wales.

The 10.5% budget reduction in 2024–25 had a significant impact on the sport sector, inevitably affecting progress towards the Vision for Sport in Wales. While Sport Wales implemented internal savings, a portion of the reduction was passed on to partner organisations, resulting in substantial uncertainty and the need for cost-reduction measures. An in-year allocation of £1 million was subsequently provided by Welsh Government on a non-recurrent basis and distributed to partners. However, the absence of any commitment to future funding further exacerbated the uncertainty. We continue to work closely with sector partners to support financial resilience.

The capital funding position has grown during the course of the last ten-years up to an annual allocation of between £8 million and £10 million. This has provided significant support to facilities throughout Wales. Key programmes have included the development of artificial pitches, court facilities and funding energy saving opportunities within Sport Wales and the wider sector.

Review of the Investment Approach

As noted in the Committee the review of our investment approach is something we have committed to doing on an iterative and ongoing basis. Different aspects are being reviewed at different stages. For example, a key component of the model is the School Sport Survey data. This capture of children and young people's participation and demand for sport, including by demographic breakdown, is an important element. We have been reviewing this since the last School Sport Survey to ensure that it remains world leading and leads to actionable change across Wales. As an example of transparency and partner input, we recently held 5 regional sessions with all Local Authorities and Sport Partnerships to gather further insight and feedback.

Other elements, such as a review of the impact by deprivation or changes in partner approaches and programmes will take place in a staggered way to recognise that we are only in the first year of full implementation of the approach. We continue to capture the impact and present that through our board papers internally; to the Welsh Government through our Quarterly Monitoring Meetings and to our partner network via regular sector learning sessions. The higher-level impact will, over time, become evident through the contribution our partnerships make to the national level statistics.



We hope this demonstrates our commitment to continually reflecting on the impact of the investment approach and how we work across our partner network in a collaborative way.

Cost of Living

Heledd Fychan MS noted that the cost-of-living crisis has been identified as a barrier to participation, but that this was archived within our risk register. We wanted to clarify that the risk that was archived in the Annual report related specifically to the wellbeing of Sport Wales staff. Whilst at individual and line manager level Sport Wales staff are conscious of this concern, it was no longer deemed an organisation wide corporate concern given that this was not raised frequently through the various staff mechanisms to discuss personal and professional matters.



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We continue to recognise that the cost-of-living crisis is a challenge to how the public can access and engage in sporting offers. This was part of the rationale behind establishing an Energy Savings Grant, which has reduced the financial burden on a significant number of community clubs.

Sport Partnerships

Committee members requested further information on the difference that Sports Partnerships are starting to make.

One example of new initiatives being supported is through the Actif North Wales Innovation Fund, where funding has been awarded to 14 projects, initiatives and partnerships across North Wales that are targeted at children and young people who share protected characteristics/face inequalities. Further information is available at <https://gogleddcymruactif.cymru/north-wales-innovation-fund-projects-to-increase-physical-activity-opportunities-get-underway/>. Similarly, a further example is the work of the West Wales Sports Partnership and funding for new partnership initiatives including

- **Hooked** – Welsh Boxing, with Scarlets, Ospreys, and Colegau Cymru, will use boxing-inspired activity to engage underrepresented young women in areas of socioeconomic deprivation. Delivered in welcoming, non-traditional spaces, the project will be led by local ambassadors and promote confidence, connection, and cross-sport collaboration.
- **Equity in Action** – FAW, with Wales Netball and Swansea Sport & Health Team, will working with young women and girls in a local mosque to co-create activity that fits their lives. Led by peer coaches from within the community, the project will build belonging, confidence, and leadership.

Planning

We discharge our duties as a statutory consultee on planning through our partnership with Fields in Trust. There is a dedicated Wales Officer for Fields in Trust who engages with planning consultations on behalf of Sport Wales. Our principle of approach is to always protect and enhance sporting facilities and spaces within any submissions to the consultation process. Beyond this statutory role Sport Wales also plays an active role through any capital investments to ensure that user agreements are in place to maximise the community use of facilities at a local level.

Other areas of our planning role also include a better understanding of existing facilities. Sport Wales has worked with the Welsh Government on the development of the sport elements of the Data Map Wales resource and is currently exploring opportunities around a broader national facilities map.

Yours Sincerely



Baroness Tanni Grey-Thompson DBE
Chair, Sport Wales



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