



# Presentation to the Portfolio Committee on Sport and Recreation

23 July 2014

# Delegation

- Prof. Alfred Nevhutanda (Chairperson)
- Mrs Thabang Mampane (CEO)
- Mr. Jeffrey du Preez (SE: Grant Funding)

# CHAIRPERSON



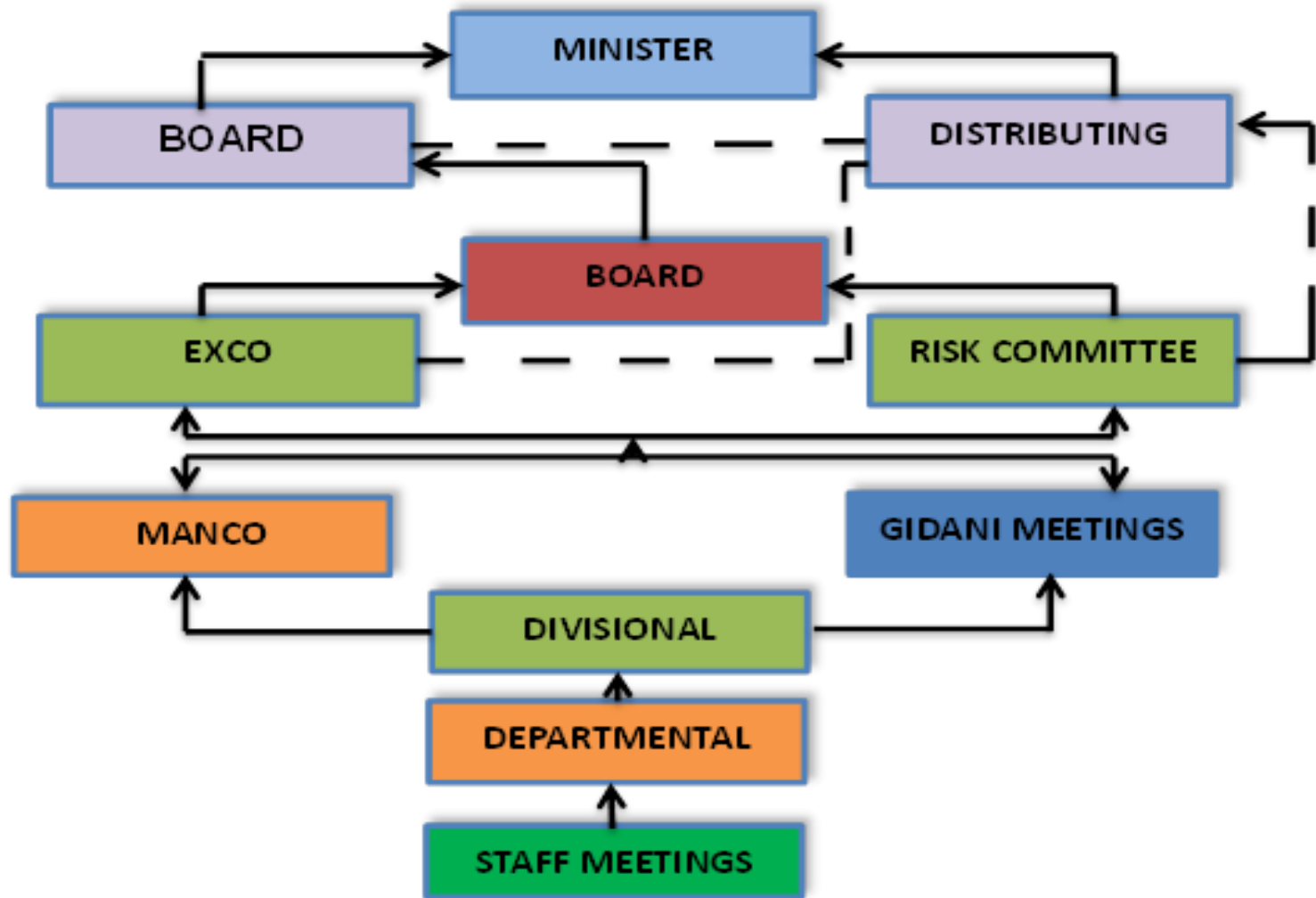
# Presentation Outline

- Introduction
- Strategic Plan
- Selection Criteria for Funding Programs
- Report on current Funding Programs
- Challenges
- Concluding Remarks
- Discussion

# 15 YEARS OF THE NLB

- Established through an act of parliament in 1997
  - Celebrates its 15 years of existence in March 2014
  - Distributes an average of **R2 billion per annum** since inception
  - Has distributed **R18 billion** to good causes since inception
  - Undertook a study to assess impact of funding since inception
  - Today employs 210 employees includes interns and contracts
  - In the financial year 2013/14 NLB has distributed **R2.030 billion**
  - Currently in a process of appointing a new lottery operator
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# GOVERNANCE STRUCTURE



# NLB Functions



## Regulation

National Lottery: Operated by Gidani (34% of sales to NLDTF)

Other lotteries



## NLDTF Distribution

Process applications and make payments

Charities  
45%

Arts  
28%

Sports  
22%

Miscellaneous  
5%

Distributing Agencies (DAs) adjudicate applications and make grants in line with criteria

**CHIEF EXECUTIVE OFFICER**





# Strategic Overview

Vision

**Catalyst for social upliftment**

Mission

- Regulate all lotteries & sports pools with integrity & ensure the protection of all participants
- Maximize revenue for good causes in a responsible manner
- Distribute funds equitably & expeditiously

## Strategic Objectives

SO1

Enhance Administration, Ensure Compliance with Applicable Legislation and Policy Prescripts

SO2

Establish & maintain strategic partnerships with key stakeholders

SO3

Implement Relevant Initiatives Geared towards Ensuring Compliance by the Society and Illegal Lotteries with the Act

SO4

Fair & Equitably allocate the grants in line with legislation

## Strategic Alignment

### National Development Plan (Key Outcomes)

- Bringing about faster economic growth, higher investment and greater labour absorption.
- Building a capable and developmental state

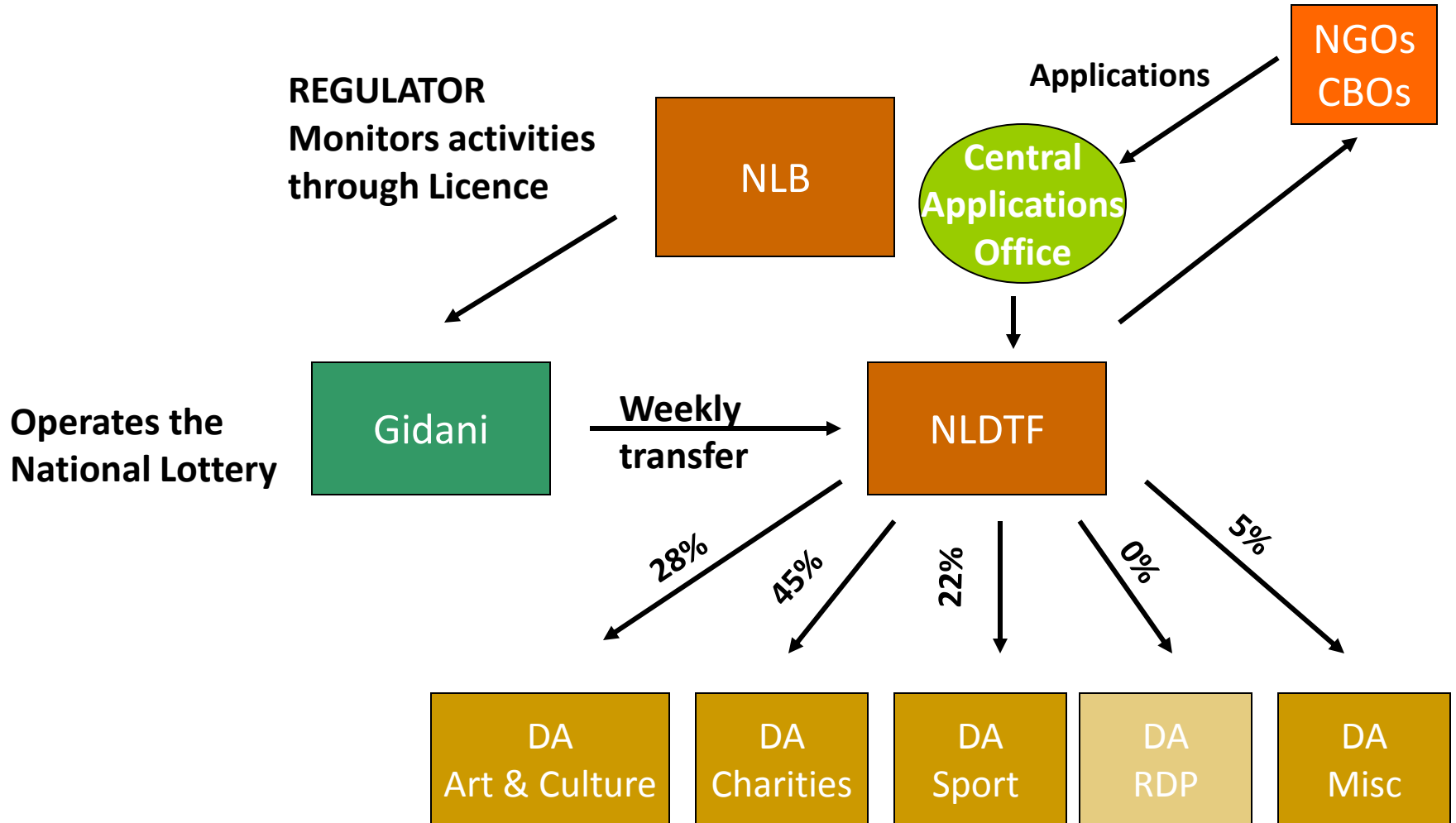
### Department of Trade & Industry (Priority)

- To facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation

### Industrial Policy Action Plan (Outcome)

- Broadening Economic Participation (Particular focus to Government priority Area)

# Governance..Structure



# SE: GRANT FUNDING



# Grant Funding: Sports DA

- Consists of independent members appointed by the Minister of Trade & Industry in consultation with the Minister of Sport
- The role of the DA as per the Act is to adjudicate on all the applications received
- No allocations are made without an application as per legislation
- The role of the Grant Funding Division of the NLB is to provide administrative support

# Strategic Plan

- Promote social cohesion and nation building through sport
- Promote healthy lifestyle
- Provide a platform for the historically disadvantaged
- communities to achieve their sporting potential through:
  - ✓ Gender integration
  - ✓ Funding of vulnerable groups
  - ✓ Partnership with stakeholder, clubs, schools, NGO's, Municipalities and Organized structures

# Strategic Plan

- Transformation & Development Programmes
  - ✓ Talent identification
  - ✓ Basic facilities
  - ✓ Sport equipment
  - ✓ Local leagues
  - ✓ Provincial-and national competitions
  - ✓ Capacity building

# Strategic Plan

- Infrastructure
- Capacity Building
  - ✓ Includes courses for clubs, regional, provincial and national facilitators, technical officials, administration and coaches
  - ✓ Life skills
  - ✓ Generic training courses

# Strategic Plan...Capacity building

- ✓ International accreditation of coaches
- ✓ International accreditation of technical officials
- ✓ Facilitation and coordination all technical courses to be SAQA accredited
- ✓ Translation of course training manuals/materials
- ✓ Production/development of training material for respective courses
- ✓ Reasonable accommodation for people with disabilities



# Strategic Plan

- High Performance
  - ✓ Sport-specific research equipment
  - ✓ Medical
  - ✓ Nutrition
  - ✓ International participation

# Selection Criteria for Funding Programs

- **Mandatory Requirements (July 2010 Regulations):**
  - ✓ Fully completed prescribed application form (FORM 2010/1):
  - ✓ Proof of registration
  - ✓ Constitution, Memorandum of Incorporation, Trust Deed or relevant founding document (not required for tertiary institutions and schools)
  - ✓ Certified copy of the main and alternate contact person's South African identity documents (A10 & A11).
  - ✓ Certified copies of South African identity document of Members of the Management Committee (A12)
- **Additional documents requested:**
  - ✓ Proof of recognition from relevant Sporting Federation or SASCO (National Federations, Affiliates to Federations, Academies, Clubs, Sport Tourism)

# Selection Criteria for Funding Programs

- **SASCOC** can apply for preparation, co-ordination and presentation of Team SA to multi-coded games; hosting of and participation in international events i.e. congresses and general assemblies and Olympic/Paralympic Sports Festivals; co-ordination and facilitation of National projects; Monitoring and evaluation; and National & Provincial Academies
- **NATIONAL FEDERATIONS** can apply for capacity building; High Performance Programmes, including training camps and international participation and hosting of international events; equipment for High Performance activities; hosting of National Championships; National competitive school sport tournaments for the purpose of talent identification; participation in international school sport competitions; and attendance of International Conferences/General Assemblies. National Federations may also apply on behalf of their affiliates

# Selection Criteria for Funding Programs

- **AFFILIATES TO NATIONAL FEDERATIONS** can apply for equipment and kit for their clubs; capacity building; transformation and development (talent identification, equipment, transport); co-ordination of and participation in Provincial and National competitions; schools' leagues and competitions from local to provincial level with a focus on athletes from both primary and secondary schools especially in rural areas. Affiliates may apply on behalf of clubs.
- **AFFILIATES TO PROVINCIAL FEDERATIONS (CLUBS, DISTRICTS, SUB-UNIONS & REGIONS)** can apply for a contribution towards new basic facilities & upgrading of existing sports facilities with a focus on levelling, grassing and fencing; sports equipment and apparel; coordination of the participation in local leagues and Provincial competitions.

# Selection Criteria for Funding Programs

- **RECREATION ORGANISATIONS & CLUBS** can apply for sports equipment for recreational activities.
- **SCHOOLS** can apply for a contribution towards new facilities and upgrading of existing sport facilities; sports equipment and apparel; support for participation in school leagues and competitions.
- **PROVINCIAL SPORTS CONFEDERATIONS** can apply for monitoring and evaluation of the implementation of the transformation targets per sport; and a contribution for hosting Council and Annual General Meetings.

# Selection Criteria for Funding Programs

- **PROVINCIAL ACADEMIES OF SPORT** can apply for equipment for high performance and talent identification; athlete support (nutrition, medical & transport); contribution to upgrading facilities for satellites; support for provincial federations during camps; training of coaches, administrators and technical officials; training manuals (buying & printing and translating).
- **MUNICIPALITIES** (Metro Municipalities, District Councils & Local Municipalities) can apply for a contribution towards new sports facilities and the upgrading of existing sports facilities where National Federations and affiliates to National Federations will have access.

# Selection Criteria for Funding Programs

- **UNIVERSITIES** can apply for a contribution towards new facilities and the upgrading of existing sport facilities where National Federations and affiliates to National Federations will have access; sport specific research in collaboration with National Federations and the SASCOC; sport specific research equipment; hosting of sport code specific scientific conferences endorsed by the National Federation or SASCOC. Universities may also be considered for outreach programmes; sport capital equipment and Campus leagues.
- **FURTHER EDUCATION AND TRAINING INSTITUTIONS** can apply for a contribution towards new facilities and the upgrading of existing sport facilities where National Federations and affiliates to National Federations will have access; outreach programmes; sports equipment and apparel; and Campus leagues.

# Selection Criteria for Funding Programs...Budget Limits

Applicant	Limit
Municipalities	R 1m
Universities	R1.2m
FET's	R1m
National Federations	R2m
Provincial Confederations	R500,000
Provincial Academies	R1,5m
Districts, Sub-Unions & Regions	R250,000
Schools	R100,000
Clubs	R200,000



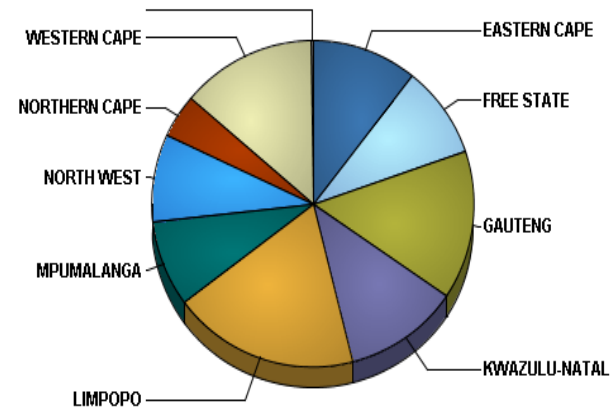
# Report on current Funding Programs

## 2012 CALL FOR APPLICATIONS REPORT

Page Items: Application Year: 2012 Sector: SPORTS AND RECREATION

Province	Applications Received	% Applications Received	Amounts Requested	% Amounts Applied
EASTERN CAPE	464	11%	445,132,369.08	7%
FREE STATE	401	9%	548,932,967.46	8%
GAUTENG	642	15%	3,274,023,595.44	50%
KWAZULU-NATAL	502	11%	462,709,098.83	7%
LIMPOPO	819	19%	276,342,465.62	4%
MPUMALANGA	368	8%	279,131,196.10	4%
NORTH WEST	381	9%	273,259,678.20	4%
NORTHERN CAPE	192	4%	318,937,837.94	5%
WESTERN CAPE	592	14%	650,636,272.51	10%
NULL	9	0%	20,458,350.00	0%
	<b>Cell Sum: 4370</b>	<b>100%</b>	<b>Cell Sum: 6,549,563,831.18</b>	<b>100%</b>

Stats as at 23-APR-13 - 11:41:48 AM



Applications Received

# Report on last Call for Applications

- Number of applications received under the 2012 Call was 4370 with a budget of R537 mil in 2012.
- All applications have been adjudicated as at 31<sup>st</sup> march 2014.

# Report on the 2012 Funding Programs...Capacity Building Initiatives

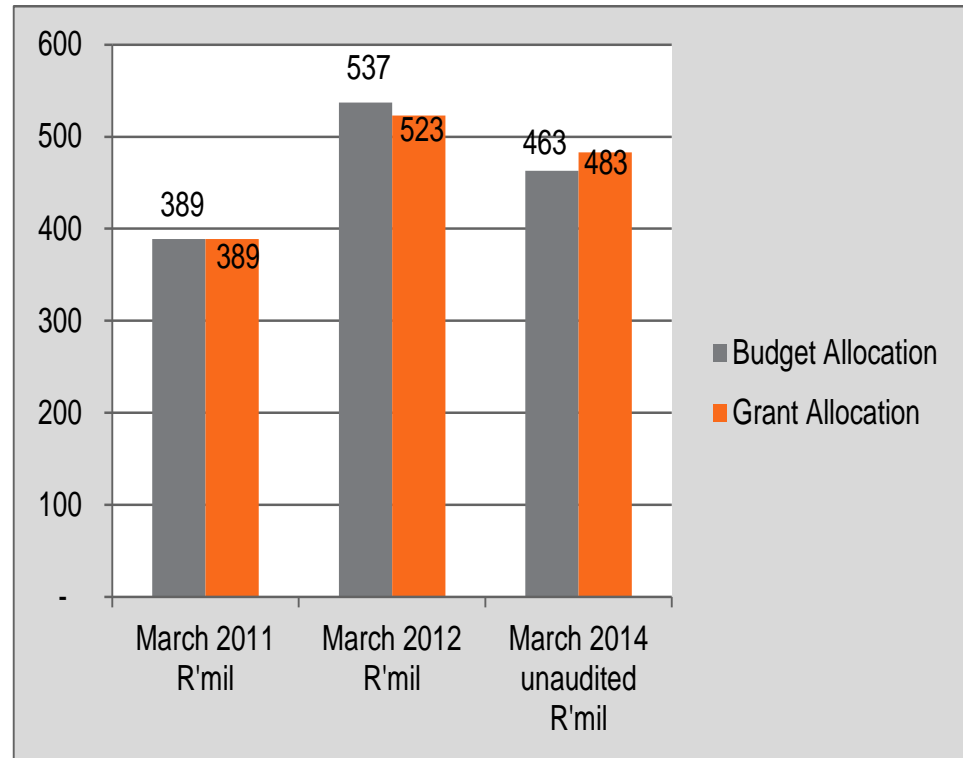
- The Sports and Charities Distributing Agencies published calls between September and December 2012
- Helpdesks and capacity building workshops were implemented from 01 October 2012- 30 November 2012
- 90 workshops and 18 help desks were held in all nine provinces, with a total attendance of more than 7 700 individuals at the information sessions; and more than 1 500 people assisted at Help Desks

# Report on 2012 Funding Programs...Capacity Building Initiatives

	Province	Workshops	Attendance
1	Eastern Cape	18	1 009
2	Free State	19	1 896
3	Gauteng	6	1 630
4	Kwa-Zulu Natal	5	489
5	Limpopo	10	1 054
6	Mpumalanga	4	213
7	North West	7	769
8	Northern Cape	18	497
9	Western Cape	3	165
<b>TOTAL</b>		<b>97</b>	<b>7 722</b>

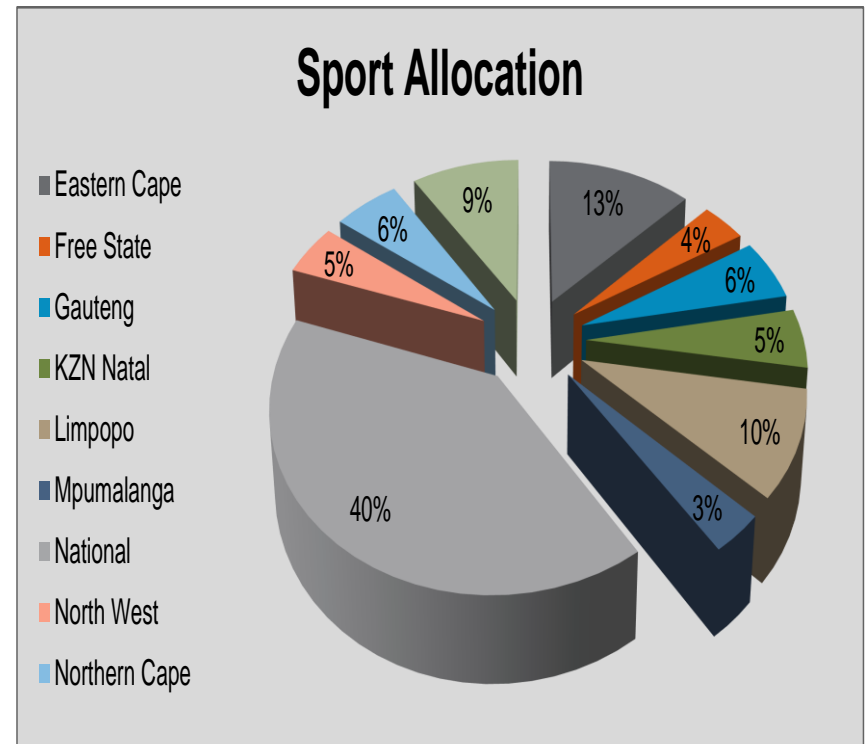
# Budget vs Allocations R 'mil

	March 2011 R'mil	March 2012 R'mil	March 2014 unaudited R'mil
Budget	389	537	463
Allocations	389	523	483



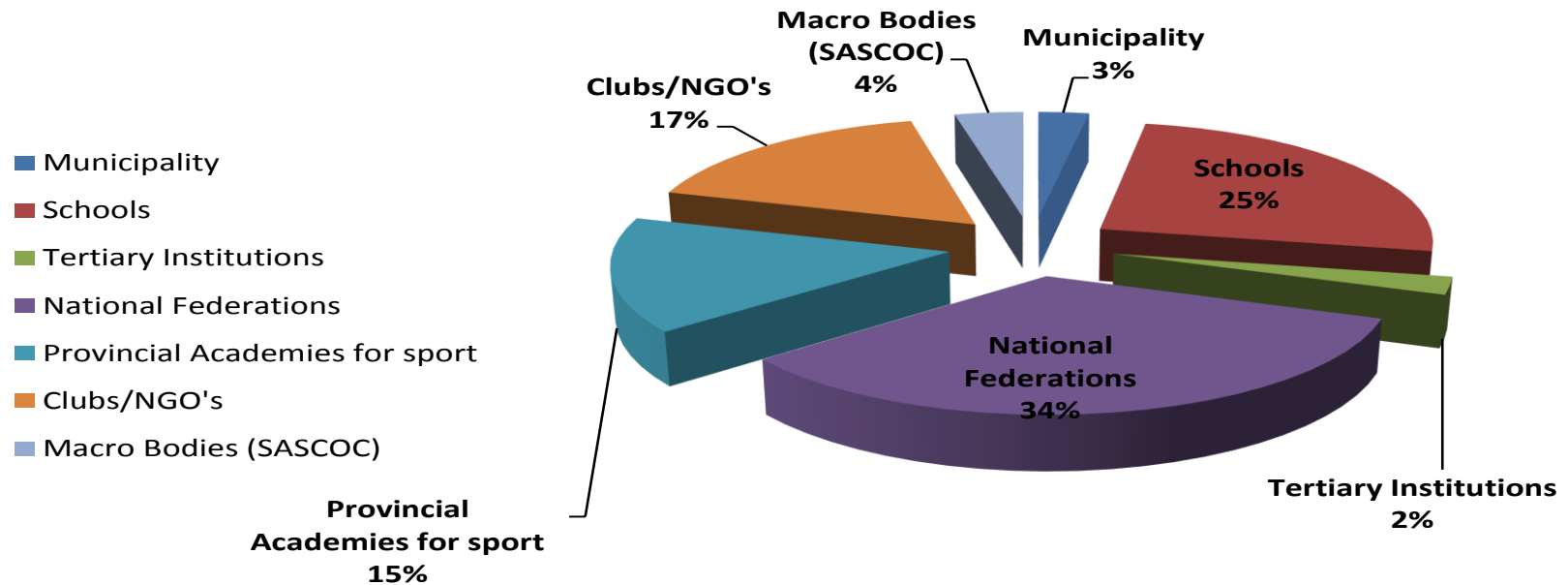
# Sports Grant Allocation Status as at 31<sup>st</sup> March 2014...Provincial Split

Province	Allocation to date	%
Eastern Cape	60 938 897	13%
Free State	18 508 447	4%
Gauteng	27 519 613	6%
KZN Natal	25 946 170	5%
Limpopo	46 210 297	10%
Mpumalanga	16 542 974	3%
Northern Cape	27 338 133	6%
North West	23 208 890	5%
Western Cape	45 330 033	9%
National	191 614 500	40%
	483 157 955	100%



# 2013/14 Sport sector investment per sub sector-Unaudited

SRDA Allocation per Sector



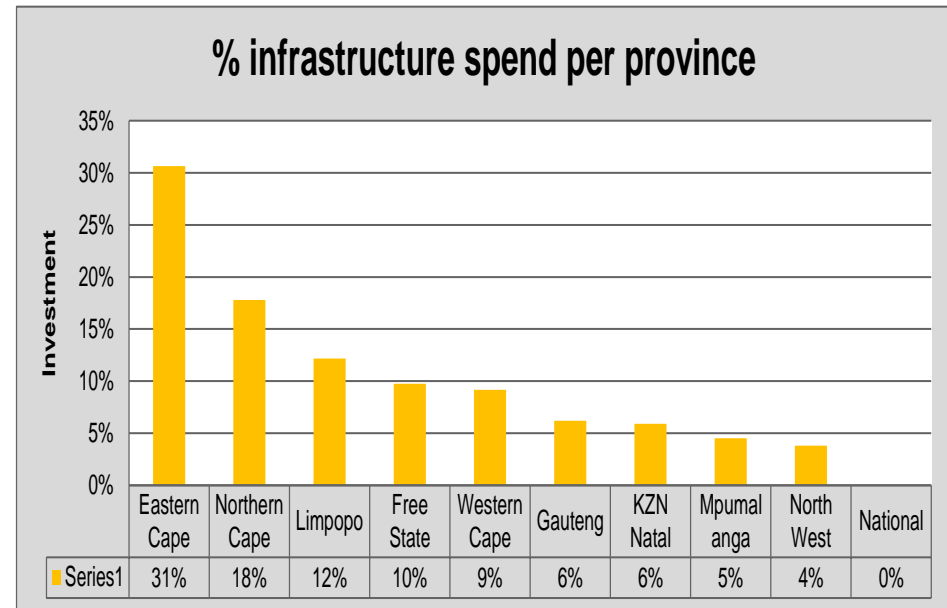
# Infrastructure investment – Sport

## Year ending 31 March 2014-Unaudited

Province	Allocation to date	Infrastructure spend	% infrastructure spend per province
Eastern Cape	60 938 896.62	38 494 910	31%
Northern Cape	27 338 133.40	22 340 794	18%
Limpopo	46 210 296.59	15 286 864	12%
Free State	18 508 447.11	12 251 399	10%
Western Cape	45 330 032.84	11 533 729	9%
Gauteng	27 519 613.48	7 793 369	6%
KZN Natal	25 946 170.44	7 422 804	6%
Mpumalanga	16 542 974.35	5 698 306	5%
North West	23 208 890.04	4 799 434	4%
National	191 614 500.41	-	0%
	483 157 955	125 621 609	100%

Percentage infrastructure spend

**26.00**





# Next call for application

- Soon to be advertised.
- It will be a targeted call which incorporate elements of the National Development Plan.
- Education and awareness workshops will be conducted with more focus in those provinces with low numbers of applications.
- More offices are being opened in FS (Welkom) and NC (Kimberley). Soon to be followed by WC, KZN, NW and MP.

# Challenges

- Demand exceeds available resources
- Applications based funding model
- Lack of impact measurement
- Expectation of recurrent and 'permanent' funding potentially crowding out new entrants
- High rate of declines (due to non-compliance)

# Challenges

- Fraudulent applications / fund use
- Provincial allocation / spread inequities
- Emotive publicized threats of downsizing operations and services or closure because of the NLDTF has not allocated a grant
- Turnaround times

# Concluding Remarks

- Appreciate the opportunity to account to and engage with the Committee as the elected representatives of the communities we are appointed to serve
- We are hopeful that the eminent amendments to the Lotteries Act will address most of the fundamental structural impediments for the more effective & efficient distribution of funds from the NLDTF
- In the meantime the NLB and Distributing Agencies continuously endeavor to improve the operational efficiencies related to the NLDTF activities.

# SPORTS & RECREATION



# GINDIKINDI PRIMARY SCHOOL



# MOKITLANE PRIMARY SCHOOL



**Thank You**