Strategic Funding Review Implementation Strategy

Status Update

July 2019

**Implementation Strategy**

Following the launch of the Strategic Funding Review Final Report in May 2019, the Department of Local Government, Sport and Cultural Industries and the industry have continued to progress the implementation of the recommendations and findings.

The External Reference Group met on 30 July 2019 to receive a briefing of the status of the recommendations and findings. This update reflects this briefing. The next meeting will occur at the end of August.

**Key Deliverables**

Key work that the Department has committed to immediately includes:

* delivery of three-year funding agreements for the Industry Investment Program with funding increases resulting from categorisation commencing as of 1 July 2019 and no funding decrease occurring before 1 July 2020. **Completed.**
* the Department working with organisations over the next 12 months to reduce any potential impact a decrease in funding in 2020-21 may have. **Completed**
* the Department working with Sport Australia and the industry on issues relating to national governance review and the One Management change process (with identified SSAs). **Commenced and ongoing**.
* regional delivery involving expanding the Active Regional Communities (ARC) grants initiative, plus a review of the Regional Servicing Program (RSG and ROG funding) process. **Commenced**.

Further, by the end of 2019, the following will also be delivered:

* an Event Strategy and funding program developed in consultation with the industry will be launched and implemented. **Commenced.**
* annual Organisation Performance Assessments will be completed. **Commenced.**
* engagement Strategy with Sport Australia will be developed. **Commenced.**
* a review of the categorisation of Industry Representative Organisations, Peak Bodies and Sport and Recreation Agents, will be completed and implemented. **Commenced.**
* the Department will have hosted local government, state government and state sporting association symposium on club development. **Planning has commenced**.
* evaluation of the Targeted Participation Program will be completed. **Commenced.**
* development of the outcomes of the KidSport pilot projects will have occurred, and
* the Every Club review implementation strategy will be developed and progressed for implementation. **Commenced.**

**Implementation Strategy by Recommendation**

| **Recommendation** | **Summary of response and feedback** | **Immediate Action** | **Completed by** | **Responsible Section** | **Subsequent Action** | **Status Report July 2019** |
| --- | --- | --- | --- | --- | --- | --- |
| The department to publish the Industry Investment Program category criteria for State Sporting Associations (Appendix B) for review by the industry before implementation in 2019-20. This will include a category’s eligibility to apply for other funding programs and will outline other policy requirements, i.e. gender targets.  | The comments provided indicated strong support for the return to the three-year funding arrangement. However, as there has been no confirmation on the amounts of funding associated with each category there is less support for Recommendation 3. Also, there is a degree of neutrality in this response as a result of not knowing whether the changes are a good or a bad thing for the sport.There is also uncertainty as to what the consolidation of the regional funding means for the current recipients and as it is not widely known. The detailed commentary regarding Recommendation 1 is considered in a separate section of the report.One aspect that will require further work is to address the question of funding for peak bodies and Industry Representative Organisations and to clarify the role and eligibility of Sport and Recreation Agents.While there is still considerable work to be done to finalise the funding, based on the scores and the feedback it is considered **that the recommendations as currently described are appropriate.** | * The categorisation tables need to be reviewed and updated to reflect industry feedback, with consideration of DLGSC imperatives.
* Feedback on the amended changes through the Reference Group.
* Endorsement process through WASF and PLA (WA) and where appropriate additional peak bodies;
* Republish the categorisation tables;
 | April 2019 | Sport and Recreation Development | * Develop and implement the review process for future changes to the categorisation tables.
 | * Immediate Actions completed.
* The final tables are to be published as a stand-alone document on the website.
 |
| The Industry Investment Program to have three-year funding blocks, with an annual assessment. Each organisation will be determined to fit a category based on its capability and capacity.  | * Publish the IIP funding bands and increments.
* Organisations to be advised of their assessed category.
* Documentation and publication of the scoring and assessment process.
 | April 2019 | Sport and Recreation Development | * Definitive process for data collection and how it is used in the assessment. If the data necessary for the department is less than what is currently collected, then there needs to be an agreement with industry on how the existing data is treated and what the future of the census should be.
* Explanation of the review process.
* Establishment and explanation of the Increment Assessment Panel.
 | * Immediate Actions completed.
* The letters of offer for the next three years have been issued.
* The department is reviewing the assessment tool and will be a simpler version of those used previously. The assessment will be at a point in time.
* The department is also examining the requirements of the census and will report back to the next SFR Reference Group meeting on what data is necessary for the assessment process.
 |
| All organisations’ Industry Investment Program allocation for the 2019-20 financial year will be reset to the base funding level of the category. There will be a 12-month transition period until new funding allocations are implemented where changes result in a decrease of funding. | * Department staff to meet with the CEO and Chair of any organisation that will receive notice of a potential change in funding occurring in 2020-21, to outline steps that can be made by the organisation to improve its position. This is to occur prior to the finalisation of the documents.
* All organisations that are receiving an increase (effective 1 July) or no change as a result of the re-categorisation are to be advised.
* Explain the impact of the Women in Leadership targets. This is to be progressed after a survey of the industry regarding the composition of boards and AGM rates of renewal.
* Finalisation of the Annual Organisation Performance Assessment and Grant Agreement process for 2019-20.
 | June 2019 | Sport and Recreation Development | * IRO/SRA/PB definitions and close out
* SRA definition and process, going to market for SRA but need to link to outcomes and proposals.
* Wider discussion on the purpose of the data collected and how it is used and provided back to the industry – AOPA and an annual census
* Benchmarking process for comparative analysis against categorisation tables – longer term.
* Women’s National League Team – requirements, application and eligibility, prior to commencement in 2020-21.
 | * Immediate Actions completed.
* The department is progressing the works on the definitions and will report back to the next SFR Reference Group meeting.
* The Women’s National League team funding has been a roll-in for some sports over the last number of years. The department has commenced initial investigations on the development of this as a standalone program and this will be reported back at the next meeting.
 |
| Regional Organisation Grants and Regional Servicing Grants will be consolidated within the Industry Investment Program. | * 2019-20 Regional Servicing Program application and assessment process to be modified and released.
* Successful applications are to be incorporated into the IIP agreement.
* 2019-20 Regional Organisation Grants application and assessment process to be modified. Where the recipient is an SSA, this is to be incorporated into the IIP agreement; where it is a regional organisation, the existing grant agreement will remain.
 | May 2019 | Sport and Recreation Development and Regions | * Review the eligibility and grant workflows for 2020-21
 | * This work has commenced and will be reported back at the next SFR Reference Group meeting.
 |
| The department undertakes a health check of the Every Club program to refine future funding rounds. | The comments provided are consistent with the feedback provided to the theme of participation in a changing environment. There is support for a health check so long as it is transparent and not a full-scale review. There is a disconnect between the role and responsibility of club development. Based on the scores and the feedback it is considered **that the recommendations as current described are appropriate, though there may be benefit in reversing the sequence so that the leadership forum occurs first.** | * The scope of the health check of Every Club to be informed by the outcomes of the forums.
* Health check commences.
 | December 2019 | Sport and Recreation Development |  | * This work has commenced and will be reported back at the next SFR Reference Group meeting.
* The project plan for the Health Check is to be circulated to members of the SFR Reference Group for comment.
 |
| The department develops an implementation strategy (including stakeholder consultation and communications plan) based on the previous work undertaken by the department which examined the roles and responsibilities for club development in Western Australia.  | * Review the previous work looking at the timing of the decision making and recommendations. Review the assumptions and findings.
* Develop a state-wide consultation and engagement strategy.
* Develop the scope for the Every Club health check for the end of Year 1 of the funding – feedback on the outcomes that the funding has delivered.
* The scope of the four outcomes – Hub, funding, network and workshops.
* Consider the ongoing engagement.
 | June 2020 | Sport and Recreation Development |  |  |
| The department to host a leadership forum between local governments and State Sporting Associations to discuss the roles and responsibilities of club development. | * Consult with LGAs, WASF and PLA to determine the optimal timing for this to occur and confirm the location and number of forums.
* Forums to be held.
 | September 2019 | Sport and Recreation Development | * Findings of the forums are to inform the scope of the health check.
 | * The SFR Reference Group discussed and it was agreed that the timing of the forum will be dependent on the progress of the Health Check
 |
| The department will implement a pilot to trial alternative models of support for kids to access sport in targeted regional and remote locations where the KidSport model is not suitable.  | The comments provided were limited and related to areas of the policy change. Based on the scores and the feedback, it is considered **that the recommendations as currently described are appropriate.** | * Implement the pilot.
* Feedback on the pilot (engagement and feedback prior to implement).
* Potential wider roll-out.
 | April 2019 | Participation and Camps | * In between the implementation of the pilot and consideration of a wider roll-out, there will be a consultation process developed.
* Assessment of the pilot projects
* Analysis of the data
* Additional consultation including the bi-annual local government meeting/review
* Recommendations/outcomes/enhancements in place for the 2020-21 FY.
 | * A presentation will be made to a future SFR Reference Group (post August).
 |
| The department will undertake a review of the program in 2019-20 to examine the impact of policy changes that were enforced in 2017 and 2018. | * Re-convene the Local Govt Advisory Group and potentially review membership.
* Develop and implement the scope.
* Commence the review.
 | September 2019 | Participation and Camps |  |
| The Active Regional Community Grants program is to be more widely promoted and an increase in funding to the pool is being considered. | The comments provided indicated that wider promotion would be positive, with a suggestion that the funding go to regional associations and not clubs. This may not represent the full intent of the program and will be reflected in the promotion process.Based on the scores and the feedback, it is considered **that the recommendations as currently described are appropriate.** | * Review the existing application and assessment process.
* Need to include consideration of TPP, RSG, ROG and recognition of organisations’ core businesses.
* Develop a promotional strategy.
* Implement.
 | June 2019 | Regions |  | * Immediate Actions are completed, and the implementation will occur in August 2019.
 |
| A mid-tier events strategy will be developed to fund metropolitan and regional sporting events.  | The comments provided contained some assumptions as to what these programs could be and were positive. As these ideas are further expanded, the comments provided in Attachment 1 will help inform the programs. Based on the scores and the feedback, it is considered **that the recommendations as currently described are appropriate.** | * Develop the consultation process for industry feedback to the strategy.
* External consultation for the development of the criteria and application processes.
 | November 2020 | Sport and Recreation Development | * Following the consultation process, an implementation strategy will be developed that will need to consider the timing of funding rounds and links to the bidding processes for national events.
* Implement.
 | * Work is progressing on the strategy to enable informed consultation with the industry to occur. This will be the main topic at the next SFR Reference Group meeting.
 |
| An innovation funding pool will be explored to provide responsive funding to challenges and trends. This will be progressed through a Request for Proposal process in response to developing trends and initiatives. | * Develop the process to call for, assess and recommend proposals.
* Develop a range of topics in consultation with the industry.
* Confirm funding pool.
* Implement.
 | February 2020 | Sport and Recreation Development |  |  |

**Status of the Findings**

The discussion on the findings focussed on finding 15 which relates to the 11 ‘One Management’ sports. The balance of the findings will be progressed over the coming months and ahead of the October 2019 timeframe.

| **Finding** | **Summary of response and feedback** | **Next Steps**  | **Timeframe** | **Owner** | **Status Report July 2019** |
| --- | --- | --- | --- | --- | --- |
| 1. The investment in sport and recreation organisations has made a difference to the industry either to ensure that operations continue or to improve the professionalism of an organisation.
 | With an average 93% level of support across these three findings, the conclusion is that the funding does make a difference but there is room for improvement in tailoring the requirements for smaller organisations.There is also further work to review the appropriateness of the funding and that this will be an ongoing process.However, **the level of support suggests that the findings as currently described are appropriate**. There may need to be subsequent work to articulate State Government priorities, given the extent of neutral responses. | * The finding is noted, there is no immediate work generated from this finding.
* There needs to be reference back to this finding in considering new developments or changes to existing programs/projects.
 |  |  |  |
| 1. There is room for improvement in terms of tailoring requirements for smaller organisations and continuing to review what an organisations’ core business is.
 |
| 1. Further work is required to review the appropriateness of funding programs against the department’s outcomes and State Government priorities.
 | * The department needs to develop and implement a communication strategy for the industry on the department’s outcomes and priorities.
 | October 2019 | DLGSC |  |
| 1. There is a wide range of expectations regarding the role of the department in supporting the industry, with a shift of focus towards facilitating outcomes rather than leading the delivery.
 | There was an 87.5% level of support across the six findings in this theme. Some of the comments look to raise questions, including whether Finding 9 relates to all peak bodies and not just the WASF for sport. In relation to WASF, it was suggested that because of the current funding relationship there may be fear of retribution for ‘taking the government to task’. There was also support for all peak bodies to strengthen their advocacy role, noting that this may require a review of resourcing requirements and longer-term support.Concerns were also raised that this is predominantly sport focused, and recreation and leisure need to be included. **The level of support suggests that the findings as currently described are appropriate, with potential expansion of the wording in finding 9 to include other peak bodies**. While Findings 4 and 9 are significantly less supported, the commentary suggests that the feedback to Finding 4 requires ongoing work and that Finding 9 could be more supported if it were expanded to outline similar statements for the other peak bodies including PLA (WA); Outdoors WA and LIWA. | * Need to outline the different approach to be undertaken, as part of the communication strategy.
 | October 2019 | DLGSC |  |
| 1. The department needs to continue to build the capacity and capability of organisations, recognising there is significant variation within the industry. How this occurs may require a different approach and relationship with the industry, including greater engagement and partnerships.
 | * Need to outline the different approach to be undertaken.
* Get feedback and be clear on what this means.
* Variety and depth of the engagement with the industry needs to be developed. This is on a case-by-case basis and will involve each project having a clear outline of the purpose and role of the engagement as well as the level of delegation to advise, endorse or approve.
 | October 2019 | Department and Industry (WASF/PLA)  |  |
| 1. The industry’s view of itself is to provide participation opportunities, build the capacity of the sport and to ensure it is well governed.
 | * The finding is noted, there is no immediate work generated from this finding.
* There needs to be reference back to this finding in the consideration of new developments or changes to existing programs/projects.
 |  |  |  |
| 1. There is a need for the sport and recreation industry to evaluate its relationship with the department in order to ensure the correct roles and responsibilities are in place.
 | * The department and industry need to examine how this is best to occur. There are several recommendations that will lead to similar processes as the one undertaken for the Strategic Funding Review.
* There is a need to ensure that there is equity in representation across the industry and that the engagement does not generate an unintended administrative burden.
 | October 2019 | Department and Industry (WASF/PLA)  |  |
| 1. The department and the industry need to reposition relationships to work more collaboratively (as has occurred through this process).
 |  |
| 1. While the WA Sports Federation should strengthen its role as the peak advocacy body for sport, all peak bodies should do the same for their respective areas.
 | * The department needs to engage with the respective peak bodies to outline its expectations and develop a process where the peak bodies can respond.
* Engage with SSAs/IROs – expectations of WASF role
* Implementing this will be a medium-term process.
 | August 2019 | Department and Industry |  |
| 1. There is a need to consistently customise the requirements of organisations across all grant programs, to reflect their capacity, capability and reach, and reflect the level of funding.
 | There was an average 91% level of support across the two findings. There were limited comments provided in response to these findings. As a result, it is considered that **the findings as currently described are appropriate**. One of the observations made in relation to Finding 11 is that there are some commercial in confidence elements that must be considered. This comment was written from the perspective of the department revealing how organisations spend their IIP allocation. But the intent of the finding was for the department to have greater transparency for the industry to understand how the funding is allocated. | * Refer to the recommendations associated with the Industry Investment Program.
 |  |  |  |
| 1. There should be transparency and accountability in how the funding for the Industry Investment Program is allocated.
 |
| 1. The department should look at standardising the application and acquittal process for programs with aligned funding outcomes.
 | There was an average 84.5% level of support over the four findings. This theme had several ‘not applicable’ responses provided in the consideration of the findings. The predominant theme in the commentary related to the developments by Sport Australia and concerns of national organisations pursuing a unitary or one management governance model. This will represent a considerable work focus for the industry and the department over the coming 12 months.There were also comments supporting the standardisation of processes acknowledging that there is significant work involved in considering the varying capacities and capabilities of the industry.Also, there were comments as to how SSAs could work more productively with local governments in the development of their strategic plans.One of the observations made in relation to Finding 14 is that this does not necessarily need to be a department-driven outcome. This matter was also discussed during the workshops and may require an adjustment to the wording. Therefore, based on this comment and in response to these findings as a result it is considered **that the findings as currently described are appropriate, noting the wording for Finding 14 may need to be amended**. | * In implementing the recommendations, the application and acquittal processes will be reviewed to look at standardising and simplifying the processes.
* There will need to be an engagement process with industry to ensure that the expectations associated with this are understood and met.
* Consistency across all programs and grant funding.
 | October 2019 (ongoing) | Department and Industry (WASF/PLA)  |  |
| 1. The department should progress the development of a consolidated funding agreement with each State Sporting Association and Industry Recognised Organisation.
 | * Refer to the recommendations associated with the Industry Investment Program.
 |  |  |  |
| 1. There is a need to develop online best practice guidance including templates, policies and procedures for State Sporting Associations.
 | * There needs to be engagement with the department and industry as to which entity is best placed to deliver such online materials.
* If it is to be NSOs, then an engagement strategy will need to be developed and implemented.
* Desktop review of current resources and mediums already available for access, i.e. not duplicating existing materials.
 | October 2019 | Department and Industry (WASF/PLA)  |  |
| 1. The department and the industry should work with Sport Australia to help simplify compliance and industry standards, and for the National Sporting Organisations to assist Western Australian State Sporting Associations.
 | * Consideration of how to service the 11 WA impacted one management sports (internally and externally), as well as those that have come to operate under a unitary model.
* Consideration of the stages of implementation of each organisation.
 | May 2019 | Department, WASF and Sport Australia | * The department and the industry have established a One Management Sports working group. This is for the impacted sports to meet as a collective to discuss their issues and to learn from each other.
* The 13 sports have met on three occasions, with Sport Australia physically attending 2 of these forums.
 |
| 1. The department and the industry need to engage more effectively with the health and education sectors.
 | This was the lowest supported theme, with an average 81% level of support across the three findings. While the first finding had a 92% level of support relating to the need to improve the way engagement occurs with the health and education sector. The suggested methodology was significantly lower and reduced the average.The comments provided reflect the discussions in the workshops and the process to date. Put simply, the biggest concern is how this will be achieved. This level of feedback has resulted in clear support for the concept as articulated in Finding 16, with less certainty in the implementation as seen in feedback to Findings 17 and 18. There is a significant amount of work required over the long term to realise these findings and this will probably need to develop into a separate process. | * The department and industry need to examine how this can best be achieved.
* There is a need to describe and determine the units – greater than just physical activity includes social connectivity and mental health.
* With respect to Finding 17, there needs to be consideration as to whether adoption of a whole-of-government language actually improves the connections with the community.
* This will lead to the development of a project plan.
* This is a longer-term project.
 |  |  |  |
| 1. The department should consider adopting a whole-of-government language common to the health and education sectors.
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| 1. The department should investigate the process of developing a universal unit of measurement for the sport and recreation industry.
 |
| 1. The expansion of the definition of sport at a federal level to include physical activity needs to be reviewed at a State level with a position statement considered.
 | There was an average 83.75% level of support across these four findings. The comments provided were varied and appear to reflect the current relationship that the respondent has either with their counterpart (local government for sport and vice versa). As a result, it highlights that there is a divide and a requirement for further work to occur.Some of the comments acknowledge that there is work to be done to develop and strengthen these discussions. Based on the scores and the feedback, it is considered **that the findings as currently described are appropriate.** | * Clarify that federal recognition does not automatically translate to State recognition – case-by-case basis
* Policy response is different to a funding response.
 | October 2019 | Department and Industry  |  |
| 1. There is a point of difference between regional and metropolitan participants as to the value of investing in the traditional delivery model.
 | * Refer to the recommendations related to Every Club and KidSport.
* This is an ongoing process and requires the industry and local government to improve how it communicates its expectations and manages things when they do not align.
 |  |  |  |
| 1. Local government is a major player in community sport and recreation and needs to be factored into the traditional delivery model.
 |
| 1. There are market gaps in how the department supports events, participation and active recreation opportunities.
 | * The initial response relates to the events and innovation recommendations.
* Ongoing engagement and discussion need to occur regarding participation and active recreation.
 | October 2019 | Department and Industry (WASF/PLA)  |  |