

Strategic Funding Review

Close out report



Copyright

This document contains information, opinions, data, and images (“the material”) prepared by the Department of Local Government, Sport and Cultural industries (DLGSC). The material is subject to copyright under the Copyright Act 1968 (Cth), and it is owned by the State of Western Australia through the DLGSC.

DLGSC encourages the availability, dissemination and exchange of public information. Should you wish to deal with the material for any purpose, you must obtain permission from DLGSC. Any permission is granted on the condition that you include the copyright notice “© State of Western Australia through Department of Local Government Sport and Cultural Industries” on all uses.

To obtain such permission, please contact the Corporate Communications team at:

Department of Local Government, Sport and Cultural Industries

Leederville office

246 Vincent Street
Leederville WA 6007

Postal address: PO BOX 8349,
Perth Business Centre WA 6849

Email: info@dlgsc.wa.gov.au

Website: www.dlgsc.wa.gov.au

Disclaimer

Whilst the information contained in this document has been formulated with all due care, the DLGSC does not accept any liability to any person for the information (or the use of such information) which is provided in this document or incorporated into it by reference.

The information contained herein is provided on the basis that all persons accessing the document undertake responsibility for assessing the relevance and accuracy of its content.

About DLGSC

The DLGSC works with partners across government and within its diverse sectors to enliven the Western Australian community and economy through support for and provision of sporting, recreational, cultural and artistic policy, programs and activities for locals and visitors to the State.

The department provides regulation and support to local governments and the racing, gaming and liquor industries to maintain quality and compliance with relevant legislation, for the benefit of all Western Australians. This publication is current at November 2020.

© State of Western Australia. All rights reserved.

Contents

Overview	4
Status of Recommendations and Findings	4
Implementation Strategy by Recommendation	5
Status of the Findings	7

Overview

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. Since that time, the group has met regularly to be briefed on the status of the recommendations and findings, with the most recent meeting being 25 July 2020.

The recommendations and findings of the review have progressed to a point that the need for the Strategic Funding Review External Reference Group has ceased and that the purpose of this report is to 'close-out' the Strategic Funding Review.

At the time the Strategic Funding Review was published in 2019, the department committed to the following to occur immediately:

- 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 (from May 2019) 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. **Completed.**

Further, by the end of 2019, the following were to be delivered:

- an Event Strategy and funding program developed in consultation with the industry will be launched and implemented. **Completed, implementation on hold till 2020-21.**
- annual Organisation Performance Assessments will be completed. **Completed in the timeframe.**
- an engagement strategy with Sport Australia will be developed. **Completed in the timeframe.**
- a review of the categorisation of Industry Representative Organisations, Peak Bodies and Sport and Recreation Agents, will be completed and implemented. **Commenced, to be completed by the end of 2020.**
- the department will have hosted local government, State government and State Sporting Association symposium on club development. **Occurred on 21 February 2020.**
- an evaluation of the Targeted Participation Program will be completed. **The 2019-20 evaluation has been completed and the 2020-21 process has commenced;** and
- the Every Club review implementation strategy will be developed and progressed for implementation. **Completed in the timeframe.**

Status of Recommendations and Findings

The Strategic Funding Review contained 12 recommendations and 22 findings.

All of the recommendations have been implemented with only the Events Strategy and the Innovation Program yet to be finalised. This is expected to occur in late 2020-21.

The findings are a representation of recurring comments and themes gathered through the consultation process in the development of the review. Many of the findings were statements, though some required further action.

Of these, the main outcomes have been:

- the formation of a Structural Reform Working group to enable Western Australian State Sporting Associations to have a coordinated approach when dealing with Sport Australia (Finding 15); and
- WA Sports Federation initiating a re-brand as SportWest and the development of the Strategic Priorities for WA Sport.

There is still some work to be done by the department and the industry in relation to the Findings 16, 17 and 18 being:

- the department and the industry need to engage more effectively with the health and education sectors
- the department should consider adopting a whole-of-government language common to the health and education sectors, and
- the department should investigate the process of developing a universal unit of measurement for the sport and recreation industry.

These are to be progressed as subsequent projects and, as a result, the recommendations and findings of the review have progressed to a point that the department wishes to formally conclude the Strategic Funding Review as completed.

The following two tables outline how the review's recommendations were implemented and report on the status of the findings.

Implementation Strategy by Recommendation

#	Recommendation	Completed by	Responsible Section	Subsequent Action	Current Status – October 2020
1	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, including gender targets.	April 2019	Sport and Recreation Development	<ul style="list-style-type: none"> Develop and implement the review process for future changes to the categorisation tables. 	<p>Completed</p> <p>Table uploaded and available for viewing at https://www.dlgsc.wa.gov.au/department/publications/strategic-funding-review-2019</p>
2	The Industry Investment Program to have three-year funding blocks, with an annual assessment. Each organisation will be placed in a category based on its capability and capacity.	April 2019	Sport and Recreation Development	<ul style="list-style-type: none"> 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. 	<p>Completed</p>
3	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.	June 2019	Sport and Recreation Development	<ul style="list-style-type: none"> 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. 	<p>To be completed by December 2020.</p> <ul style="list-style-type: none"> A review of SSA, Peak Body and Sport and Recreation Agents has commenced to develop a "Recognition Criteria for Sport and Active Recreation Organisations" to consider the definitions for Sport and Recreation Agents and Peak Bodies. The Women's National League program has commenced and there will be discussions with the current unfunded teams as to potential funding consideration ahead of the 2020-21 commencement.
4	Regional Organisation Grants and Regional Servicing Grants will be consolidated within the Industry Investment Program.	May 2019	Sport and Recreation Development and Regions	<ul style="list-style-type: none"> Review the eligibility and grant workflows for 2020-21 	<p>Completed.</p> <ul style="list-style-type: none"> There is a need for the department to be clearer on the timeframe and communications associated with this program.
5	The department undertakes a health check of the Every Club program to refine future funding rounds.	December 2019	Sport and Recreation Development		<p>Completed.</p>
6	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.	June 2020	Sport and Recreation Development		<p>Completed.</p>
7	The department to host a leadership forum between local governments and State Sporting Associations to discuss the roles and responsibilities of club development.	September 2019	Sport and Recreation Development	<ul style="list-style-type: none"> Findings of the forums are to inform the scope of the health check. 	<p>Completed.</p>

#	Recommendation	Completed by	Responsible Section	Subsequent Action	Current Status – October 2020
8	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.	April 2019	Participation and Camps	<ul style="list-style-type: none"> 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. 	Completed.
9	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.	September 2019	Participation and Camps		Completed.
10	The Active Regional Community Grants program is to be more widely promoted and an increase in funding to the pool is being considered.	June 2019	Regions		Completed.
11	An events strategy will be developed to fund metropolitan and regional sporting events.	November 2020	Sport and Recreation Development	<ul style="list-style-type: none"> 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. 	Completed.
12	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.	February 2020	Sport and Recreation Development		Workshops completed, program likely to commence in late 2020-21

Status of the Findings

Finding	Summary of response and feedback	Next Steps	Timeframe	Owner	Current Status October 2020
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.	<ul style="list-style-type: none"> 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. 			Finding was noted but it did not initiate further work.
2. There is room for improvement in terms of tailoring requirements for smaller organisations and continuing to review what an organisation's core business is.	There is also further work to review the appropriateness of the funding and that this will be an ongoing process.				
3. Further work is required to review the appropriateness of funding programs against the department's outcomes and State government priorities.	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.	<ul style="list-style-type: none"> The department needs to develop and implement a communication strategy for the industry on the department's outcomes and priorities. 	October 2019	DLGSC	This finding is non-specific in an outcome for the department. However, it is a consideration in the approach that Sport and Recreation takes to new and existing projects.
4. 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.	<ul style="list-style-type: none"> Need to outline the different approach to be undertaken, as part of the communication strategy. 	October 2019	DLGSC	Finding was noted but it did not initiate further work.
5. 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.	Concerns were also raised that this is predominantly sport focused, and recreation and leisure need to be included.	<ul style="list-style-type: none"> 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 (Sport West/ PLA)	This finding is non-specific in an outcome for the department. However, it is a consideration in the approach that Sport and Recreation takes to new and existing projects.
6. 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 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.	<ul style="list-style-type: none"> 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. 			
7. There is a need for the sport and recreation industry to evaluate its relationship with the department to ensure the correct roles and responsibilities are in place.		<ul style="list-style-type: none"> 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)	This was informed in part by the completion of the SportWest Strategic Priorities for WA Sport.
8. The department and the industry need to reposition relationships to work more collaboratively (as has occurred through this process).					

Finding	Summary of response and feedback	Next Steps	Timeframe	Owner	Current Status October 2020
9. 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.		<ul style="list-style-type: none"> 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	Completed. This was informed in part by the completion of the SportWest Strategic Priorities for WA Sport.
10. 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.	<p>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.</p>	<ul style="list-style-type: none"> Refer to the recommendations associated with the Industry Investment Program. 			Finding was noted but it did not initiate further work.
11. There should be transparency and accountability in how the funding for the Industry Investment Program is allocated.					
12. The department should look at standardising the application and acquittal process for programs with aligned funding outcomes.	<p>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.</p>	<ul style="list-style-type: none"> 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. Refer to the recommendations associated with the Industry Investment Program. 	October 2019 (ongoing)	Department and Industry (WASF/PLA)	This has been reflected in the approach that Sport and Recreation is taking with new programs and the review of existing ones.
13. The department should progress the development of a consolidated funding agreement with each State Sporting Association and Industry Recognised Organisation.	<p>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.</p>	<ul style="list-style-type: none"> Refer to the recommendations associated with the Industry Investment Program. 			Actioned via the recommendations for the Industry Investment Program.
14. There is a need to develop online best practice guidance including templates, policies and procedures for State Sporting Associations.	<p>Also, there were comments as to how SSAs could work more productively with local governments in the development of their strategic plans.</p> <p>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.</p>	<ul style="list-style-type: none"> 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)	Through the subsequent meetings of the SFR External Reference Group, there is still some conjecture as to the specifics of this finding.
15. 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.		<ul style="list-style-type: none"> 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	This has become a separate project.

Finding	Summary of response and feedback	Next Steps	Timeframe	Owner	Current Status October 2020
16. The department and the industry need to engage more effectively with the health and education sectors.	<p>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), Support for the the suggested methodology was significantly lower and reduced the average.</p> <p>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.</p> <p>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.</p>	<ul style="list-style-type: none"> 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 improves the connections with the community. This will lead to the development of a project plan. This is a longer-term project. 			<p>This remains unresolved other than it is an agreed priority for both the sector and the department. This will result in a subsequent set of projects to be explored through 2020-21 through 2021-22.</p>
17. The department should consider adopting a whole-of-government language common to the health and education sectors.					
18. The department should investigate the process of developing a universal unit of measurement for the sport and recreation industry.					
19. 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.	<p>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.</p> <p>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.</p>	<ul style="list-style-type: none"> 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	Ongoing
20. There is a point of difference between regional and metropolitan participants as to the value of investing in the traditional delivery model.		<ul style="list-style-type: none"> 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. 			<p>This has been reflected in the approach that Sport and Recreation is taking with new programs and the review of existing ones.</p>
21. Local government is a major player in community sport and recreation and needs to be factored into the traditional delivery model.					
22. There are market gaps in how the department supports events, participation and active recreation opportunities.		<ul style="list-style-type: none"> 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)	Actioned via the recommendations a new Events Program.

**Department of Local Government,
Sport and Cultural Industries**

Perth office

Gordon Stephenson House
140 William Street
Perth WA 6000

Leederville office

246 Vincent Street
Leederville WA 6007

Postal address: GPO BOX 8349,
Perth Business Centre WA 6849
Email: info@dlgsc.wa.gov.au
Website: www.dlgsc.wa.gov.au