

**REPORT TO DEPARTMENT FOR CULTURE, MEDIA AND SPORT (DCMS) -
LOTTERY CONSULTATION**

ASSESSMENT OF PAST PERFORMANCE AND FUTURE POTENTIAL

SECTION ONE

Overview and Examples of Achievements with Lottery Funds for Sport in Wales

1. Over £133m has been distributed to benefit sports and physical activity projects in Wales and nearly 10,983 awards of grant have been made. The smallest grant has been under £50 while the two largest grants are over £7m and £8m respectively to build Wales National Velodrome and the Wales National 50m Pool. The overall average award has been little more than £12,000, with the overall average Community Chest grant being just over £630 and the average Capital grant just over £150,000. The latter is significantly less, by over a third, than the average capital grant of UK and English Lottery distributors demonstrating the particular value for money that has been secured for the same types of capital project in Wales.
2. The £130m of awards is set against applications for funding project costing nearly £590m. Unfortunately the number of rejections due to funding restrictions has had to exceed 3,000.
3. There have been only 14 awards for grants of over £1m in the life of the sports Lottery Fund for Wales and a staggering 93% of awards have been grants of under £25,000.
4. Most significant beneficiaries of grants have been the voluntary sector with over 80% of the awards or 30% of the monies distributed.
5. Significant successes have included the instigation and funding of some world class flagship facilities and a number of widely acclaimed and unique schemes. The Sports Council for Wales has been one of the most successful Lottery distributors in managing its balances and bringing them down below the target level set by the Secretary of State. For example, the Sports Council for Wales has continued to reduce its balances from £38m in 2002 to £28m in 2003 and £18m in 2004. With the exception of UK Sport this is the lowest Lottery fund balance of all 15 distributors. This fall is scheduled to continue to the extent that the balance will be less than a £¼m by 2009.
6. Throughout its time as a Lottery distributor the Sports Council for Wales' administration costs have been kept to the minimum. It has achieved maximum impact without exceeding targets. In 2003/4 its administration costs were at 7% of the level of grants distributed. This is a significant achievement particularly given the relatively high number of very small grants awarded through the Sports Lottery Fund in Wales.

7. Some of its most notable achievements have been in the field of community development particularly with young people and the most recreationally and socially disadvantaged communities. The Sports Council for Wales has developed innovative approaches in order to make a unique impact. This would not have been possible without Lottery funding.
8. For Young People, the Dragon Sport Scheme has been highlighted as the most successful by the Council's partners (Partners' Perception Survey 2002/3). With an investment of little over £1m per annum, this is an All-Wales scheme reaching 85% of Primary Schools with over 80,000 children taking part in Dragon Sport per annum. The aim is to increase extracurricular participation and sports club membership amongst primary school age children. In addition, the scheme aims to increase the number of parents and volunteers available to help run sports activities. So far over 300 teachers and 1200 parents and volunteers have been trained to deliver Dragon Sport activities.

Case Study: Dragon Sport breathing fire into Flintshire

Flintshire's boasting about the success of the Lottery funded Dragon Sport in the area and so it should. All 65 primary schools have signed up to the extra curricula programme along with three special schools. Since the scheme's launch in 2000 more than 200 clubs have been setup and more than 300 volunteers have been recruited across the county. The Flintshire Dragon Sport Coordinator is delighted that 100% of primary schools have already come on board. Thanks to Dragon Sport, more and more primary schools are running after school clubs and have access to basic equipment. Skills of running, jumping and throwing are essential to sports development. Lottery funded programmes such as Dragon Sport are now delivering a new beginning for year on year increases in the participation levels of primary school age children. Young people have not only been the beneficiaries of Dragon Sport through Lottery funding, the Sports Council for Wales strategy has ensured that young people have been in the majority beneficiaries of all Lottery funding.

Through the Councils' Social Inclusion programme, young people in the most deprived communities of Wales have been beneficiaries of Lottery funding.

Case Study: KPC Youth: 'I wanted to do something in the Community that would get young people off the streets and give them somewhere to go' Helena Parobidge.

KPC Youth is supported by Sports Council for Wales with Lottery funding to add to the fantastic work they already doing with young people in an area just outside Bridgend. Helena Parobidge, the organisation's project co-ordinator started a youth group following her son's death in 1997. Since then Lottery funding has allowed KPC Youth to add facilities such as netball, basket ball, a five a side football pitch and skate park. 'We now have 740 members aged from 8 to 25, 6 youth workers and a number of voluntary staff, so the Lottery money is essential to us. If it wasn't for the money we wouldn't be here', said Helena. KPC Youth has been an example of a multi-agency project in an area recognised as being several socially and economically disadvantage with a lack of affordable recreational facilities.

9. The Community Chest small grants scheme has been the second most valued programme brought about because of Lottery funding. This is a unique and totally devolved million pound scheme. The grants are administered locally with decisions made entirely by local community representatives. Since the Community Chest began over 8500 awards have been made amounting to over £5.5m. These micro grants have been distributed to benefit over 80 different types of sporting activities, with an average number of grants per annum of more than 1500. The maximum grant is only £750. In a normal year, the training of over 3000 coaches and volunteers has been supported and the participants benefiting from funding have exceeded 30,000.
10. An evaluation of the Community Chest Scheme in 2003 reported it as a widely acclaimed example of a small grants scheme. Panel Members and Local Authority staff sited its success at reaching grass roots sports in priority groups. The fast and simple application process was a major factor in the scheme's success with 90% of clubs and organisations rating the process as either 'excellent' or 'good' and 80% rating each element of the process as 'excellent' or 'good'.

Case Study: Llanidloes Ladies Football Club, Powys

The senior ladies club applied for funding to establish an under-14 girls team. A Community Chest grant of £750 was used to buy the equipment needed to establish the team and send members on coach education courses to ensure development and sustainability

Case Study: Kanakwai Judo Club, Swansea

Kanakwai Judo club was set up in West Cross community centre, in Swansea by two young girls as they saw the provision for Judo in the area was poor. They applied for Community Chest funding for initial start up costs and new Judo suits and coach educations fees to ensure sustainability. The club is now going from strength to strength and provides a thriving range of activities for the community.

11. Capital Grants were the first type of Lottery awards allowed under the original Lottery Act. Since 1995, 740 awards have been made and of these only 18 have been for national facilities. The majority have been community projects, primarily benefiting local people. These and the landmark major facilities have only been possible with Lottery money. The flagship facilities include the National Indoor Athletics Centre, Wales National Pool Swansea, Cwmbbran Stadium, the Cricket Centre of Excellence and Wales' National Velodrome in Newport.

Case Study: Wales National Velodrome, Newport

In September 2003 the new Wales National Velodrome was completed, funded with Lottery money. The Velodrome is a state of the art facility that includes a 250 meter cycling track, indoor sports arena, sports science facility, fitness suite and ancillary facilities. The official opening was held in November 2003 followed by the first of many British cycle track meetings.

Case Study: Wales National Pool, Swansea

Wales National Pool is absolutely essential for the development of swimming in Wales. 'The new pool has put us on a par with other countries all over the world', (Bethan Coles, Swimmer). Without Lottery, Wales would not have a 50m pool to train its elite swimmers.

12. Through the Sports Lottery Fund for Wales Capital Grants, the Sports Council for Wales ensures that competitors and governing bodies have access to world class facilities at both a local and national level to assist in their performance and excellence. Lottery money in Wales ensures that Welsh Competitors can develop their skills in their own country with their own coaches without having to travel further afield. However, it is at community level where the greatest impact in Lottery Capital funds has been seen.

Case Study: Rhyl Adventure Playground Association

With the help of a Lottery sports award of over £168,000, two multi-use games areas have been constructed in an area where provision was poor. Each of the new facilities have provided young people with the opportunity to participate in a wide range of sporting opportunities thus satisfying local demands. This scheme is in Rhyl, one of the most deprived areas in Wales

13. Wales has also achieved great success on the international stage thanks to the help of Lottery funding. Élite Cymru, is a Lottery funded programme built around the competitor centred approach. The scheme is designed to help provide comprehensive support to the country's top competitors, enabling them to compete with distinction on the world stage. Around 170 performers are receiving financial support from Élite Cymru plus sports science, medicine, career and educational support. Lottery funding has directly contributed to many of the successes of Welsh competitors including Jamie Bulch, Athletics Gold medal European Cup, Bronze medal 400m, World Indoor Champion; Christian Malcolm Silver medal European Cup; Hayley Tullett Silver medal European Cup; Kelly Morgan Badminton, winner US Open Female Singles; Nicole Cooke Cycling, winner of the Senior Ladies World Cup Road Race; Disability Athletics Tanni Grey-Thompson winner IPC European Championships 100, 200 and 400m; Lloyd Upstall second in the IPC European Championships 200m.

Case Study: Jamie Baulch

Jamie Baulch was one of the first ever members of Élite Cymru and has represented Great Britain and Wales at the highest level. In 1996 Jamie won a silver medal in the 4x400m for Great Britain at the Atlanta Olympic Games. Jamie has also won medals in the Commonwealth Games for Wales winning silver and bronze in the 4x400m in Manchester and Kuala Lumpur respectively. 'I feel very honoured to have been part of the Élite Cymru scheme, it enabled me to become one of the best in the world.' (Jamie Bulch 2004)

Case Study: Lloyd Upstall

Lloyd Upstall has been an international athlete since the age of 15 debuting in August 1998 and becoming European Champion in both the 100 and 200m. Lloyd won two gold medals at the Sydney 2000 Paralympics in the 100 and 200m and holds the World Record in both events. Lloyd has benefited from the services available through the Lottery funded Élite Cymru programme. 'Wales is a small country which enables it to look after its athletes really well and on a personal and one to one basis. You're not just a number.' (Lloyd Upstall 2003)

14. The average award for Élite Cymru Athletes is less than £4,500 but since the scheme began over 1200 awards have been made to deserving athletes.
15. The success of Elite Cymru is best illustrated through the performance of Welsh competitors at recent Paralympic Games and the Commonwealth Games in Manchester. At the Sydney Paralympic Games Welsh competitors won 26 medals and in Athens won 27 medals. Wales is now the most successful nation in the World on medals (and gold medals) won per head of population at the Paralympics. Wales has also achieved unprecedented success at the Commonwealth Games winning 31 medals in Manchester which was significantly more per head of population than any of the other leading sporting nations (with the exception of New Zealand) and particularly the other home countries.
16. Effective Joint Working
Wales Lottery distributors have always worked closely together since the time Lottery distribution began. They successfully made a joint case for discontinuation of the administratively unsuccessful Lottery Multiple Applications Cross Referencing System, have run many promotional events and road shows using joint promotional literature, shared good practice and worked closely with the devolved administration of the Welsh Assembly Government to develop policies appropriate to Wales.
17. Most recently The Sports Council For Wales has been working in partnership with the Heritage Lottery Fund on the creation of a new challenge programme to explore ideas for "New Uses for Old Buildings" - new sport and physical activity uses for old buildings of public interest. Joint working has also occurred with NOF on their PE and School Sports Facilities Programme and with BLF on their proposed Mentro Allan, Outdoor Adventure, scheme.

SECTION TWO

Equitable Distribution

1. Across the regions of Wales, the North (22% of the population) received 18% of the funding; the West (23% of the population) received 21% of the funding; the South East (55% of the population) received 31% of the funding. For national projects not assigned to any one region, 29% of the funding has been approved. This is considered to be a relatively equitable distribution particularly since many of the national facilities have been developed in the South East region
2. The Policy Directions required distributors to achieve distribution across the range of their activities. In the case of sport, multi-sport projects received 38% of funding with the remainder of the grants spread widely across 45 individual sporting activities.
3. Local authority distribution has been relatively equitable with action taken over the life of the Lottery where distribution was inequitable.
4. Targeting Areas Of Greatest Need
Many areas of Wales are characterised by large pockets of social and economic deprivation. These are primarily in the coal field areas of South and North East Wales and in areas where traditional industries such as steel, coal and slate have disappeared.

'Climbing Higher, the Welsh Assembly Government Sport and Physical Activity Strategy identifies focus groups in Wales that are least active: the socially disadvantaged; women; people from ethnic minority communities; middle-aged men; people with clinical conditions; the disabled and older people. These very groups have the most to gain from physical activity.' Climbing Higher 2003.

5. In 1999 the Sports Council for Wales set up the 'Social Inclusion in Sport' initiative to target these areas and ensure better distribution of funding across local authority areas that had not received sufficient funding to date. The aim of this initiative was to encourage and support projects that significantly improved access to sporting opportunities for excluded local communities and groups. There were no fixed guidelines, no application form and no matched levels of funding. A flexible and proactive developmental approach was adopted involving both capital and revenue support. Over 30 of the 100 most deprived electoral divisions in Wales have directly benefited from this work with 33 projects being supported through funding amounting to nearly £6m. The aim of the grants is to reduce social and economic deprivation at the same time as ensuring benefits to sport

Case Study: Holyhead Celts Basketball Club

The club received a grant to employ a part-time basketball development officer. After 3 years 100 young people are now regularly playing basketball across Anglesey and there are 10 new clubs and 20 new coaches. Eight girls and two boys have been chosen for the Wales under 16 team and two girls are in the Wales senior team. Further Lottery investment was made building upon this success to install outdoor posts at key locations across the island.

Case Study: West Rhyl Community Association

Rhyl West is the most deprived ward in Wales. The Association received an inclusion Lottery grant towards the employment of a sport development worker to encourage the use of the new multi-games area in Gordon Avenue Rhyl, also Lottery funded. The programme has now been supported over a 3 year period with boys and girls regularly participating in football, basketball and in-line hockey. As well as organising activities, the development worker is supporting seven volunteer helpers. In its second year, the project expanded to include golf, cycling, tennis, forming links with local community clubs.

6. Women and Girls

The Sports Council for Wales made a major commitment in ring-fencing up to £½m of Lottery funding to support the development of women and girls sport. This was possible because of firm evidence over a period of time that demonstrated that women were benefiting significantly less than men from sports Lottery funding. The ring fenced funding has been available to local and national organisations that can create new and innovative opportunities in sport and physical activity to engage more women and girls in participation. Initiatives that have been funded in this way have included the Leisure Centre Challenge, launched in 2003 to encourage leisure centre managers to provide new opportunities for women and girls to participate in their centres; 126 leisure centres were supported through that programme.

Case Study: Fit and Hip Programme

With the help of the Women and Girls Lottery funding, a Fit and Hip programme was developed by Neath Port Talbot County Borough Council Physical Activity and Sports Services department. This was to help address a number of concerns about sports provision in the county and particularly the limited opportunities for and low sports participation levels of women and the knock-on effect of health. Targeting 13-17 year old girls the project highlighted the benefits of participating in sport and physical activity through the delivery of taster sessions at comprehensive school sites and youth clubs. The range of activities included girl's football, tennis coaching, fit to dance, keep fit and healthy, water polo and badminton. The project was a great success with over 500 young women enrolled on the programme.

As a result of a targeted approach, the main Lottery funded grant programmes such as Community Chest and Minor Grants achieved much greater success in reaching women and girls with 45% of Community Chest grants benefiting women and over 70% of minor grants targeting women as beneficiaries. Major projects have also been supported through governing bodies such as cricket, rugby, netball and hockey.

7. The Sports Council for Wales has established a partnership with the Federation of Disability Sport Wales to manage the Lottery funded 'Disability Sport Cymru' programme. This scheme aims to develop new and existing clubs to increase participation amongst disabled people. Funding has been made available through the scheme to 22 local authorities for the employment of a part-time development officer to establish club based initiatives at community level. The scheme continues to deliver highly successful results, exceeding targets on a consistent basis, resulting in increased numbers of clubs leaders and volunteers, including: 49 new clubs; 166 new

coaches; 353 new volunteers; over 10,500 new participants and nearly 50 new competitions.

Case Study: Carmarthen Disabled Sports and Activities Club

This club was established as a result of an initiative by the Lottery funded County Disability Sports officer. To accommodate the steady increase in membership, the club have used a minor equipment grant to increase the number of coaches, the frequency of sessions and to purchase archery equipment.

Case Study: Abercwmboi Boccia Club

With support from the Lottery funded Disability Sport Cymru development officer, volunteers were able to gain assistance to set up a Boccia club in Abercwmboi. Four volunteers formed a committee and with help from the development officer, applied for a Lottery Community Chest grant for £750 for initial start-up costs. The grant also paid for the four volunteers to access a Boccia level one coaching course. Members are now playing regularly in their own league.

Through Lottery funded schemes such as Disability Sport Cymru, local people and in particular disability groups who were previously unable to access Lottery funding are helped to successfully access grants such as Community Chest and Minor Grants to fund local development activities that wouldn't otherwise have happened.

8. **Black and Minority Ethnic Communities**

The Sports Council for Wales believes that it is important to ensure that Lottery funding provides equal opportunities for ethnic minorities as an integral part of its Social Inclusion agenda. The Sports Council for Wales has had to work hard with new partners in the community to ensure black and ethnic minorities start to have better access to sporting opportunities. A Race Equality Scheme has now been established and the council has ring-fenced Lottery funding to proactively support work in this area.

Case Study: Port Talbot Tigers Football Club

A Community Chest of £719 was used to purchase football kit, balls, equipment, first aid kit and to send an individual on a coaching course in order to establish a new team in the Zebra Sunday Football League. Although the members of the new team were mainly from a Bangladeshi background, the team welcomed individuals from all backgrounds and focused on promoting integration within the Port Talbot community through football.

SECTION THREE

The Level of Levered-In Funding Possible as a Result of Lottery Funding

1. The average level of partnership funding across the Lottery schemes has been over 30% with partnership contributions ranging from over 50% in some cases to 10% or less in other cases of special need. This equates to local partnerships contribution of over £57m over the life of the Lottery. The in-kind contribution, which it is not possible to calculate, is significant particularly given the vast majority of awards are made to the voluntary sector.
2. There are many examples with local authorities where the availability of the Lottery grant has been significant in winning political support to encourage the local authority to make a capital investment to enable a project to proceed. In the case of Wales' National facilities funded by Lottery, the Velodrome and the 50m Pool, capital funding for the project has been close to 100% with the local authorities taking responsibility for the ongoing revenue costs, thereby ensuring the long-term sustainability of these special facilities.
3. A few more examples of large Capital projects, where levered partnership funding has been significant have been:
 - 3.1 A grant of £1.5m towards a project of costing £5.2m, in partnership with Newport City Council and for the construction of an 8 lane, 25m regional pool.
 - 3.2 A grant of £500,000 towards a project of £2.3m, developed in partnership with the private sector, to develop a regional rugby training centre in Llandarcy Park.
 - 3.3 A grant of £750,000 towards a new leisure centre and pool costing £4.5m, in partnership with Pembrokeshire County Council, at Fishguard Secondary School.
4. The case studies below are examples of the many Lottery Funded community projects that have levered significant partnership funding from different sources.

Case Study: Craig y Don Sports and Community Centre:

Upgrading and reorientation of existing courts to create 3 tennis courts with porous macadam surface and floodlights, construction of a single court floodlit Multi Use Games Area, and construction of a multi purpose community centre. The total cost of the project was £766,689 of which £223,729 was eligible for support. A total grant of £100,611 was awarded (13% of total cost and 45% of eligible costs). The remaining funding was received as follows:

Conwy CBC & Town Council: £12,000

Insurance Settlement: £80,000

Welsh Assembly Government: £100,000

Sale of Land: £75,000

LTA & Tennis Wales: £52,506

Community Fund: £279,384

Applicant's Own Funds: £67,188

Case Study : Claberston Road AFC:

Construction of changing facilities, development of football and training pitch, access and car park, portable floodlights, storage container and goals. Total cost of the project was £188,120. A total grant of £130,509 was awarded (69%). The remaining funding was received as follows:

Welsh Church Acts Fund: £3,000
Pembrokeshire CC & RDS: £29,741
Sponsorship: £5,000
In-kind: £5,000
Cash/Fundraising: £17,870

Case Study : KPC Youth

Construction of a floodlit multi-use games area and skateboard park. The total cost of the project was £132,185 and a grant of £78,376 was awarded (60%). The remaining funding was raised as follows:

Cash in Hand: £15,656
Welsh Church Act Fund: £2,650
BAVO: £500
Corus: £10,000
Peter Harrison Foundation: £25,000

SECTION FOUR

Social and Economic Impact of Lottery Funding

1. An All Inclusive Wales

‘It is not surprising that those communities identified by the Welsh index of multiple deprivation are the very communities that have the lowest levels of sports participations and worst health. Sports and physical activity can have an important part to play in developing and implementing regeneration projects in deprived areas. In addition to the recognised benefit to the physical health and emotional well being of individuals, sport can encourage local people, particularly the young who are often difficult to reach and can encourage community cohesion.’ Climbing Higher: Sport and Active Recreation in Wales Strategy for consultation to Welsh Assembly Government 2003.

2. “Using sport to promote social inclusion can also help build social capital through developing personal skills and enlarging individual social networks. Involvement in sport can help develop other personal attributes such as increased confidence which can be used beneficially in other areas.’ DCMS and Cabinet Office 2002 Game Plan: A strategy for delivering government sport and physical activity objectives.

3. There are over 6500 sports clubs across Wales. Many provide a focal point for their communities. Sports clubs account for 23% of all voluntary organisations in Wales. A significant Lottery investment, over 80% of the awards have gone to the voluntary sports sector in Wales. This has made a major contribution to developing communities, social infrastructure and directly benefiting the health and economy of local people.

4. Coach Cymru, is a Lottery funded scheme to improve coaching. Funds have been made available for over 20 full-time equivalent coach appointments. Through Lottery sports grants in Wales, funding has been provided for the training, support and employment of coaches to provide quality coaching for national and regional squads. Thanks to Lottery funding, thousands of volunteers have been trained in how to lead and coach sport and physical activity. This has played a major role in developing communities. Through Community Chest alone over 300 new coaches are trained every year.

Case Study: Displaced People in Action Cardiff

Displaced People in Action is a charitable trust which aims to encourage refugees and asylum seekers to become more involved in their new communities. An award of £500 from the Cardiff Community Chest Panel allowed the organisation to purchase football kit and training equipment, which enabled them to play competitively and enter appropriate leagues.

Case Study: Hanger 81 : Lottery funded Social Inclusion in Sport project

A state of the art indoor park was opened in Aberbargoed in the Rhymney Valley. There are some 1,600 members who travel from all parts of Caerphilly to use the Centre, and since its

opening it has averaged 13,000 visits a year. As a result of the project the Aberbargoed Police Station supplied the following information on the reduction in disorder incidents in the Aberbargoed area:

Before the project - number of disorder calls – 325

The year after the project -disorder calls fell to 136

A 58% reduction.

“I have no doubt that Hanger 81 has made an immense contribution to the aforementioned reduction in Disorder Behaviour in the Aberbargoed area. I have personally utilised the Centre to carry out two crime prevention exercises: security marking pedal cycles, roller blades and skateboards – with over 90 persons having their property security marked. This project shows how the multi-agency approach to disorder is having a very positive result in reducing incidents”. - PC Williams, Bargoed Police Station.

Sport and Health

The recent Chief Medical Officer’s report, “At Least 5 a Week”, highlights that physical activity and sport can be an important part of strategy for addressing crime, education, employment, community development and exclusion. The report suggests that it is likely that the impact of physical activity on social outcomes such as poor education, housing, employment and health, is greater than the limited evidence base suggests.

SECTION 5

Important Lessons Learned

The Sports Council for Wales Lottery distribution has been managed by the same personnel since the Lottery began in 1994. It has a unique level of experience acquired over the life of the Lottery. Its experience of lessons learned in the use of Lottery funding are as follows:

1. The Lottery sports fund in Wales is relatively small. This has limited the scope of what can be achieved, and lead to frustrations in the disparity in levels of funding across England and Wales. The Sport Council for Wales has been particularly keen in its pursuit of achieving value for money and achieving maximum return from this much smaller fund. This is evidenced in the average Capital awards compared to those of other distributors, and the benefits achieved with very small grants of under £1,000. The successful completion of major flagship specialist facilities could only have been achieved through very imaginative uses of limited funding.
2. As a small Wales-based distributor the Sports Council for Wales has both a local structure for delivery and a national strategic perspective to deliver Assembly Government aspirations. Whilst having a strategic overview it operates sufficiently locally to ensure the most effective decision-making. The closer the decision making is to the applicants, the easier it is to understand first hand, the context, the applicant, the area, the organisations' needs, effectiveness of previous delivery, potential viability etc, and the less administration and paperwork is required to make a decision. Community Chest is a good example of this. The further removed the decision-making, the more supporting information is required to enable a responsible decision to be made. In this way, the charge of 'bureaucracy' has been limited.
3. The Sports Council for Wales has been able to keep its administration costs to the minimum. It had an existing infrastructure coupled with a developmental as well as grant giving remit. The additional costs incurred in distributing lottery funds benefit from economies of scale achieved from establishing an integrated and streamlined approach.
4. In the case of Capital grants the Sports Council for Wales has always put the onus on applicant to engage specialist consultants to ensure that projects are properly designed. It trains its grants development staff to be fully competent to judge the merits of the applicants and does not require expensive consultants or to employ architects to second guess the work already undertaken by another specialist acting for the applicant. This very pragmatic approach is an example of where significant cost savings in administration have been achieved.
5. As a small distributor, Sports Council for Wales does not have to go through a hierarchy of many people involved in decisions. Therefore, it has been possible to develop policies and procedures in a way that is practical, and most appropriate to local needs.
6. It has been important for the distribution of sport funds that SCW has had the expertise and specialist knowledge of the sector, the applicants and partners. This has

ensured that funding is distributed effectively without additional resources being required.

7. If funding is to be distributed to those who most need it, and not to benefit those who already 'have' and can fill in application forms knowing which boxes to tick, it is important to have a development led approach. Schemes such as the Disability Sport and Social Inclusion programmes would only have been possible with a development led approach to the use of Lottery money.
8. Small grants such as those distributed through Community Chest (maximum £750) need to be recognised for their value for money. A small amount of money goes a long way towards the development and training of people to deliver increased opportunities.
9. One of the significant benefits of Lottery funding has been the move away from annuality. This has allowed flexibility for a small distributor, with a relatively limited budget, to plan and managed funds across financial years to achieve investments in the major Capital projects.

SECTION 6

What more could be achieved with further and future Lottery funding

1. Sport touches the lives of more people, and engages more participants and trained volunteers, and achieves a greater impact on the international stage than any other activity. It has the capacity to positively impact on the health of the nation; influence the educational attainment and behaviour of young people in schools and the community; engage disaffected young people and serve as a positive capacity building tool in areas of social and economic disadvantage. It is the ultimate tool for Social Inclusion.
2. The need for further investment in sport and physical activity through the Lottery is made on health grounds alone. Over 10,000 people die each year in Wales from coronary heart disease while 30% of these cases are due to lack of exercise. Only 30% of the adult population under 65 are sufficiently active to confer health benefits while 44% are sedentary. However, at local level there is considerable variation in participation in sport and physical activity likely to benefit health. Over 60% are sufficiently active in parts of North Wales compared with less than 10% being active in some Valleys communities.
3. There is significantly more work to be done building on the lessons learned and finding even more effective ways of working to ensure the effects of Lottery funding impact the communities at large and those most in need of support.
4. The Lottery Sports Fund for Wales' annual income is currently less than £10m while the balances have been falling by some 25% per annum and the Fund is currently over committed by over £8m. Demand for funds far outstrip the resources available.
5. In capital terms, the Facilities Planning Model for Wales identifies a shortfall of over 200 major community sports facilities, which would cost over £300m to develop. In addition many key strategic facilities are in desperate need of upgrading to save them from closure, bring them up to the standards expected by their communities and to attract new client groups and visitors. There is a present day need for well over £200m of this type of reinvestment.
6. In the voluntary sector there are over 6,500 clubs in Wales, along with a strong body of volunteers. Voluntary based sport represents excellent value for money. Many clubs own or lease their own facilities, and these are in urgent need of modernisation, upgrading and expansion if clubs are to respond and be accessible to the needs to all members of the community; particularly young people, women and girls and people with disabilities. Over £30m is necessary to develop priority club facilities. Finally the Council has an approved list of outstanding specialist facilities which are a priority for investment, and essential to the development of sport. These amount to over £10m of needed Capital funding.
7. The case has been made repeatedly for an increased percentage share of Lottery funding for sport in Wales. The Sports Fund in Wales receives even less than the Arts Fund in Wales. Compared to the scale of investment in England where economies of scale and larger awards of money are given, sport in Wales is increasingly

disadvantaged. For example, the average Capital award in Wales is less than a third of that in England.

8. The disparity can also be seen in the funding of national teams and squads. The cost of supporting, for example, a netball or hockey team is the same in Wales as other parts of the UK but the funding available is much less. This support is not only important in Welsh terms but helps sustain a strong UK presence and performance on the international stage. If this situation is not addressed far reaching negative effects will soon be irreversible. Also some movement on this front would buttress support for our Olympic bid outside England.
9. Tackling deprivation is an important consideration for distributors. Wales' national income is around 20% below the UK average, and half the country has been designated by the EU as one of the most deprived areas of Europe through Objective One status. While the other half is only marginally better requiring Objective Two status. There is an urgent need to address the problems of the most recreationally deprived communities, where a funding formula based on population is basically iniquitous.
10. **“Sport is an important part of how we define ourselves, personally and as a nation. It should be considered as an investment rather than an expenditure, if it is to move from the wings to midfield as a powerful tool through to a healthier and better Wales”** Alan Pugh AM, Minister for Culture, Welsh Language and Sport – Climbing Higher, July 2003.

SRB/AHC
27 May 2004