



3 September / Medi 2020

Helen Mary Jones MS/AS
Chair / Cadeirydd
Culture, Welsh Language and Communications Committee /
Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu
Public Accounts Committee
Welsh Parliament / Senedd Cymru
Cardiff / Caerdydd
CF991NA

Dear Helen Mary Jones MS,

As you know Sport Wales were very grateful to the committee for the work it did as part of the enquiry into the impact of Covid-19 on the sport sector. We were very pleased to be able to provide written and verbal evidence as part of that approach and, in line with the recommendations within the report, I am writing to you with an update on the Sport Resilience Fund.

Below is a review to date of the emergency funding put in place by Sport Wales. The figures are accurate as of September 1st.

National Governing Body and Local Authority allocations:

As we reported in our initial written evidence to the committee the immediate approach to the challenges of COVID19 on the sport sector was to work to ensure that sports organisations, clubs and facilities survived. One key decision in this was to have a more flexible approach to the way Sport Wales partners utilised their funding. We issued offer letters to all funded partners on the 1st April and agreed that these could be accepted via email, with payments being made as a matter of urgency. We stated we would be flexible with how funding would be used especially over the initial 12 weeks but reiterated we would need partners to ensure any changes were tracked to comply with audit expectations and requirements. A total of 68 payments totalling £6,008,953.30 for processed on the 16th of April, leaving only a small number of annual funded partners receiving payment after this date.

Emergency Relief Fund:

The Emergency Relief Fund (ERF) was first opened on April 8th. The fund was established to support not for profit sports clubs and organisations facing immediate financial difficulties. Over the course of the fund it supported 342 successful application to a total commitment of £605,235.



Be Active Wales:

With the closure of the ERF, the Be Active Wales Fund (BAWF) was launched on July 7th. This fund extended the approach of the ERF and covers both a protect element to support clubs still facing financial difficulties, as well helping to prepare sports to return to activity. The prepare element of the fund covers a range of issues to protect and safeguard individuals against the risk of contracting coronavirus. A total of £4m has been set aside for allocation.

Overall, there has been a total of £2,856,356 in support requested. This total request is being evaluated in stages by weekly assessment panels and to date the fund has committed to supporting 363 applications to a total value of £331,685.50. The number of applicants has increased month on month as sports return to activity.

Sport Resilience Fund (SRF):

In addition to the Be Active Wales Fund, Sport Wales also launched a £4.5m application-based fund covering National Governing Bodies of Sport, Leisure Trusts and other national organisations contributing to sport in Wales. The total requested by applicants for this fund is £4,168,559. Thus far the fund has committed £1,357,813 of funding across 21 applications.

The SRF and BAWF continue to operate and have weekly panel decisions to allocate funding. This will continue for the foreseeable future, although consideration will also be given in time to how there could be a further extension to the funds which would look at more developmental activities beyond prepare and protect. This will be determined by both the nature of the sporting activities and the guidance issued by Welsh Government in relation to sport and Covid-19.

Future Impact:

In relation to the impact these funds will have on Sport Wales' activities over the coming years it is currently too early to predict. It is the case that repurposing in year funding to deliver emergency contingencies has resulted in planned initiatives being postponed, or in some cases, stopped entirely. The long-term nature of the impact of Covid-19 on sport in Wales is still relatively uncertain. Sport Wales has undertaken significant research looking at how the pandemic has impacted on participation rates, public confidence and the sport economy. This will inform our approach, as will the continued work of sports and the Welsh Government to examine the return to sport road map. Any potential spikes in Covid-19 cases will also change the nature of projected activities. It is certainly the case that pressure on Sport Wales, and the broader sport sector budgets in 2020 as a result of Covid-19, will have a lasting legacy on physical activity unless additional resource is found or utilised in a different way. More reflective detail on this will undoubtedly be evident over coming months and reported through our annual report and future business plan and investment projections.



In addition to the current pressures, there are significant longer-term challenges facing the sport and leisure sector. Due to the nature of the sector and its provision, the impact on revenue income for sports clubs, gym owners and facility operators in the short and longer term will be significant. Under the current restrictions, reopening of the Sport and Leisure sector has been gradual, at low capacities and subject to physical distancing requirements and we recognise that consumer confidence is likely to be low for an extended period. These challenges will impact the viability of the sector in the medium and long-term.

Existing funding initiatives, such as the UK Government's Job Retention Scheme (JRS) and Self-Employed Income Support Scheme (SEISS), the Welsh Government's business support schemes and Sport Wales' Emergency and Sport Resilience Funds (ERF / SRF), have provided a lifeline to some, but not all parts of the sector. These initiatives alone though will not be enough to protect jobs and ensure the sector can thrive once again, especially with both the JRS and SEISS ending in October.

We are holding positive conversations with the Welsh Government regarding the financial need to protect the sector in short term and have gratefully, been able to draw on evidence and recommendations made by the Committee as part of our case to them.