



NATIONAL LOTTERY:

**ASSESSMENT OF PAST PERFORMANCE AND FUTURE
POTENTIAL**

A RESPONSE BY UK SPORT

Version submitted 15 November 2005
Original Submitted 7 June 2005

UK Sport Mission: Working in partnership to lead sport in the UK to world-class success

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Working in partnership to lead sport in the UK to world-class success

Introduction

1. UK Sport is charged with leading sport in the UK to world class success. Primarily this means working with our partner sporting organisations to deliver medals at the Olympic and Paralympic Games.
2. But it also gives us responsibility for activities best delivered at a UK level, such as being the National Anti-Doping Organisation responsible for anti-doping policies and the nation's anti-doping programme; bidding for and staging major sporting events across the UK; increasing our sporting activity and influence overseas; and promoting sporting conduct, ethics and diversity in society.
3. The UK public is passionate about sport, celebrates sporting success on the international stage and feels inspired by our sporting heroes and role models. This Government, as with previous ones, has recognised the impact that sport can have on public policy, with a positive influence on the wider agenda of health, education and social inclusion.
4. When, in 1993, Parliament decided that sport should be one of the good causes to benefit from the National Lottery, it was perhaps one of the boldest statements the nation has made about the importance it attaches to sport in creating a successful, rounded society. UK Sport targets its National Lottery funding through two specific programmes:

World Class Performance Programme (WCPP)

5. Our primary goal, as defined by our 2004 Business Plan, is to deliver UK success at the Olympics and Paralympics through world class performance. To achieve this we take a "no compromise" approach, targeting our resources and activities at those athletes capable of delivering medal-winning performances. The core purposes are
 - to support athletes to succeed on the world stage
 - to develop skilled people to support UK world class athletes
 - to drive the development of a world class, high performance system for the UK
6. Individual sports are allocated funding through the WCPP, the amounts determined by a formula combining results from the last Games with other factors such as track record of success, profiles of existing and emerging athletes, the quality of the programme and athlete pipeline, medal capability and medal availability.
7. The programme investment is complemented by athlete personal awards direct to elite athletes to support their lifestyle and sporting costs. This support has enabled many to give up their jobs and train/compete on a full time basis.

8. Exchequer funding underpins Lottery investment by funding professional development programmes for key support service providers (coaches, scientists and medics) and investing in technological developments capable of achieving the fractional improvements in performance needed to bring success.
9. Lottery Funding has had a massive impact on our athletes, on the nation's performance at international sporting events, and on our ability to host world class competition.

World Class Events Programme (WCEP)

10. Through the WCEP, UK Sport commits approximately £1.6 million of Lottery funding each year to support the bidding and staging costs of major events on home soil, thus giving British athletes a competitive advantage, as well as providing specialist support to organisers, such as national governing bodies (NGBs), and local authorities.
11. The criteria under which applications for funding are considered are:
 - the event involves competition between teams and/or individuals representing a number of nations
 - the event attracts significant public interest, both at home and overseas, through spectator attendance and media coverage
 - the event is of international significance to the sport(s) concerned (i.e. World, European or Commonwealth level), and features prominently on their international calendar

Background

12. The UK's reputation for producing world-class performers had suffered in the face of overseas competition culminating in the British team coming 36th in the medal table at the 1996 Atlanta Olympics with one gold medal and 15 medals in total, at a time when Lottery funding of sport revenue programmes did not exist.
13. The BOA Athletes' Commission Report, produced after the 1996 Atlanta Olympics, found that:

“the great majority of (British) Olympic athletes lose money as a result of representing their country. More than half of them are in debt. This situation ... damages our ability to compete internationally. Common sense says that athletes in debt, with all the associated worries, are unlikely to perform to their potential”.
14. The Government amended the Sports Councils' Lottery Policy Directions to enable them directly to support the development of potential medal winning athletes and revenue-based programmes, leading to the introduction of the WCEP in May 1997.

15. As part of a restructuring of sport in the UK, UK Sport was created by Royal Charter in 1996 to provide direction and cohesion to the development of high performance sport in the UK. In July 1999, the Government made UK Sport a Lottery distributor in its own right, with the ability to make awards, by giving it a percentage share of 9.2% of sport's share of Lottery income (1.5% of the overall Lottery good cause money). This was achieved by top slicing the shares received by the Home Country Sports Councils and did not represent an increased share to sport.

Section 1: Achievements of UK Sport Lottery Funding

World Class Performance

16. The headline achievements of the WCPP are:
 - **at the 2000 Sydney Olympics Great Britain finished 10th in the medal table with 11 gold medals and 28 medals overall, the best performance by the British Olympic team since 1920, a medal haul increase of 187% against Atlanta in 1996**
 - **at the 2000 Sydney Paralympics Team Great Britain finished 2nd in the medal table with 41 gold medals and 131 medals overall, the best ever return**
 - **at the 2004 Athens Olympics Great Britain repeated its 10th place in the medal table with 9 gold medals and 30 medals overall**
 - **at the 2004 Athens Paralympics Great Britain repeated its 2nd place in the medal table with 35 gold medals and 94 medals overall**
 - **at the 2002 Winter Olympics the winning of a gold medal by the women's curling team (funded by the Lottery through sportscotland) and a bronze medal in bob skeleton was the best British Winter Games performance since 1936**

Sydney 2000 Olympics and Paralympics

17. For sport in the UK, Sydney 2000 marked a watershed. It was the first time that athletes had embarked on an Olympics and Paralympics campaign since they had begun to receive enhanced Lottery support.
18. The results produced in Sydney were stunning. Many athletes and coaches placed on record their gratitude to the National Lottery.
19. Sydney did much to demonstrate how carefully targeted investment could deliver success and help our top sportsmen and women to fulfil their potential. Government acted quickly, in the face of warnings on future Lottery income levels, and gave an assurance that athletes on the WCPP preparing for Athens should continue to receive the same level of funding support, such was the importance that Government gave to world class success.

Athens 2004 Olympics and Paralympics

20. The 2004 Olympic and Paralympic Games saw the culmination of the first full Olympiad of Lottery funding to elite sport. The result was another exceptional performance with Great Britain retaining its 10th place in the medal table, and retaining a 2nd place in the Paralympic medal table.
21. A prime justification for Lottery investment in world class athletes is the narrowness of many of the winning margins. Chris Hoy won the cycling Kilo event on the track by the relatively comfortable margin of just over 1/10th of a second, when compared with Matthew Pinsent and the Coxless Four (8/100ths), Kelly Holmes' memorable victory in the 800m final (5/100ths) and the men's 4x100m relay squad (1/100th). The reality has long been that every tenth or hundredth of a second can make the difference, but the results in Athens have demonstrated that the margins of victory are getting progressively tighter.
22. The Athens Olympics and Paralympics filled the television screens at prime time viewing during August and September 2004. For the many young people that watched, new heroes and role models were created or confirmed, such as Kelly Holmes, Amir Khan, Matthew Pinsent, Tanni Grey Thompson, Ben Ainslie and Bradley Wiggins. For some, their lives since Athens, both sporting and personal, continue to be of interest to the public. They are a reflection of what dedication, the use of a talent and a healthy lifestyle can achieve and inspire in others.
23. As in Sydney the National Lottery received an excellent press. Some of the quotes made in recent times are:

Chris Hoy

"I wouldn't be where I am today – I wouldn't have achieved a World Championship gold medal or an Olympic silver medal. There's no chance that I would have achieved these goals because it's simply not possible at this level without the support I've received through Lottery funding" (Chris Hoy went on to win the gold medal in the Cycling 1km time trial in Athens.)

Kath Grainger (Radio 5 Live Olympic Odyssey, October 2003)

"We have always had a very strong range of athletes who are capable of achieving, the fact that rowing has Lottery funding has helped – it helps with the equipment, the training camps we go on, we can train at a much higher level. I think it's a case of everything finally coming together, we've got the medical support we need, we've been able to employ the coaches we need and we're going to see more success" (Kath Grainger went on to win a silver medal in the Coxless pairs in Athens.)

Jeff Powell, The Daily Mail (Monday 30 August 2004)

"This was as much a triumph for the National Lottery as for the nation. The People's Games are not due until Beijing in 2008 but the people of Britain got

their money's worth in Athens for all the pounds they have shelled out on Lottery tickets”

Steve Williams, (Sportsweek, BBC Radio 5 Live, Sunday 17 July 2005)

“We still have the continuity of the funding from the National Lottery, which mustn't be underestimated at all. Rowing in the UK is funded better than the rest of the countries in the world – and that's critical because it means we can afford good management and good medical back-up.” (Steve Williams won a gold medal in the Coxless Four in Athens)

World Class Performance investment

24. Attached is a summary of the planned investment in World Class Performance and World Class Operations (a programme underpinning the WCPP) for 2005-9 showing a total investment of £97.8 million, which compares favourably with the period 2001-05 when the total WCPP investment was £92 million.
25. The summary shows that increasing use is being made of Exchequer funding to contribute to the investment in World Class Performance, in the face of previously declining Lottery income forecasts. By un-ring fencing budgets and focusing on core priorities UK Sport has managed to increase its financial commitment to world class success for the next four years.

Additionality

26. It is indisputable that the National Lottery has provided a support system enabling elite sport in Great Britain to raise its game and has directly contributed to the outstanding achievements at the Sydney and Athens Olympics and Paralympics and the 2002 Winter Olympics. Without Lottery funding, Great Britain would have continued to languish down the medal table.
27. The impact of the “feel good” factor on the British nation, and the impetus for people, especially young people, to follow their sporting heroes and take up or continue with sporting activities would have been lost. Great Britain would have been a “poorer” place with respect to sports participation and the associated health and social benefits that accrue.
28. World class success raises public involvement and helps generate private sector investment.

World Class Events Programme (WCEP)

29. UK Sport is responsible for developing the UK's sporting influence internationally through bidding for and hosting major events (excluding “mega” events like the Olympic Games and the Football World Cup), ensuring our most able administrators have a say in the future direction of sport and playing a significant role in the growth of sport in the developing world.

30. Through our Lottery-funded WCEP, UK Sport coordinates sports' ambitions to stage events in the UK over the next 20 years.

This long-term approach to planning ensures that sports bid for events that are complementary to their respective performance programme, and that appropriate funding can be earmarked to support events.

31. The headline achievements of Lottery funding of the WCEP are:
- **Over 100 World/European/Commonwealth level events staged since 1997**
 - **Showpiece events such as the 2003 World Indoor Athletic Championships; 2006 World Rowing Championships and 2005 Rowing World Cup; 2001 World Senior Boxing Championships; World Track Cycling Championships, have all been and will be staged with the support of the National Lottery**
 - **High profile Lottery branding on television, nationally and internationally, is one of the best examples of the reinforcing of the Lottery brand to the public**
 - **Millions of pounds of social and economic impact obtained through staging major events across the UK.**

Additionality

32. UK Sport's overall strategy for Major Events is aimed at securing events of strategic importance that deliver a range of additional and lasting benefits:
- **Sporting**
Improved performance by home athletes
Legacy of facilities, equipment and development initiatives
Visible role models encourage young to take up sport
Increased participation and volunteering
 - **Economic**
Direct: increased spend in the local community, measurable through Economic Impact Studies
Indirect: increased tourism, subsequent investment
 - **Social/Cultural**
Enhanced people skills through volunteer programmes
Increased social inclusion
Schemes engaging the local community
Enhancing the UK's international reputation
33. An exciting example of a world class event which would not have happened without Lottery support is:

2005 Paralympic World Cup

34. The first ever Paralympic World Cup was held in Manchester over four days in May 2005 involving invited athletes competing in athletics, swimming, cycling and wheelchair basketball. UK Sport has provisionally agreed to support the staging of the event with up to £750,000 of Lottery funding over three years.
35. It has given a further boost to the chances of the London 2012 bid in the lead up to 6 July. It has been a “shop window” for Paralympic sport which has never before had an international multi-sport event in between the Paralympics. It has demonstrated once again Great Britain’s ability to stage world class sport events.

Phil Craven, President of the International Paralympic Committee, said: “The Visa Paralympic World Cup is set to become a premier multi-sport event in the IPC calendar. The Paralympic family was welcomed to Manchester in fine style with the athlete performances to world-class standards. The “Paralympic Spirit” is alive and well”.

Policy Directions

36. UK Sport’s policy directions have not prevented us from carrying out our primary functions. Some of the directions are only partially relevant, and UK Sport would welcome a review of its Policy Directions as part of this exercise.

Section 2: Equity of distribution

37. UK Sport is a national distributor of Lottery funding receiving a 9.2% percentage share of the net Lottery income directed to the good cause of sport. The WCPP is a national programme covering the whole of the UK. World Class Performance awards are made to sports governing bodies and direct to athletes through athlete personal awards. The NGB awards are listed in the DCMS Awards database under the constituency where the NGB is based. This bears little relationship to where the benefit is felt, which is UK wide.
38. Athletes are nominated for inclusion on the WCPP purely on the basis of sporting excellence and medal winning potential. No weight is given to geographical distribution or to the social and ethnic groups from which they derive. UK Sport will however be collecting information on ethnicity of its funded athletes later this year.
39. WCPP athletes originate from all corners of Great Britain. The breakdown of the Olympic and Paralympic squads indicates that over the four year period they have remained broadly static in terms of country representation.

OLYMPIC	2001 (%)	2002 (%)	2003 (%)	2004 (%)	2005 (%)	Avg. (%)
England	351 (89.5)	363 (87.5)	347 (88.5)	322 (88.2)	280 (87.2)	333 (88.3)
NI	2 (0.5)	3 (0.7)	1 (0.3)	1 (0.3)	1 (0.3)	2 (0.5)
Scotland	24 (6.1)	31 (7.5)	29 (7.4)	25 (6.8)	23 (7.2)	26 (6.9)
Wales	15 (3.8)	18 (4.3)	15 (3.8)	17 (4.7)	17 (5.3)	16 (4.2)
	392	415	392	365	321	377

PARALYMPIC	2001	2002	2003	2004	2005¹	Avg
England	162 (79.8)	146 (81.1)	138 (80.7)	118 (80.3)	102 (76.1)	133 (79.6)
NI	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0)
Scotland	23 (11.3)	20 (11.1)	17 (9.9)	14 (9.5)	14 (10.4)	18 (10.8)
Wales	18 (8.9)	14 (7.8)	16 (9.4)	15 (10.2)	18 (13.4)	16 (9.6)
	203	180	171	147	134	167

40. What the above tables do show is that around 30% of athletes on the WCPP are athletes with a disability of some kind. This is a proud reflection of the world class success of Paralympians and the priority given to funding Paralympic sport by UK Sport.
41. In terms of gender, some 40% of the athletes on the WCPP are female, an indication of the contribution made by sportswomen to sport in the UK. The figures, as at May 2005 when 419 athletes were on the programme, are as follows:

Category	Female	%	Male	%	Total
Olympic	126	43.8	162	56.3	288
Paralympic	40	32	85	68	125
Non-Olympic	-		6	100	6
Total	166	39.6	253	60.4	419

42. The WCEP makes a positive effort to support world class events in all four home countries, and encourages applications from under-represented groups that meet the criteria.

Section 3: Levered-in funding

43. The majority of world class events staged in the UK since 1997 and supported by the National Lottery would not have occurred without Lottery funding. Funding is often a “pump primer” for new events encouraging longer term sustainability as third party funding is generated.
44. Over the whole of the UK since 1997, Lottery commitments of £13.9 million have been made to staging some 100 major events under the WCEP with total staging costs amounting to £55.5 million. A good proportion of the difference will be levered-in funding.

¹ Athlete numbers have declined as UK Sport sharpens its focus on those athletes with genuine medal potential

45. Prior to 2001, NGBs had to find 10% partnership funding before a WCPP commitment was sanctioned. NGBs are encouraged to generate income as part of the modernisation of sport governing bodies, and lever in funding towards performance programmes. Statistics are not kept of the level of funding obtained in this way.

Section 4: Major social and economic impacts of Lottery funding

46. The Government invests in sporting success through the National Lottery because it realises the importance of achieving a 'feel good' factor that reaches every community. The unparalleled success at the Sydney and Athens Olympics produced a cascade affect across all communities through watching it on nationwide television, causing many to want to emulate their sporting heroes and others simply to take the first steps to a healthier lifestyle. Capturing this interest and turning it into a lifetime commitment is the task of sport in the UK, the Government, the Lottery distributors and their partners.
47. The WCPP represents the tip of a sport pyramid that has as its base school and grassroots sport. It is a long and arduous athlete pathway from sport playground to a podium place at the Olympics and Paralympics.
48. The hosting of world class events in the UK provides visible role models to local people and an incentive like no other for young, aspiring Olympic champions (such as an increase in interest in archery following the Olympic bronze medal in Athens). Not only do visible role models encourage the young to take up sport but they help attract an influx of volunteers willing to give of their time to make a major event a success and feel a part of that success. Further, the British public is renowned for its passion for live sporting events and its desire to support its teams and athletes, as recent major events like the Commonwealth Games and the World Indoor Athletics Championships prove. And our image internationally is enhanced by successful major events.
49. The social inclusion benefit achieved by the rise in popularity of disability sport and the Paralympics is substantial. Disability sport is now mainstreamed on nationwide television with supporters in their millions. This has contributed to the acceptance and understanding of disabled people by the able bodied community.
50. *Measuring Success 2: The Economic Impact of Major Sporting Events* presents an overview of 16 economic impact studies of major sports events staged in the UK since 1997. The findings confirm that major sports events can have a significant economic impact on host communities. These include an economic impact of £3.16 million from the 2003 World Indoor Athletic Championships in Birmingham, on which Lottery investment was over £1.1 million; and an economic impact of £1.67 million from the 2003 World Cup Triathlon in Manchester on a Lottery investment of £40,000.

51. As a general rule it is the expenditure by visitors to an event which contributes the majority of any additional expenditure, rather than spending by the organisers of an event.

Section 5: Lessons learnt

52. UK Sport has nearly 6 years experience as a Lottery distributor to draw on. UK Sport has learnt several lessons since 1999, which have been identified and evaluated and the changes incorporated in, for instance, the UK Sport performance investment strategy for 2005-09, and the World Class Events strategy for bidding for and staging major events in the UK.
53. The findings of the recent NAO review on value for money from the WCPP confirmed many of the conclusions UK Sport had reached following investigations into the outcomes of the Athens' Olympiad.

World Class Performance

54. The most important lessons learnt are:
 - **The need to sharpen our focus and invest in those sports and individuals who demonstrate that they have what it takes to deliver on the biggest stage.** UK Sport inherited over 700 athletes on the WCPP when it became a Lottery distributor, nearly all of whom received an athlete personal award. By 2001 it had dipped below 600. It became clear that many of the athletes had reached a plateau performance wise. Tough decisions have been made with the total number of supported athletes expected to be around 455 in the lead up to Beijing 2008.
 - **The need to reinforce the best performing sports, support those that are developing and have potential, and look for positive change in those that are under-performing.** UK Sport has resisted the temptation to spread its funding too thinly and has consciously taken a “no compromise” approach to its investment strategies.
 - **The need to put in place clear and dynamic NGB funding agreements with the accent on the monitoring and delivery of key performance indicators to measure value for money.** The NGB funding agreement was subject to radical revision for the four year period 2005-09.
 - **The need to develop partnerships with stakeholders such as the Home Country Sports Institutes, the BOA and the BPA, to contribute to common strategies to high performance sport.** The advent of the “one stop plan” approach to World Class Performance has been an example of joined up working.

- **The need to develop world class support systems and world class personnel to deliver the performance targets.**
Strategies to produce home grown elite coaches; to meet the technological change required to compete successfully; policies on anti-doping and drug free sport and education; the introduction of electronic athlete medical records which means that doctors and physios are wasting less time on administration, are examples of support systems underpinning the work of the National Lottery.

World Class Events

55. The WCEP has evolved since 1999, while its Lottery budget has remained the same. Some of the important lessons learnt are:

- **UK Sport funding is key to unlocking other partner funding.**
Our endorsement is seen as critical to the validity of the event being sought by the UK.
- **The need for key sports to establish hosting strategies for staging major events and plan years ahead.** Event hosting strategies look ten years ahead and 14 sports will have them in place by the end of 2005-06.
- **The need to support bids to stage major events which meet the criteria and have a chance of winning.** In 2004 there was a 100% success rate in bids supported by the WCEP.
- **The need to encourage and support applications for major events which meet the criteria and provide social inclusion and economic benefits.** UK Sport has Lottery funded, for example, the 2003 World Disabled Badminton Championships in Cardiff; 2002 British Blind Open Golf Championships in Northern Ireland; 2005 World Wheelchair Curling Championships in Glasgow, and the 2005 World Junior Wheelchair Basketball Championships in Birmingham.
- **The need to demonstrate that the UK is a leading venue for staging world class events to encourage opportunities for seats at the decision-making table of the international sporting community.**

Section 6: What more could be achieved with further future Lottery funding? What are the most significant gaps or priorities for funding in your good cause area?

56. The momentous decision to award the 2012 Olympics and Paralympics to London provides a once in a lifetime opportunity to put sport forever at the heart of British public life. Staging the Games in London will give a massive boost to performance sport in the UK. Young people up and down the UK can dream of a place on the podium in 2012. UK Sport's role is to work with Government and our partners in sport to put in place the world class structure, systems and support needed to give young people the opportunity to achieve success at London 2012 and beyond.
57. The British public has a passion for sport, which London 2012 will inspire. The Government has demonstrated its commitment to sport for all, a fitter nation, and world class success, as key factors in transforming the quality of life in the UK.
- The public's involvement in sport is expressed by its desire to see international sporting events staged in the UK, and to see sporting success delivered through more GB athletes on medal podiums at the Olympics/Paralympics and other world class events. Success on the world stage often engenders a great wave of national pride and wellbeing.
58. The mission of UK Sport - "working in partnership to lead sport in the UK to world-class success" - is the pinnacle of the drive to spread the sporting "feel good" factor across the British nation.
59. To achieve its mission, UK Sport is reliant on world class resources, and the National Lottery is the cornerstone of the funding required to deliver the aspirations for medal success in 2008 and 2012, and every four years thereafter.

World Class Performance

60. The primary goal for UK Sport is winning medals at Olympics and Paralympics, and winning them fairly. Since the inception of the World Class Performance Programme in 1997, the UK has risen from 36th in the medal table at Atlanta in 1996 to 10th in the medal table at the Sydney 2000 Olympics, and 10th again at Athens 2004. Team GB competed in 20 of the 28 sports in Athens with 9 golds and 30 medals in all. At the Sydney Paralympics, the UK achieved 2nd in the medal table and repeated this success at Athens.
61. The medal target for Beijing 2008 is for about 35 medals and moving towards 8th in the medal table. UK Sport also has an ambitious target of breaking into the top 5 in the medal table at London 2012, while retaining our top 2 status in Paralympics. It is challenging, but possible with a

sustained and increased Lottery investment. Only through supporting more sports and athletes to reach world class standards and compete successfully on the world stage, can this target be realistically achievable.

62. 1.5% of the total National Lottery net income is allocated to UK Sport to support world class performance sport, and the staging of world class events in the UK. This represents excellent value for money for the level of investment. However, the step change required to meet the challenge of a successful Olympics and Paralympics in London 2012 in medal terms, will require a major re-think on the level of investment required to meet the public's expectations.

The Beijing cycle: 2005-09

63. By creating a single performance framework, by using Exchequer funding to underpin World Class Performance, and by un-ring fencing UK Sport budgets, UK Sport has managed to increase the total World Class Performance investment to £97.8 million in the period 2005-09. With the addition of our World Class Operations budget, that figure rises to £121 million.
64. However, UK Sport budgets are already extremely tight. Notwithstanding the recent reversal in the decline of Lottery income, UK Sport will struggle to maintain the world class level of support required to compete against the world's best beyond 2009, given significant calls on Exchequer funding.
65. Four year awards have been made to many sports and planning figures given to others. There is no contingency funding to make a difference to those Olympic and Paralympic sports which UK Sport does not fund, but which now, thanks to the automatic entry of the host nation, have an opportunity to develop and potentially compete for medals at London 2012.
66. Reaching 8th in the medal table at Beijing 2008 is in itself a significant challenge. The expectation is that China, as the host, will be looking to win medals previously won by other nations. Investment strategies are in place and the task is to ensure that funding is targeted in a way that will bring the best returns.

The London cycle: 2009-13

67. Prior to 6 July, the case for additional investment was centred on ensuring the long-term sustainability of improvements in high performance sport and our ability to target areas requiring additional or new support.
68. The IOC decision to award the 2012 Olympics and Paralympics to London breaks new ground. As the host nation, the UK has an opportunity to field athletes and teams in many of the 26 Olympic sports without the need for qualification. Sports in which UK Sport does not currently invest will

therefore be seeking funding to develop to a level where they are capable of competing on the world stage. Any investment will have to meet the criteria of UK Sport's investment strategy. A London Games is a once in a lifetime opportunity for the less successful sports to make the change to world class. It would take several years of investment to achieve this, and sustain it beyond 2012.

69. To achieve a step-change needed to achieve our target of breaking into the top 5 in the Olympic medal table in London (top 2 in Paralympics) will require a significant increase in funding and resources. Investment will need to be targeted not only at world class performance but at the aspiring young people who will need to be nurtured and supported to sustain their long term athlete development to world class. There is a big "drop out" of talented athletes with the potential to succeed, and structures and systems must be implemented to maintain the commitment of talented youngsters over the next seven years. Increased investment is not only required at the high performance level but at the level underpinning performance to ensure that talented athletes come through to world class.
70. In summary, there are funding gaps across the spectrum of sport. At world class level there is a need to increase funding to existing funded sports to sustain and develop their medal potential through appropriate systems; to target funding more effectively and provide better support to the athletes. To stand still is not an acceptable option as other nations place an increased priority on sporting achievement.
71. At the development level there are a number of Olympic sports languishing below world class. To be competitive at London 2012 will require a significant programme of targeted investment. The number of athletes receiving support, which has gradually reduced, will have to increase significantly to provide a sufficient pool of athletes from more sports and disciplines from which the medals necessary to improve our standing in the medal table will derive.

World Class Events Programme: 2009 onwards

72. In addition to helping our athletes be the best, UK Sport coordinates sports' ambitions to stage world class events in the UK. The major events programme exists to secure home advantage for the athletes and the British public a chance to see their sporting heroes up close. Staging major events on home soil will also deliver economic, social and cultural benefits as part of their legacy.
73. The Lottery budget has been set at £1.6 million for World Class events for six years and has proved insufficient. Most of UK Sport's major events budget is now committed years in advance. UK Sport is starting to turn good applicants away on priority grounds when, if it had the funding, it would have considered them. UK Sport is rightly not funded to support "mega-events" like the Olympics, Paralympics or Commonwealth Games. However there are large events (such as the World Swimming Championships and World Equestrian Games) which are of a scale beyond current UK Sport funding but are not in the 'mega events'

category. Its biggest Lottery award to any one event has been little more than £1 million.

74. London 2012 will be required to stage a number of “test” events in the final stages of the run-in to the London Games. These will be limited in number and do not have to be of the highest international level. The UK does however need to ramp up its event programme in order to increase the knowledge and expertise needed to support the staging of the events programme of the Games. It also needs to provide a competition pathway for UK athletes in order to deliver the best prepared team. Having developed such a capability, an expanded events programme would be an invaluable legacy of the Games, to be shared throughout the UK.
75. The existing Lottery budget for Major Events is wholly inadequate for such a strategy, and represents a large funding gap.

Conclusion

76. Sport brings so much to society in terms of improved health, activity and social inclusion. Research has shown that the desire for world class success in sport is shared across all sections of society. The National Lottery can help deliver this aspiration. UK Sport believes there is an opportunity for the Government to demonstrate its long-term commitment to sport from school playground to the medal podium in the decisions it takes on percentage shares in 2006.
77. UK Sport would wish to see:
 - **A recognition of the power of sport to enrich, to inspire and change society for the better**
 - **A significantly increased level of investment in world class performance and development programmes to deliver the athletes capable of winning medals in 2012**
 - **An increased investment in major events to capitalise on their contribution to a range of London 2012 objectives and support preparations for a London Games.**

Summary of Investment	World Class	Budgeted	Budgeted	World Class
	Performance	Lottery	Exchequer	Operations
	Programme	contribution	contribution	(Exchequer)
	Budgets			Budgets
	2005/2009			2005/2009
One Stop Plan Olympic sports	51,935,241	20,795,241	31,140,000	11,562,400
Non-One Stop Plan sports	6,060,000	6,060,000		3,095,000
Paralympic sports	12,032,000	10,916,000	1,116,000	1,135,000
Athlete Personal Awards (Summer)	21,600,000	21,600,000		
Sub Total	91,627,241	59,371,241	32,256,000	15,792,400
Winter Olympic sports	2,859,539	2,859,539		1,483,827
Winter Paralympic sports	247,938	247,938		14,875
Athlete Personal Awards (Winter)	724,282	724,282		
Sub Total	3,831,759	3,831,759		1,498,702
Non-Olympic sports				1,982,507
Athlete Personal Awards (Non-Olympic)	61,000	61,000		
Athlete Education Awards	280,000	280,000		
Sporting Organisations	2,000,000	2,000,000		3,408,000
To be allocated against agreed priorities				1,144,924
Totals	97,800,000	65,544,000	32,256,000	23,826,533