

UK Sport: Supporting elite athletes

The National Audit Office scrutinises public spending on behalf of Parliament. The Comptroller and Auditor General, Sir John Bourn, is an Officer of the House of Commons. He is the head of the National Audit Office, which employs some 800 staff. He, and the National Audit Office, are totally independent of Government. He certifies the accounts of all Government departments and a wide range of other public sector bodies; and he has statutory authority to report to Parliament on the economy, efficiency and effectiveness with which departments and other bodies have used their resources. Our work saves the taxpayer millions of pounds every year. At least £8 for every £1 spent running the Office.

UK Sport: Supporting elite athletes

LONDON: The Stationery Office
£10.75

Ordered by the
House of Commons
to be printed on 24 January 2005

This report has been prepared under Section 6 of the National Audit Act 1983 for presentation to the House of Commons in accordance with Section 9 of the Act; and presented to Scottish Parliament in accordance with Section 88 of the Scotland Act 1998.

John Bourn
Comptroller and Auditor General
National Audit Office
18 January 2005

The National Audit Office study team consisted of:

Laura Brackwell, Andrew Denney, Rhodri Evans, Keith Hawkswell and Jonathan Mackay

This report can be found on the National Audit Office web site at www.nao.org.uk

For further information about the National Audit Office please contact:

National Audit Office
Press Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Tel: 020 7798 7400

Email: enquiries@nao.gsi.gov.uk

© National Audit Office 2005

CONTENTS

EXECUTIVE SUMMARY	1
Our main findings	1
Our recommendations	6
PART 1	
Introduction	8
UK Sport aims to lead sport in the United Kingdom to world class success	9
UK Sport distributes lottery money in support of elite athletes who compete for the United Kingdom or Great Britain	10
During the Athens Olympic cycle, UK Sport awarded over £92 million under the World Class Performance Programme	11



PART 2

The World Class Performance Programme has provided major benefits to elite athletes 14

The World Class Performance Programme has enabled national governing bodies to provide a comprehensive package of support to their elite athletes 15

The World Class Performance Programme has helped athletes commit more time to training and competition 19

PART 3

Performance in medal terms has been mixed, although medal related targets have limitations as measures of performance 24

UK Sport met its performance target for the Athens Olympic Games, but not its target for the Paralympic Games 25

While the overall medal table position is an important indicator of achievement, it is more an aspiration than a practical performance management tool 28

UK Sport also has other measures of performance, although there is scope to improve the way these are being measured and reported 29

PART 4

There is scope to improve UK Sport's management of the World Class Performance Programme 32

UK Sport awards funding on the basis of sports' medal winning record and potential 33

UK Sport agrees targets with national governing bodies but these are not always comprehensive and meaningful 35

UK Sport is working to strengthen its approach to evaluating the programmes provided by national governing bodies 35

UK Sport is working with national governing bodies where it has significant concerns about performance 36

UK Sport faces a number of challenges in managing the World Class Performance Programme in the next Olympic cycle 37

APPENDICES

1 World Class Performance Programme awards in support of Summer Olympic and Paralympic sports for the Athens Olympic cycle, 2001 to 2005 41

2 Study methods 43

3 Key points from the research we commissioned on the support provided to elite athletes in three countries overseas 46

EXECUTIVE SUMMARY



1 Since 1999 UK Sport has used National Lottery money to support elite athletes competing at the highest levels of sport for the United Kingdom or Great Britain¹. UK Sport is a non-departmental public body, working within a framework laid down by the Department for Culture, Media and Sport. Its long term aim is for the United Kingdom to be one of the world's top five sporting nations by 2012, measured by athlete performances at World Championships, and Olympic and Paralympic Games.

2 UK Sport provides support to elite athletes through its World Class Performance Programme, which has two main elements:

- funding for national governing bodies of sport to provide a supporting infrastructure of coaching and other services for elite athletes who meet agreed performance criteria;
- funding for these individual athletes to contribute towards their living and sporting costs.

3 This report examines the support provided to elite athletes by UK Sport under the World Class Performance Programme, focusing on the funding of £83.5 million awarded in support of Summer Olympic and Paralympic sports during the Athens Olympic cycle between April 2001 and March 2005. Over 60 per cent of this funding went to the five largest Olympic and two largest Paralympic sports (**Figure 1**). Appendix 1 provides full details of the funding received by each individual sport.

Our main findings

4 Our main findings on **the benefits provided by the World Class Performance Programme** are:

- a** The World Class Performance Programme has enabled national governing bodies to provide a comprehensive package of support services (such as coaching, sports medicine and sports science), free of charge to their athletes. Governing bodies have also been able to recruit high calibre performance directors, putting the management of performance services in the hands of a single, accountable professional.
- b** The athletes we interviewed highlighted dramatic improvements in the services, equipment and training opportunities now available to them and a broader survey commissioned by UK Sport in 2003 found athlete satisfaction with the services provided by national governing bodies to be generally high. However, levels of athlete take-up of some services, particularly more technical, innovative areas such as sports science, have been variable. Our expert panel considered that strengthening the World Class Performance Programme's influence over athletes and the personal coaches that some athletes employ was a key challenge for UK Sport and governing bodies.

¹ At the Olympic and Paralympic Games, athletes compete for Great Britain; at the level of individual sports, there is a mix of United Kingdom and Great Britain teams, depending on the sport and the competition.

1 World Class Performance Programme awards in support of Summer Olympic and Paralympic sports for the Athens Olympic cycle, 2001 to 2005

Sport	Funding to national governing body £ million	Funding to individual athletes £ million	Total funding	
			£ million	%
Olympic sports				
Athletics	8.3	3.1	11.3	13.6
Rowing	7.3	3.3	10.6	12.7
Cycling	6.6	1.5	8.1	9.7
Sailing	5.4	1.8	7.2	8.6
Swimming	4.9	1.6	6.5	7.8
Other ¹	19.0	5.4	24.4	29.2
Sub-total	51.5	16.7	68.1	81.6
Paralympic sports				
Swimming	3.0	1.5	4.5	5.4
Athletics	1.9	1.5	3.4	4.1
Other ²	4.2	3.3	7.5	9.0
Sub-total	9.1	6.3	15.4	18.4
Total	60.6	23.0	83.5	100.0

Source: UK Sport

NOTES

1 Covers 12 other Olympic sports, none of which received total funding of over £5 million, including badminton which is largely funded by Sport England but whose national governing body also received £291,000 from UK Sport. Full details of the funding received by individual sports are given in Appendix 1.

2 Covers 13 other Paralympic sports, none of which received total funding of over £2 million. Full details of the funding received by individual sports are given in Appendix 1.

3 Not all figures cast correctly due to rounding.

c Athletes report that the personal awards provided under the World Class Performance Programme have made a significant difference to their ability to train and compete and this was confirmed by national governing bodies. Demonstrating the difference in quantifiable terms is more difficult and the data generated by UK Sport’s survey of athletes is not conclusive.

d The level of personal award that an athlete is entitled to receive is calculated on the basis of past performance and financial need, up to a maximum annual award of £21,830. During the Athens Olympic cycle, the average annual award was £12,184 for able-bodied athletes and £11,563 for disabled athletes. The awards provide separate elements for living and sporting costs, although UK Sport does not check whether athletes’ spending reflects this split. There are no financial performance incentives, such as bonuses to reward success at major championships.

- e The personal awards do not fund athletes’ costs in full and athletes are expected to fund their own careers to some extent with income from other sources. The living costs element of the award has remained at the same level since 1997 and UK Sport is currently considering what changes it should make to athlete funding for the Beijing Olympic cycle.
- 5** Our main findings on **the performance achieved under the World Class Performance Programme** are:
- a UK Sport met its performance target for the Athens Olympic Games, with Great Britain finishing 10th in the Olympic medal table against a target of 8th to 10th. In the Paralympic medal table, Great Britain was second, against UK Sport’s target of first (**Figure 2**).
 - b Although the overall Olympic target was met, half of the funded sports did not meet the individual medal targets they had agreed with UK Sport (see Figure 11 on page 24). This meant that the cost per medal to UK Sport was £2.4 million, compared with £1.7 million had the targets been achieved. Most Paralympic sports did not meet their individual medal targets (see Figure 12 on page 24), which meant that the cost per medal for UK Sport was £0.2 million compared with £0.1 million had the targets been achieved.
 - c A comparison of the performances of Great Britain across the last five Olympic Games suggests that the trend of declining performance has been arrested since the start of the World Class Performance Programme. The haul of 30 medals in Athens was the best performance by a British team since the Los Angeles Olympics in 1984 when results were affected by the boycott led by the Soviet Union.

2 Medal tables for the Olympic and Paralympic Games in Athens in 2004

Olympic Games						Paralympic Games				
Rank	Country	Medals won			Total	Country	Medals won			Total
		Gold	Silver	Bronze			Gold	Silver	Bronze	
1	United States	35	39	29	103	China	63	46	32	141
2	China	32	17	14	63	Great Britain	35	30	29	94
3	Russia	27	27	38	92	Canada	28	19	25	72
4	Australia	17	16	16	49	United States	27	22	39	88
5	Japan	16	9	12	37	Australia	26	38	36	100
6	Germany	14	16	18	48	Ukraine	24	12	19	55
7	France	11	9	13	33	Spain	20	27	24	71
8	Italy	10	11	11	32	Germany	19	28	32	79
9	South Korea	9	12	9	30	France	18	26	30	74
10	Great Britain	9	9	12	30	Japan	17	15	20	52
11	Cuba	9	7	11	27	Russia	16	8	17	41
12	Ukraine	9	5	9	23	Czech Republic	16	8	7	31
13	Hungary	8	6	3	17	South Africa	15	13	7	35
14	Romania	8	5	6	19	Brazil	14	12	7	33
15	Greece	6	6	4	16	Mexico	14	10	10	34

Source: UK Sport

- d Medal table position has some inherent limitations as a performance measure and management tool, including the narrowness of the margin between success and failure in medal terms, the masking of absolute athlete improvement by rising competitive standards, and the difficulty of attributing medal results to the World Class Performance Programme alone given the complexity of the wider support system for elite athletes. Nonetheless medal table position is an important indicator of achievement and has a number of benefits, including being widely understood by stakeholders and the public, and it is an important part of UK Sport's performance measurement framework.
 - e Most of UK Sport's wider performance measures for the World Class Performance Programme (see Figure 15 on page 27) are also medal outcome based and share the same limitations as medal table position, and work is in hand at UK Sport to review its performance measures ahead of the Beijing Olympic cycle. We also identified a number of other concerns with the way in which the performance measurement framework is operating in practice, in particular scope for UK Sport to report its performance more systematically and accurately.
- 6** Our main findings on **the management of the World Class Performance Programme** are:
- a UK Sport awards funding on the basis of sports' past medal winning record and future medal winning potential and a wide range of other more intangible factors. Resources are focused on key strategic sports – 55 per cent of Olympic funding was awarded to the four top priority sports (athletics, cycling, rowing and sailing). In the event, these four sports delivered 61 per cent of the medals won, including eight of the nine golds. Six funded sports (gymnastics, judo, triathlon, shooting, taekwondo and weightlifting) delivered no Olympic medals at all, having received between them £12.4 million of funding.
 - b For Paralympic sports, just over half of UK Sport's funding went to the two top priority sports (swimming and athletics). These two sports delivered 73 per cent of the medals won, including 22 of the 35 golds. Four funded sports (wheelchair rugby, sailing, boccia and wheelchair fencing) delivered no Paralympic medals, having received between them funding of £1.3 million.
 - c UK Sport is reviewing its investment strategy for the Beijing Olympic cycle, with a view to securing a more transparent process and a better return on investment. We identified a number of options UK Sport might consider to maximise its return in the future, including reducing the number of athletes supported by the World Class Performance Programme, focusing funding on fewer sports, or funding in more cases tailored support for individual athletes.
 - d In the main UK Sport agrees medal based targets with national governing bodies and monitors performance against them. The exception was swimming which won no medals at the Sydney Olympics in 2000 and where UK Sport did not insist on the national governing body setting medal targets despite subsequent success at the World Championships in 2001 and 2003, although targets based on swimmers' world rankings were agreed. The effectiveness of the targets that were agreed with other sports was limited by the fact that they were not always set or maintained at a challenging level.
 - e During the Athens Olympic cycle, UK Sport commissioned independent experts to undertake periodic evaluations of the programmes provided by individual national governing bodies. While recognising the value of a system of evaluation, UK Sport and governing bodies considered these arrangements added little significant value, although governing bodies confirmed that they were keen to retain some external element to the evaluation process. UK Sport is considering a new approach involving self-evaluation by governing bodies themselves, supplemented by closer ongoing monitoring by UK Sport staff and more focused external input where particular issues merit it.
 - f UK Sport also seeks information on the effectiveness of its investment from a survey of athletes on the World Class Performance Programme. This survey generates some eye-catching positive headline feedback, although the declining response rate creates difficulties in drawing conclusions based on smaller sub-groups such as athletes from individual sports.

- g** UK Sport is working with national governing bodies where it has significant concerns about performance, although the effectiveness of its interventions with the larger sports is unclear. A number of smaller sports have had funding for particular disciplines cut where they have failed to perform but intervening in larger sports, including athletics and swimming, has proven more complex and generally involved supporting the governing bodies concerned to turn the programmes round.
- h** National governing bodies and our case file review indicated that it has been difficult for UK Sport staff to challenge governing bodies effectively. Looking ahead to the Beijing Olympic cycle, UK Sport is seeking to improve its own capacity to manage the World Class Performance Programme effectively, including recruiting a number of well regarded people from within the sector and enhancing the technical expertise of other staff.
- i** UK Sport is well positioned to disseminate the good practice it learns across the sports (for example, on innovative coaching practices or the use of new technology to support athletes' training) and national governing bodies welcome the forums that exist for cross sport working, although they consider the discussions would add more value if they were more focused.
- j** The system of elite sport funding has traditionally been complicated by the multiple funding agencies and governing body structures which reflect the devolved structures of sport in the United Kingdom. UK Sport is now working with the home country sports councils to simplify the system of applying for funding through the introduction of a 'one stop planning process'.
- k** In the second half of the Athens Olympic cycle, declining revenue from lottery ticket sales created a shortfall between the grant commitments UK Sport had made to national governing bodies and the lottery funding it had available to meet those commitments. To cover the shortfall, UK Sport diverted Exchequer funding away from other activities (such as the modernisation programme to help governing bodies become more efficient and effective) and the home country sports councils contributed funds from their own lottery resources.
- l** UK Sport is seeking to maintain the levels of funding available for the World Class Performance Programme despite an anticipated drop in lottery proceeds for the Beijing Olympic cycle compared with the Athens cycle. It aims to generate £4 million from sponsorship during the course of the cycle – a challenging target since this represents a new source of funding for UK Sport and is far in excess of the levels of partnership funding previously secured by national governing bodies.
- m** The Beijing Olympic and Paralympic Games in 2008 are expected to be the most competitive ever and because of the distance involved they will pose particular logistical difficulties. In disability sport specifically, national governing bodies and our expert panel raised concerns about whether Great Britain would be able to maintain its position in future Paralympics and UK Sport has commissioned an external review on the way forward for the delivery of programmes to disabled athletes.



RECOMMENDATIONS

7 Our recommendations follow two broad themes:

On direct support for athletes and national governing bodies

- i In reviewing its investment strategy for the Beijing Olympic cycle, UK Sport needs to strengthen its framework for deciding where to spend its money. In particular, it should:
 - make its funding criteria, which at present are fairly all-encompassing, more focused on what it wants the World Class Performance Programme to deliver;
 - be prepared to take tough decisions based on performance about whether sports merit funding and on what scale;
 - be clear about the best balance between the funding of day to day support services for athletes and work to strengthen the underpinning national governing body structures, as the latter is no longer covered by a separate modernisation programme.
- ii UK Sport needs a contingency plan which sets out its funding priorities in the event that lottery proceeds or sponsorship income fall short of the levels projected and it is therefore not able to meet all the grant commitments it has made to national governing bodies.
- iii UK Sport should review the arrangements for making personal awards to athletes, given they have remained unchanged since the start of the scheme in 1997, and do this during 2005 so that any changes are in place early in the Beijing Olympic cycle. For example:
 - there may be scope to reduce the size of the World Class Performance Programme, continuing a trend begun during the Athens Olympic cycle, by focusing funding on those athletes who have a genuine prospect of winning a medal;
 - it would be useful for UK Sport to reflect on arrangements overseas where athletes can earn performance bonuses, although if the total amount of funding were to remain the same there would be less available for distribution to athletes in the first instance;
 - UK Sport may be able to simplify the scheme given that it currently makes separate awards for living and sporting costs but does not check how the money is spent.
- iv As UK Sport is funding national governing bodies to deliver a package of support services, it should ensure that these services, including those in more technical, innovative areas, are taken up by athletes and their coaches.
- v Following the Athens Olympic and Paralympic Games, UK Sport should identify the 'success factors' that helped certain sports to perform well and the barriers to success in those sports that were less successful. Lessons should be made available to national governing bodies during 2005 so that they can be acted upon early in the Beijing Olympic cycle.



- vi** UK Sport is well placed to disseminate good practice and should respond to the demands of national governing bodies for more flexible and focused forums for cross-sport working. In this regard, there may be scope for UK Sport to draw on experience from countries overseas such as Italy, where the national sports body runs a 'sport school' in association with the national sports federations.
 - vii** In revising its arrangements for evaluating the programmes provided by national governing bodies, UK Sport should retain some external element to the process while drawing on the expertise and knowledge within governing bodies. External input brings independence to the process and involving other sports would help to spread good practice.
- On UK Sport's performance monitoring and wider management of the World Class Performance Programme**
- viii** To help it get a full picture of the effectiveness of the World Class Performance Programme, UK Sport should broaden its performance measurement framework to develop a more rounded package of measures, which as well as focusing on medal success also cover other absolute indicators of performance improvement, such as the percentage of supported athletes improving their world ranking.
 - ix** UK Sport should report to the Department for Culture, Media and Sport performance against all the targets agreed in the funding agreement.
 - x** UK Sport should ensure that it reports performance accurately to the Department for Culture, Media and Sport and in its annual report, measuring performance on the same basis as it used for setting targets and not including results from sports and events which were not considered relevant in the target setting process.
 - xi** UK Sport should build on what it has done to canvass the views of athletes by exploring with professional pollsters how it might secure higher response rates in future; and identifying key baseline data that it can use as a benchmark for future surveys. It would also be useful for UK Sport to seek views on the World Class Performance Programme from coaches and other technical experts.
 - xii** UK Sport should ensure that its staff have the skills and authority needed to be able to probe and challenge, as well as advise, national governing bodies effectively.
 - xiii** Given the step change in the amount of sponsorship income it is seeking to raise, UK Sport needs new skills; others in the lottery sector and in museums and galleries have expertise in this area and UK Sport should draw on their knowledge and experience, as well as drawing on the experience of sports bodies overseas such as in the Netherlands.
 - xiv** In taking forward our recommendations and managing the World Class Performance Programme in the Beijing Olympic cycle more generally, UK Sport will need to ensure it works closely with other players in the elite sport system, in particular the home country sports councils and the national institutes of sport.

PART ONE

Introduction



1.1 This report examines the support provided to elite athletes by UK Sport under its lottery funded ‘World Class Performance Programme’. In particular we considered whether:

- the World Class Performance Programme is providing benefits for elite athletes (Part 2);
- UK Sport is meeting its objectives and targets for the World Class Performance Programme (Part 3);
- there is scope for UK Sport to improve the management of the World Class Performance Programme (Part 4).

The methods we used are outlined in **Figure 3** and described in more detail in Appendix 2.

UK Sport aims to lead sport in the United Kingdom to world class success

1.2 UK Sport (the working name of the United Kingdom Sports Council) was established by Royal Charter in 1996. Its mission is “working in partnership to lead sport in the United Kingdom to world class success through world class performance, worldwide impact and world class standards”. UK Sport’s long term aim is for the United Kingdom to be one of the world’s top five sporting nations by 2012, measured by athlete performances at World Championships, and Olympic and Paralympic Games. **Figure 4 overleaf** provides information on the organisational and decision making structure of UK Sport.

3 Summary of the methods we used

- Case study examination at UK Sport of a sample of sports; this work focused on the five Olympic sports (athletics, cycling, rowing, sailing and swimming) and the two Paralympic sports (athletics and swimming) which receive the most funding.
- Interviews with national governing bodies of sport.
- Interviews with athletes and analysis of UK Sport’s survey of athletes.
- Interviews and data collection at UK Sport and the Department for Culture, Media and Sport.
- Interviews with Sport Scotland and the Sports Council for Wales, and the Scottish Executive and the Welsh Assembly Government.
- Input from a panel of experts with particular knowledge or experience of elite sport.
- Research on the support provided to elite athletes in three countries overseas – Australia, Italy and the Netherlands. Key points from the research are set out in Appendix 3.

Source: National Audit Office

4 The organisational and decision making structure of UK Sport

- UK Sport is a non-departmental public body, working at arm's length from government within a policy and financial framework laid down by the Department for Culture, Media and Sport. UK Sport's functions and goals are set out in a funding agreement with the Department.
- UK Sport receives an annual grant-in-aid from the Department for Culture, Media and Sport (£23.0 million in 2003-04) and distributes 1.53 per cent of the income generated for good causes by the National Lottery (£20.0 million in 2003-04).
- In its role as a distributor of lottery funds, UK Sport follows policy and financial directions issued by the Secretary of State for Culture, Media and Sport. The policy directions set out the factors that UK Sport must take into account in considering applications for grants and the financial directions outline the broad framework of financial and management controls within which UK Sport must operate.
- The members of UK Sport's governing body (the Council) are appointed by the Secretary of State for Culture, Media and Sport. In addition to the Chair, the Council comprises the Chairs of the four home country sports councils and up to 11 other members. The Council provides strategic direction and decides grant awards.
- In September 2003 the Secretary of State for Culture, Media and Sport appointed an interim Chair for 18 months to take UK Sport through a process of reform. The reform has focused on UK Sport's decision making processes, including the role of the home countries, and specific issues such as the management of the United Kingdom's drug testing programme.
- The Council, with the approval of the Secretary of State for Culture, Media and Sport, appoints the Chief Executive, who is designated as the Accounting Officer of UK Sport by the Accounting Officer of the Department for Culture, Media and Sport.
- As at October 2004 UK Sport employed some 70 staff, of whom 25 worked in its Performance Directorate. The Directorate is responsible for administering the World Class Performance Programme which is the focus of this report. The Directorate's staff lead on the appraisal of grant applications from national governing bodies of sport, and co-ordinate the process of monitoring grants and evaluating their impact.

Source: National Audit Office

1.3 Policy responsibility for sport in Scotland, Wales and Northern Ireland rests with the devolved administrations, which oversee the work of their respective home country sports councils. Each of the councils is represented on UK Sport's Council (see Figure 4) and the Ministers with responsibility for sport in England, Scotland, Wales and Northern Ireland come together in the Sports Cabinet, chaired by the Secretary of State for Culture, Media and Sport.

UK Sport distributes lottery money in support of elite athletes who compete for the United Kingdom or Great Britain

1.4 Lottery money has been used to support elite athletes since 1997. Initially UK Sport had only an advisory role, making grant recommendations to the home country sports councils who each contributed a set percentage of the total amount agreed. In 1999 UK Sport was made a lottery distributor in its own right through a reallocation of funds previously earmarked for the home country sports councils.

1.5 UK Sport currently receives 1.53 per cent of the income that is generated for the good causes by the National Lottery², which in 2003-04 meant that it received £20.0 million. Around 90 per cent of UK Sport's lottery funding goes into the World Class Performance Programme, which was set up to fund a system of support for talented athletes who compete for the United Kingdom or Great Britain, so that they might achieve success in significant international competitions such as the Olympic and Paralympic Games. The World Class Performance Programme is the focus of this report and has two main elements:

- funding for national governing bodies of sport to provide a supporting infrastructure of coaching and other services for elite athletes who meet agreed performance criteria;
- funding for these individual athletes to contribute towards their living and sporting costs.

² In total sport receives 16.67 per cent of the income generated for good causes by the National Lottery. As well as UK Sport, the other sports lottery distributors are the home country sports councils.

1.6 The remainder of UK Sport's lottery funding is used to bid for and stage major international events such as the World Indoor Athletics and the World Badminton Championships, both of which were held in Birmingham in 2003, and to cover the administration costs of running the lottery programmes. UK Sport's Exchequer funding from the Department for Culture, Media and Sport (£23.0 million in 2003-04) is used for a range of activities, including international co-operation and development work and managing the United Kingdom's anti-doping programme.

1.7 UK Sport is not the sole funder of elite sport in the United Kingdom, however. The home country sports councils³ also play an important role by:

- awarding lottery funding to sports and athletes that compete at elite level on a home country basis (for example, rugby union and cricket) and taking the lead in funding a number of sports (such as badminton and hockey), which compete primarily at home country level but which come together to compete as Great Britain at the Olympic Games;
- funding national institutes of sport which provide training facilities and support services for elite athletes. The English Institute of Sport, for example, was launched in 2002 as a subsidiary company of Sport England and operates from nine regional sites and other satellite centres across England;
- providing funding to athletes and national governing bodies to support those who have the potential to compete at world class level in the future but who are not yet good enough to meet UK Sport's performance criteria. These talent identification and development programmes play an important role in underpinning UK Sport's World Class Performance Programme.

The activities of the home country sports councils are not covered by this report, which considers the support UK Sport provides to elite athletes.

1.8 The system for supporting elite athletes has been considered in two government requested reviews in recent years.

- **The 'Cunningham Review'** – in October 2000, immediately following the Sydney Olympics and Paralympics, the Prime Minister, in consultation with the Secretary of State for Culture, Media and Sport, appointed the Rt Hon Jack Cunningham MP to lead a group of experts to examine the way the United Kingdom's top athletes were supported through the National Lottery. The review was published in September 2001.
- **'Game Plan: a strategy for delivering Government's sport and physical activity objectives'** was published in December 2002. This was the report of a joint review by the Department for Culture, Media and Sport and the Strategy Unit (based in the Cabinet Office), aimed at refining the Government's objectives for sport and physical activity and identifying ways of improving the delivery of government support from grassroots participation to high performance sport.

During the Athens Olympic cycle, UK Sport awarded over £92 million under the World Class Performance Programme

1.9 UK Sport awards its funding for the World Class Performance Programme on four year cycles, reflecting the Olympic cycle itself. The funding cycle for the Athens Olympic and Paralympic Games of 2004 runs from April 2001 to March 2005 and is the first full cycle of World Class Performance Programme support for elite athletes as the Programme originally started partway through the Sydney Olympic cycle. In total during the Athens Olympic cycle, UK Sport awarded funding of £92.4 million under the Programme (**Figure 5 overleaf**).

3 Sport England, Sport Scotland, the Sports Council for Northern Ireland and the Sports Council for Wales.

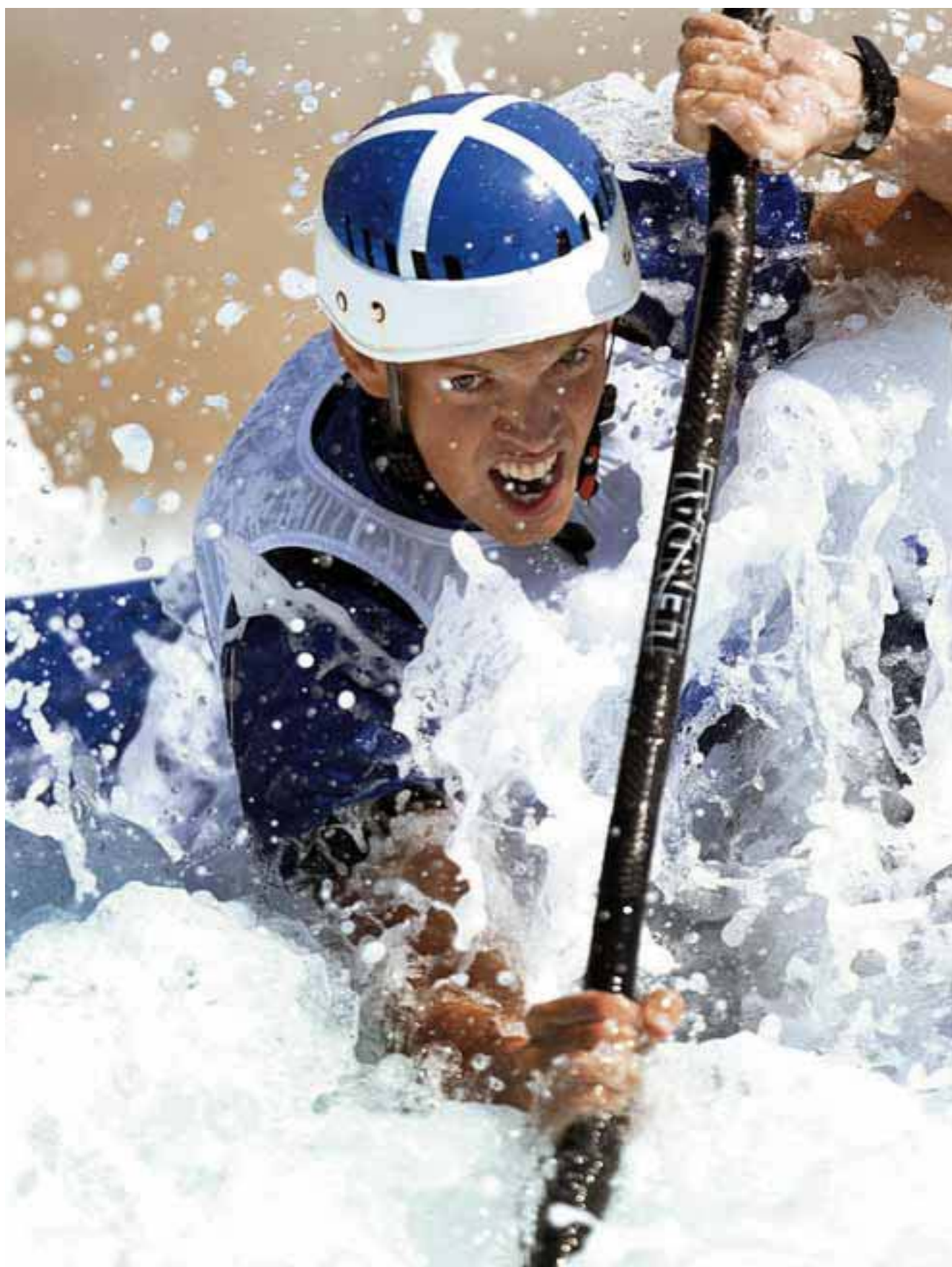
5 The cost of the World Class Performance Programme for the Athens Olympic cycle, 2001 to 2005

Recipient of funding	£ million	% of awards
Summer Olympic sports	68.1	73.7
Summer Paralympic sports	15.4	16.7
Sub-total Summer Olympic and Paralympic sports	83.5	90.4
Winter Olympic sports	2.6	2.8
Non-Olympic or Paralympic sports	3.5	3.8
British Olympic Association and British Paralympic Association	2.8	3.0
Total World Class Performance Programme awards	92.4	100.0
UK Sport's administration costs	6.2	
Total cost of World Class Performance Programme	98.6	

Source: UK Sport

1.10 The focus of this report is the £83.5 million awarded by UK Sport in support of athletes competing in Summer Olympic and Paralympic sports. This represents just over 90 per cent of the total funding awarded under the World Class Performance Programme and was focused on achieving results at the Athens Games in Summer 2004.

1.11 While the World Class Performance Programme was intended to be entirely lottery funded, declining revenue from lottery ticket sales during the Athens Olympic cycle created a shortfall in the second half of the cycle between the grant commitments that UK Sport had made to national governing bodies and the lottery funding it had available to meet those commitments. To cover the shortfall for 2003-04, UK Sport diverted £6.1 million of its Exchequer funding to the World Class Performance Programme. For 2004-05, a compromise was struck to meet the shortfall, involving the home country sports councils contributing up to £9 million from their own lottery resources, along with UK Sport diverting an additional £3.5 million of its Exchequer funding away from other activities, such as the modernisation programme which provided funding to help national governing bodies become more efficient and effective.



PART TWO

The World Class Performance Programme has provided major benefits to elite athletes



2.1 UK Sport's World Class Performance Programme has provided a step change in the funding available to support elite athletes and this part of the report examines the benefits that this funding has provided to elite athletes, both directly and via their national governing bodies.

The World Class Performance Programme has enabled national governing bodies to provide a comprehensive package of support to their elite athletes

Athletes and national governing bodies point to a step change in the support services provided

2.2 During the Athens Olympic cycle, £60.6 million (72.5 per cent) of the £83.5 million spent on Summer Olympic and Paralympic sports was awarded to national governing bodies to provide a package of support services to their elite athletes⁴. The difference this funding has made was highlighted by both athletes and national governing bodies (**Figure 6**).

2.3 A key benefit of the funding has been the development of professional, sport specific expertise in support services for athletes, and the ability to provide these services free of charge to athletes who would previously have had to pay for them out of their own resources or rely on volunteer input. To illustrate the nature of the support available in greater depth, **Figure 7 overleaf** outlines the services British Cycling can now provide to athletes on its programme, using the funding provided by UK Sport. While the detail is specific to cycling, the essential elements are common to all the sports we examined.

6 Views on the benefits of the World Class Performance Programme funding awarded to national governing bodies

The views of athletes

"The whole thing totally transformed...let's say the amount of support and structure and everything was 10 per cent and now it's 90 per cent in comparison; it's huge."

"We've got a national coach...we've got facilities available that are set up for us to use whenever we want...so it's made a tremendous difference."

"We've been able to have international training camps which are crucial...[they] allow us to go abroad and actually train with elite level sports people from all over the world and the funding has definitely helped that."

The views of national governing bodies

"Prior to 1996 all of our medics were volunteers...We now have what I call semi-professional people in those roles...We now have a full-time physiologist...We have coaches of the highest calibre and we can actually deliver a professional programme, which most of our leading competitors were doing before."

"I just think if we didn't have the lottery money...we couldn't offer the quality or depth of support to the athletes as we're offering now...It's really come on light years to what it used to be...every athlete that reaches a certain level now can have a support system which only a few used to have."

"[There is] just a massive difference in the professionalism with which we are able to deliver the programme."

Source: National Audit Office interviews with athletes and national governing bodies

4 National governing bodies may deliver support services directly or through other providers, including the national institutes of sport (see paragraph 1.7).

7 British Cycling's World Class Performance Programme

Background to the programme

- Programme scope**
- British Cycling's World Class Performance Programme supports athletes competing in Olympic cycling disciplines, covering road racing, time trial, track events and cross country mountain bike.
 - Athletes competing in non-Olympic disciplines such as downhill mountain bike and cyclo-cross cannot access the support provided under the programme.
- Athlete qualification**
- British Cycling has set detailed performance criteria for entry onto the programme, ranging from performance against the clock to finishing positions in recognised events. The criteria are designed to identify the athletes who have the potential to win medals at World and Olympic level.
 - Meeting the criteria makes an athlete eligible for selection for one of the limited number of places (30 plus two reserves) on the programme. Final selection depends on British Cycling's assessment of whether the athlete has shown continuous improvement and the ability to succeed at the highest level.

Type of support

What the programme provides

- Coaching**
- A full-time performance director leads the strategic development of the programme and manages the 10 coaching and performance management staff who work full-time with the athletes. Athletes do not have to contribute towards coaching costs.
- Training**
- The track team is on a full-time structured training scheme in Manchester where the programme pays for the squad to train in the lottery funded velodrome at the National Cycling Centre.
 - Road and cross country mountain bike athletes, if not fully professional already, may be sent on a funded placement with professional teams in Europe.
 - The programme has funded some younger cyclists to attend the Union de Cyclisme Internationale (cycling's international governing body) cycling school in Switzerland to benefit from structured training with other talented young athletes.
- Competition**
- The programme funds the travel and accommodation costs of athletes and support staff attending international competitions.
 - The planning of an intensive international competition calendar along with transportation of equipment to competition is handled by the programme's full-time logistics staff.
- Sports medicine**
- The programme funds a part-time team doctor, who oversees the medical well-being of the athletes, and a full-time physiotherapist, with part-time support.
 - Full-time masseurs are assigned to each of the squads.
- Sports science**
- A full-time sports scientist conducts physiological assessments of the athletes. Video analysis is used to assess and improve the biomechanics of the riders, along with other projects such as research on rider positioning on the bicycles.
 - Further services are contracted in from universities and sports institutes including nutrition advice, sports psychology, and strength and conditioning coaching.
- Technical**
- The programme meets the cost of all bicycles, helmets, skinsuits and other technical equipment.
 - British Cycling used £290,000 of funding from UK Sport to develop state of the art bicycles for the track and time trial events. The cutting edge carbon fibre framesets and accessories were developed with leading engineering firms and are currently considered to be among the best in the world. British Cycling owns the intellectual property associated with the development of the bicycles.
 - Each squad is supported by a dedicated full-time mechanic.

Source: National Audit Office, drawing on information from UK Sport and British Cycling



2.4 Comparing the support provided under the World Class Performance Programme with that available overseas is problematic because organisational structures and funding systems vary widely from one country to the next. However, the research we commissioned found that the elements of support provided to athletes in Australia, Italy and the Netherlands were broadly comparable to those provided by national governing bodies in the United Kingdom.

National governing bodies have been able to recruit high calibre performance directors which has professionalised the leadership of the support programmes

2.5 The funding provided by UK Sport under the World Class Performance Programme has enabled national governing bodies to recruit 'performance directors' to design and lead their programmes of support for elite athletes. The performance directors are responsible for: preparing performance plans which outline their strategy for the Olympic and/or Paralympic campaign; bidding for resources from UK Sport and other funders; agreeing targets in return for the funding; and recruiting coaching and other support staff. While the role is predominantly a management one, many performance directors are top coaches in their own right and also contribute directly to the coaching of their athletes.

2.6 The available funding has enabled the national governing bodies to pay their performance directors globally competitive salaries, enabling them to recruit and retain high calibre domestic and international talent in these roles. For example, British Swimming recruited Bill Sweetenham, formerly the national youth coach for Australian swimming, to take its programme forward after disappointing results at the Olympic Games in Sydney in 2000; and the Royal Yachting Association was able to retain John Derbyshire on promotion to performance director after his success as head coach to the British team, which was the most successful sailing squad at the Sydney Games.

2.7 Our expert panel highlighted the employment of performance directors as having had a major impact on the development of elite sport in the United Kingdom. They considered that the transfer of management responsibility for high performance sport from honorary or volunteer staff and committees to a single, accountable professional had been a critical factor, and that the increased financial investment in elite sport had injected much more professional rigour and innovation into programme development. They felt good results were increasingly being achieved by design rather than chance.

While athlete satisfaction with the support provided appears high, levels of engagement with particular services have been variable

2.8 The athletes we interviewed highlighted dramatic improvements in the services, equipment and training opportunities now available to them under the World Class Performance Programme (see Figure 6 on page 15). A broader survey of athletes commissioned by UK Sport in 2003 also found a generally positive response, with at least 70 per cent of respondents rating the standard of the various services (coaching, medical support, sports science support, training camps and competition support) provided by or through national governing bodies as either 'very good' or 'good', against at worst 11 per cent rating the services as 'poor' or 'very poor'.

2.9 The survey showed that athletes considered coaching to be the most important element of support provided under the World Class Performance Programme. Overall 65 per cent of respondents said it had had a 'very positive' or 'positive' impact on their performance and nearly half considered coaching to have had the greatest impact of all the elements of the programme. The lowest rating was for sports science support – 49 per cent of respondents said this had had a 'very positive' or 'positive' impact with only six per cent ranking it as having the most significant impact. Almost a third of respondents gave a 'don't know' or 'neutral' rating when asked about the impact of sports science.

2.10 While the survey gives an indication of variable engagement with services such as sports science, concerns in this respect were also raised by the national governing bodies we interviewed and in the evaluation reports that UK Sport has commissioned on the programmes provided by individual governing bodies. The governing bodies described how the area of sports science in particular had been relatively under-developed in the past, but considered that progress was being made and remained committed to investing in this area which they see as offering a source of potential competitive advantage; a view shared by our expert panel.

2.11 Some athletes employ personal coaches independently of the programme. This is most common in athletics where both the able-bodied and disability programmes are relatively decentralised and athletes tend to train individually or in small groups. Similarly in swimming significant amounts of coaching take place at club level. While recognising the important contribution that personal coaches make, national governing bodies told us that the coaches' financial independence from the programme means that it can be difficult to persuade them and their athletes to engage with technically innovative, centrally provided services such as sports science.

2.12 Our expert panel considered that strengthening the influence of the World Class Performance Programme over athletes and their personal coaches was a key challenge for UK Sport and national governing bodies, and stressed that it was important for them to sell effectively the benefits of the services they provide to both athlete and coach. UK Sport highlighted the work British Swimming is doing to integrate swimmers' club coaches into its programme, for example by involving them in training camps and providing opportunities for coach development.

The World Class Performance Programme has helped athletes commit more time to training and competition

The funding contributes to the living and sporting costs of athletes on the World Class Performance Programme

2.13 As well as receiving support services from their national governing body, athletes on the World Class Performance Programme can apply to UK Sport for direct funding in the form of 'athlete personal awards'. During the Athens Olympic cycle, £23.0 million (27.5 per cent) of the £83.5 million awarded to Summer Olympic and Paralympic sports was spent on personal awards to athletes.

2.14 The purpose of the awards is to help athletes commit more time to training and competition. Many elite athletes give up their careers completely or work only part-time and the awards provide a contribution towards their basic living expenses and sporting costs. The awards are subject to terms and conditions covering areas such as the athlete's commitment to the programme and compliance with anti-doping policies and regulations. Athletes are free to spend their living costs award as they see fit and receive guidance from their national governing bodies on the use of the sporting costs element, which typically covers travel to and from training, clothing and personal equipment not provided by the athlete's national governing body.

2.15 The level of personal award that an athlete is entitled to receive is calculated on the basis of past performance and financial need. Athletes selected for the World Class Performance Programme by the performance director of their sport are graded according to performance criteria agreed between the national governing body and UK Sport. Each sport has its own specific criteria based on world rankings or performance in major events but, in general terms, athletes who are in the top three in the world in their sport are graded as 'A', those ranked from 4th to 10th in the world as 'B', and those ranked from 11th to 20th in the world as 'C'. The more highly graded an athlete, the higher the personal award he/she is eligible to receive (**Figure 8 overleaf**).

8 The personal awards available to athletes during the Athens Olympic cycle, 2001 to 2005

Athlete grade	Athlete performance level (world ranking)	Maximum annual living costs award (£)	Maximum annual sporting costs award (£)	Maximum annual total award (£)
A	Top 3	9,830	12,000	21,830
B	4th to 10th	9,830	8,000	17,830
C	11th to 20th	4,915	4,000	8,915

Source: UK Sport

NOTE

Athletes with dependent children under the age of 16 can also receive an additional £2,000 per child for a maximum of two children.

2.16 At least once a year, national governing bodies' performance directors review the grading of the athletes on their programme. Athletes who have not performed to the required standards are moved down a grade or removed from the programme altogether. Others may move up a grade and up-and-coming athletes who have attained the required level of performance may join the programme. Of the 871 athletes competing in Summer Olympic and Paralympic sports supported during the course of the Athens Olympic cycle, 300 remained on the World Class Performance Programme throughout the four years. Of the 512 athletes supported at April 2004, 121 were graded as 'A', 169 as 'B', and 222 as 'C'.

2.17 Athletes are means tested to establish their financial need for a personal award. Athletes with annual income (including sponsorship and appearance fees) above a specified threshold (currently £7,900) are entitled to a lower award, reduced on a sliding scale. In administering the personal awards, UK Sport does not check whether athletes have declared their income accurately or whether athletes are spending the awards as intended, on the grounds that, given the large number of relatively low value awards, the costs of checking could outweigh the benefits and add significantly to the administration of the programme. But in the circumstances, it is difficult to see what value is being added by splitting the awards between living and sporting costs.

2.18 During the Athens Olympic cycle, the average annual award was £12,184 for able-bodied athletes and £11,563 for disabled athletes. On average, 16 able-bodied athletes and one disabled athlete (under three per cent of the athletes on the World Class Performance Programme) had qualifying income of £42,000 or more, meaning that they were entitled to no award. Over half of those means tested out of a personal award were track and field athletes.

Athletes report that the personal awards have made a significant difference to their ability to train and compete

2.19 It is perhaps not surprising that questions about the benefits of additional funding receive positive responses. Nevertheless UK Sport's survey of athletes in 2003 found that 93 per cent of respondents 'strongly agreed' or 'agreed' that the athlete personal awards had made a significant difference to their ability to train and compete. Moreover, the national governing bodies we interviewed confirmed that, thanks to the personal awards, athletes now find it much easier to prioritise the demands of training over other commitments and to prepare for competition effectively. Some athletes commented that they would not be able to carry on with their sport were it not for the funding (**Figure 9**).

9 Views on the benefits of the personal awards available to athletes on the World Class Performance Programme

The views of athletes

"For me personally, the award has meant the difference between competing and not competing. Without the award what I'd be forced to do is get a job to pay the rent, to pay the bills...and if I was working the kind of hours I would need to work to pay these basic bills, then I just wouldn't be able to commit to training and probably the result from that would be I would end up knocking it on the head. I wouldn't want to compete if I didn't feel I could give it 110 per cent."

"Put very simply, if they didn't have the athlete personal award I would not be doing my sport. It gives you an opportunity to train hard enough to reach the standard whereby you can compete on the world stage."

"It just took a lot of pressure off; I didn't have to worry about 'shall I get that, shall I get this?' because it was covered – whenever you needed any training equipment you could just go out and buy it, which was a big help."

The views of national governing bodies

"Whereas in the Atlanta Olympic we had two athletes, Pinsent and Redgrave, who had sufficient funding from their own sponsorship to prepare properly, we now have...around 60 to 65 athletes who are able to do the same thing."

"It's very difficult to do anything besides the training. If you imagine that an average training day consists of six, seven hours of training, that's a job, you know you just can't do anything else. So it is essential for them to have the personal subsistence otherwise they wouldn't be able to do that."

"It's provided an income stream, financial support mechanism that prior to the Lottery was probably denied to 99.9 per cent of Paralympic athletes."

Source: National Audit Office interviews with athletes and national governing bodies

2.20 Demonstrating in quantifiable terms the difference that the athlete personal awards have made to the time athletes commit to training and competition is more difficult. Eighty per cent of the athletes who responded to UK Sport's survey considered themselves to be full-time athletes. However, 46 per cent of respondents were in some form of employment and 18 per cent in education so the precise definition and time commitment of 'full-time' athletes is unclear, and there must be some overlap between being full-time (in the athlete's own perception) and also working or studying.

2.21 UK Sport's survey found that 78 per cent of athletes spent 30 hours or less a week training, with the largest number (44 per cent) spending between 21 and 30 hours a week. National governing bodies told us that the question of how long athletes need to spend training is not clear cut and that, beyond a certain point, it may not be beneficial for athletes to increase the amount of training they do. British Swimming observed that world class athletes generally trained for between 20 and 25 hours a week and highlighted the importance of having sufficient time for rest and recovery. And, bearing in mind the economic and career prospects of the individuals concerned in the longer term, the Technical Director for Disability Athletics at UK Athletics considered that it was not always beneficial for disabled athletes in particular to give up work and train full-time.

UK Sport's athlete personal awards do not fund athletes' costs in full

2.22 The athlete personal awards are not intended to equate to a salary but to provide a contribution towards athletes' living and sporting costs. Athletes are expected to fund their own careers to some extent with income from other sources. UK Sport's survey of athletes found that 60 per cent spent on average a further £2,500 a year over and above their personal award on being an elite athlete; 33 per cent spent more than £5,000 and nine per cent spent over £10,000. Some national governing bodies were concerned that athletes might leave their sport due to the financial insecurity these pressures may bring. Others considered that increasing the awards could be counter-productive and felt there was some motivational value in having athletes who were "mean and hungry".



2.23 The living costs award has remained at the same level since the start of the World Class Performance Programme in 1997. Due to funding constraints UK Sport did not implement the Cunningham Review's recommendations (see paragraph 1.8) that awards be increased in line with inflation and that all athletes should receive the same living costs award set at or above the £9,800 available to 'A' and 'B' grade athletes. UK Sport is now considering what changes it should make to athlete funding for the Beijing Olympic cycle, including whether it should implement the Cunningham Review's recommendations. Aside from the reforms mentioned above, other suggestions made by athletes and national governing bodies we spoke to included:

- revising the structure of the personal awards to provide a more significant performance related element on top of a uniform living costs award. This would reward those who achieve good results or win medals at major championships and provide an incentive for the best people to continue to compete;
- making larger awards to a smaller number of athletes by supporting only those in the world top 10 for their sport, rather than the top 20;
- providing an element for London-weighting in the award.

2.24 The research we commissioned on the support provided to elite athletes overseas found that, unlike in the United Kingdom, athletes in Australia, Italy and the Netherlands can earn bonuses based on their performance at major championships (**Figure 10**). In Australia and Italy, there are also financial incentives for coaches.

10 Examples of the funding available to elite athletes overseas

- In **Australia** athletes can receive one-off payments from the national sports body based on medal potential and financial need to help with living and training costs. Swimmers, for example, received grants of up to some £4,000 in 2002-03. In addition, in the case of swimming for example, commercial sponsors fund incentive schemes. The sponsor rewards those who win medals at major events with payments ranging from around £600 for a gold to £200 for a bronze. The Australian Olympic Committee also has a medal incentive scheme which successful swimmers can benefit from.
- In **Italy** the system of direct financial support for athletes is not centrally administered or means tested, and varies by sport. Some Italian national sports federations meet the day to day living expenses of athletes in a similar way to the personal awards provided by UK Sport; others reward success by making graded payments depending on the performance achieved. In athletics, for example, winning a medal in the Olympic Games is worth around £35,000 while achieving between 16th and 25th place in the world rankings is worth around £2,500.
- In **the Netherlands** athletes can qualify for funding to meet their everyday expenses. This funding is means tested and guarantees 'A' grade athletes the national minimum wage so that they can train and compete on a full-time basis. The top swimmers, for example, receive around £11,000 a year. Dutch athletes can supplement their funding with bonuses for winning medals in major championships. For the Olympic Games in Athens in 2004, a gold medal was worth a bonus of some £17,000, silver £12,000 and bronze £7,000.

Source: Institute of Sport and Leisure Policy, Loughborough University and Sport Industry Research Centre, Sheffield Hallam University

PART THREE

Performance in medal terms has been mixed, although medal related targets have limitations as measures of performance



3.1 This part of the report focuses on whether UK Sport has met its World Class Performance Programme targets relating to performance at the Olympic and Paralympic Games in Athens in 2004. It also considers the usefulness of UK Sport's wider performance measurement framework and how it might be improved.

UK Sport met its performance target for the Athens Olympic Games, but not its target for the Paralympic Games

3.2 While not an official measure used by the Olympic governing bodies the medal table, which ranks nations in order of gold medals won, has become a highly recognisable and widely used measure of nations' Olympic success, and one which UK Sport has adopted as its key performance measure for the Olympic and Paralympic Games. Final medal table positions for Great Britain in the Athens Games in 2004 are shown in Figure 2 on page 3.

- At the Olympic Games, Great Britain finished 10th in the medal table (the same as in Sydney in 2000), largely on account of the nine gold medals won. This was sufficient to meet UK Sport's target of finishing in 8th to 10th place. In total 30 medals were won, an improvement on the 28 in Sydney.
- At the Paralympic Games, Great Britain won 94 medals in total, including 35 golds. This was not sufficient to meet UK Sport's target of first place in the medal table, with the team instead finishing second as they had done in Sydney in 2000. The overall medal haul was lower than in Sydney⁵, where 131 medals were won including 41 golds.

While the overall Olympic target was met, half of the funded sports did not meet their individual targets for the Athens Games

3.3 While the Olympic sports collectively provided sufficient medals to meet UK Sport's targeted medal table position, eight sports missed the individual targets they had agreed with UK Sport. In total, sports targeted between 38 and 42 medals. Had this target been met, it could have propelled Great Britain further up the medal table, perhaps as high as seventh if the additional medals had been won in the same ratio of gold, silver and bronze as those already delivered. The net effect of sports not meeting their targets was to increase the cost per medal for UK Sport to £2.4 million compared with £1.7 million had the targets been achieved (**Figure 11 overleaf**).

Most Paralympic sports did not meet their targets for the Athens Games

3.4 Three Paralympic sports (cycling, swimming and wheelchair tennis) met the individual medal targets they had agreed with UK Sport. The remaining 12 sports missed their targets. The net effect of this was to increase the cost per medal for UK Sport to £0.2 million compared with £0.1 million had the targets been achieved (**Figure 12 overleaf**).

Great Britain's performance at the Olympic and Paralympic Games has improved since the start of the World Class Performance Programme

3.5 While the analysis of medal table position and medal totals against target reveals a mixed picture, a comparison of the performances of Great Britain across the last five Olympic Games suggests that the trend of declining British performance in both medals won and medal table position has been arrested since the start of the World Class Performance Programme (**Figure 13 overleaf**). The haul of 30 medals in Athens was the best performance by a British team since the Los Angeles Olympics in 1984 when results were affected by the boycott led by the Soviet Union. Great Britain has also improved its medal table position at the Paralympic Games since the start of the Programme, despite a reduction in the number of medals won (**Figure 14 overleaf**).

⁵ Fewer medals were available at the Athens Paralympics compared with Sydney as 30 events for athletes with learning disabilities were not included.

11 Number of medals and cost per medal – performance against target by sport at the Athens Olympics in 2004

Sport	Funding received £ million	Medal target Number	Medals won Number	Targeted cost per medal £ million	Actual cost per medal £ million
Swimming	6.5	-	2	-	3.3
Athletics	11.3	7	4	1.6	2.8
Rowing	10.6	3	4	3.5	2.7
Cycling	8.1	5	4	1.6	2.0
Modern pentathlon	2.0	1	1	2.0	2.0
Canoeing	4.7	2	3	2.3	1.6
Sailing	7.2	3	5	2.4	1.4
Diving	1.4	2	1	0.7	1.4
Equestrian	3.2	2	3	1.6	1.1
Archery	0.3	1	1	0.3	0.3
Gymnastics	4.2	3	0	1.4	-
Judo	3.5	2	0	1.7	-
Triathlon	2.6	2	0	1.3	-
Shooting	1.5	3	0	0.5	-
Taekwondo	0.6	2	0	0.3	-
Weightlifting	0.1	1	0	0.1	-
Total	67.8	39	28¹	1.7	2.4

Source: National Audit Office analysis of data from UK Sport

NOTES

1 The total excludes the medals won in badminton which is largely funded by Sport England and received £291,000 of funding from UK Sport, and boxing which is exclusively funded by Sport England and received no funding from UK Sport.

2 Not all figures cast correctly due to rounding.

12 Number of medals and cost per medal – performance against target by sport at the Athens Paralympics in 2004

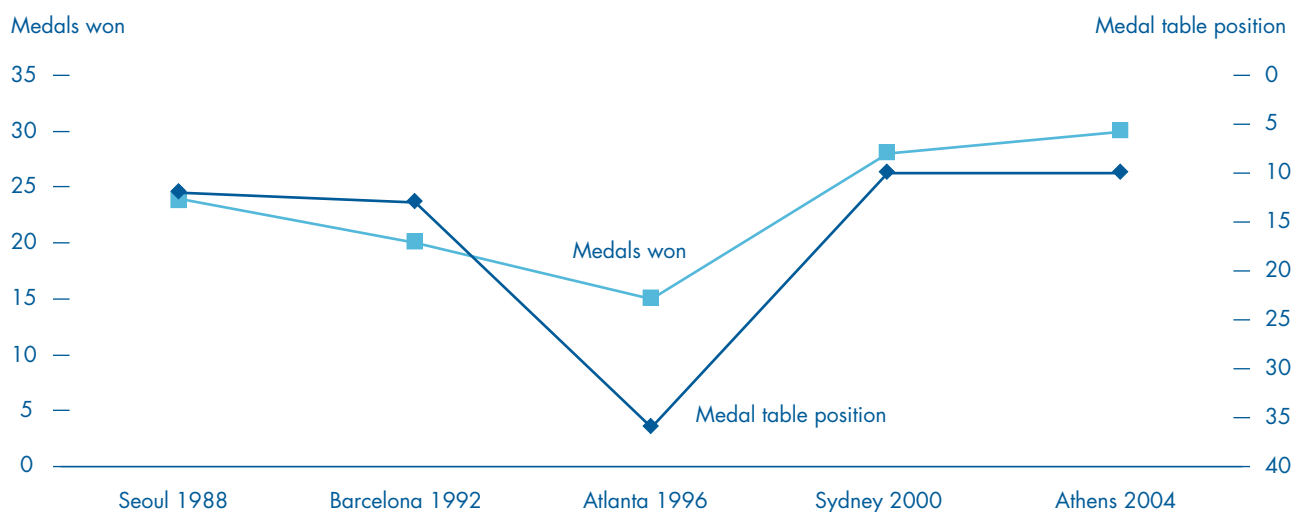
Sport	Funding received £ million	Medal target Number	Medals won Number	Targeted cost per medal £ million	Actual cost per medal £ million
Wheelchair basketball	1.9	1	1	1.9	1.9
Judo	0.6	3	1	0.2	0.6
Powerlifting	0.4	2	1	0.2	0.4
Archery	0.5	5	2	0.1	0.3
Wheelchair tennis	0.5	2	2	0.3	0.3
Athletics	3.4	38	17	0.1	0.2
Equestrian	1.2	4	8	0.3	0.2
Table tennis	0.4	8	2	0.1	0.2
Shooting	0.2	2	1	0.1	0.2
Swimming	4.5	36	52	0.1	0.1
Cycling	0.5	3	7	0.2	0.1
Wheelchair rugby	0.5	1	0	0.5	-
Sailing	0.4	1	0	0.4	-
Boccia	0.3	3	0	0.1	-
Wheelchair fencing	0.1	1	0	0.1	-
Total	15.4	110	94	0.1	0.2

Source: National Audit Office analysis of data from UK Sport

NOTE

Not all figures cast correctly due to rounding.

13 Great Britain's medal table position and total medals won at Olympic Games, 1988 to 2004

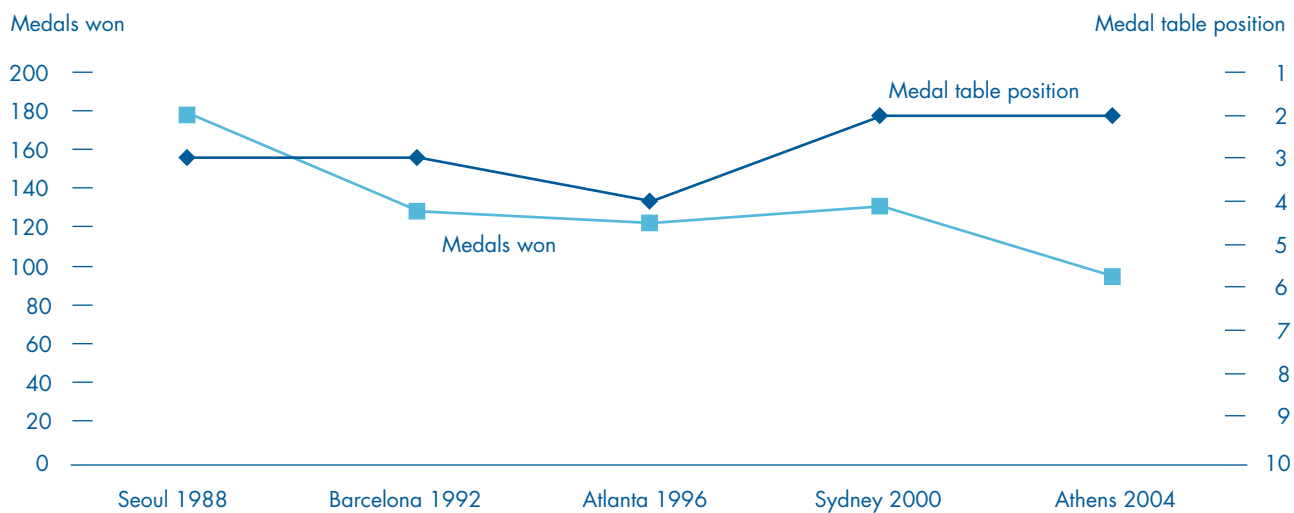


Source: Sport Industry Research Centre, Sheffield Hallam University

NOTE

The total number of medals available may vary from one Olympic Games to another depending on the number of events contested.

14 Great Britain's medal table position and total medals won at Paralympic Games, 1988 to 2004



Source: UK Sport

NOTE

The total number of medals available may vary from one Paralympic Games to another depending on the number of events contested.

While the overall medal table position is an important indicator of achievement, it is more an aspiration than a practical performance management tool

3.6 With medals representing such a crucial outcome from the World Class Performance Programme, measures of medal success are highly relevant for UK Sport's performance measurement system. As a measure of success, the medal table has particular *benefits*:

- it reflects performance at the highest level of competition for the sports funded by UK Sport;
- it is widely understood by stakeholders and the public;
- it is broadly comparable from one Olympic or Paralympic Games to the next, allowing trends to be tracked;
- it presents the impact of the World Class Performance Programme relative to the progress of competitor nations;
- it prioritises the winning of gold medals which reflects the public perception of the success of Great Britain at any particular Games.

3.7 The medal table, like other medal-based indicators, does however have some *inherent limitations* as a performance measure and management tool.

- **The narrowness of the margin between success and failure** – looking back on the last day of competition in the Athens Olympics for example, the one one-hundredth of a second victory in the men's 4 x 100 metre relay made the difference between UK Sport meeting its performance target, or Great Britain finishing 13th in the medal table and UK Sport failing to meet its target.
- **The relative nature of medal winning** – however much an athlete's performance improves, it has to be better than that of their competitors if they are to win. As such, absolute improvement attributable to the World Class Performance Programme can be masked by rising competitive standards.

- **The difficulty of attributing the final medal result to the World Class Performance Programme** – the complexity of the system for supporting elite athletes means that potential medal winners can have received support from a range of programmes and service providers funded by a number of different sports councils. Even more difficult is assessing which elements of UK Sport's World Class Performance Programme – both the national governing bodies' activities and its own interventions – are having the greatest impact.

3.8 The medal table also has specific *weaknesses in its practical application* as a performance measure.

- **The absence of direct links between the overall medal table target and medal targets for individual sports** – UK Sport does not articulate how, or whether, the overall target for Great Britain's position in the medal table is derived from the medal targets it agrees for individual sports. The process for agreeing targets for individual sports is covered in paragraph 4.12 of this report. Precise construction of the medal table target may be unrealistic given that the achievement of sports' individual targets in aggregate does not guarantee a particular position in the table. In addition, final position depends on winning gold medals, while sports' individual targets are not typically expressed in terms of medal colour. Had all sports met their targets but with silver and bronze medals alone, Great Britain would have been 58th in the medal table for the Athens Olympic Games.
- **The inclusion in the table of medals won by sports not funded by UK Sport** – of the 30 medals won by Great Britain at the Athens Olympic Games, 28 came from sports in which UK Sport was the exclusive provider of funding for elite athletes. In Sydney in 2000, 24 of the 28 medals came from UK Sport funded sports. Unfunded sports can therefore have an impact on the meeting or otherwise of UK Sport's medal table target. After adjusting for sports not funded exclusively by UK Sport, Great Britain remains at 10th in the Athens Olympic medal table; for Sydney, Great Britain drops from 10th to 12th.

UK Sport also has other measures of performance, although there is scope to improve the way these are being measured and reported

3.9 In addition to the Olympic and Paralympic medal tables, UK Sport has a wider set of performance measures for the World Class Performance Programme (**Figure 15**), which provide the opportunity to assess progress between each Olympic and Paralympic Games. Four of the five measures are medal outcome based, therefore sharing the same inherent benefits and limitations as set out in paragraphs 3.6 and 3.7.

15 UK Sport's annual performance measures for the World Class Performance Programme in addition to those relating to the Olympic and Paralympic medal tables

The funding agreement between UK Sport and the Department for Culture, Media and Sport sets out the following measures in addition to those relating to the Olympic and Paralympic medal tables:

- To produce a targeted number of able-bodied and disability World Champions.
- For World Championship medals to come from an increasing range of UK Sport funded sports.

UK Sport set out the following performance measures in its lottery strategy for the Athens Olympic cycle in addition to those relating to the Olympic and Paralympic medal tables:

- To produce more World Championship medallists in significant Olympic and non-Olympic sports.
- For athletes and teams supported via the World Class Performance Programme to win a targeted aggregate number of medals at major international championships.
- For a targeted number of able-bodied athletes in priority one and two sports (see Figure 17 on page 31) to be ranked within the world top ten.

Source: National Audit Office analysis of UK Sport's funding agreement 2003-06 and lottery strategy 2002-05

3.10 UK Sport is currently reviewing this wider performance measurement framework ahead of the Beijing Olympic cycle. Concerns we have identified with the existing framework and the way it is operating are set out below.

There is scope for the measures to be defined more clearly

3.11 A key element of good practice in the design of performance measures is to ensure they are unambiguous so people have a common understanding of the measure and the underlying data is collected consistently. A number of the existing measures contain terms such as 'significant' or 'major' which, without further explanation, could be interpreted in different ways. And it is unclear whether some indicators such as the targeted number of World Champions are to be measured annually or over the four year Olympic cycle. In addition there is a lack of clarity about whether the top ten rankings measure would treat the British coxless four rowing crew as four top ten athletes or as one event in which Britain is ranked in the top ten.

UK Sport's performance could be reported more systematically and accurately

3.12 Each year during the course of the Athens Olympic cycle, UK Sport reported to the Department for Culture, Media and Sport performance against two of the three annual targets set out in its lottery strategy (see Figure 15) – those relating to the 'number of medals won at major international championships' and 'athletes ranked within the world's top ten'. The Department published performance against these targets in its annual report and UK Sport also published performance against the first target in its own annual report. Reporting against the performance measures set out in the funding agreement between UK Sport and the Department was more erratic and there is scope for this reporting to be made more systematic during the Beijing Olympic cycle.

3.13 Our analysis of the data underlying the ‘number of medals won at major international championships’ performance measure revealed problems in the way in which UK Sport has compiled the results it has published. In essence, medals won in events not covered by the targets have been included in the results. For example in its results for 2003, UK Sport included seven medals won at the World Indoor Athletics Championships even though this event had not been taken into account in setting its target. Similarly, UK Sport reported medals won in swimming even though its target included no provision for the sport since no targets had been agreed with the national governing body (see paragraph 4.13).

3.14 In total during the three years from 2001-02 to 2003-04, the results reported by UK Sport for the medals won at major international championships by able-bodied athletes included 83 medals won in events that had not been taken into account in setting the target. When these medals are removed in order to show performance against UK Sport’s targeted events, the picture changes from one of apparent success to one of underperformance against targets (**Figure 16**).

16 The impact of UK Sport’s reporting errors on its published performance against target

Number of medals won at major international championships by able-bodied athletes	2001-02	2002-03	2003-04	Total
Target	54	75	74	203
Reported performance	76	96	88	260
Adjustments for medals won in events not taken into account in setting the target	(29)	(23)	(31)	(83)
Adjusted performance	47	73	57	177

Source: National Audit Office analysis of UK Sport data



PART FOUR

There is scope to improve UK Sport's management of the World Class Performance Programme



4.1 This part of the report examines UK Sport's management of the World Class Performance Programme, including:

- how it allocates funding between sports;
- how it monitors what national governing bodies are delivering and whether it intervenes where it has concerns;
- what challenges it faces in managing the Programme in the next Olympic cycle.

UK Sport awards funding on the basis of sports' medal winning record and potential

4.2 The objective of the World Class Performance Programme is to support elite athletes to achieve success in significant international competitions, including the Olympic and Paralympic Games. With this in mind, UK Sport's strategy has been to focus its funding on those sports:

- which can clearly demonstrate likely medal success in the current Olympic cycle;

- which have a track record of international success;
- in which there is an appropriate level of national governing body support for high performance programmes;
- in which the investment is considered to represent value for money.

4.3 Applying these criteria and taking into account a number of other factors, such as the significance of the sport internationally and to the public in the United Kingdom, UK Sport has developed four priority categories for Olympic and Paralympic sports which it uses to guide its funding decisions and therefore focus its resources on key strategic sports.

4.4 Figure 17 shows that, using priority categories, the medals won at the Athens Olympic Games broadly reflected the distribution of funding, particularly for priority one and two sports, which between them received 87 per cent of the funding and delivered 93 per cent of the medals. The four priority one sports delivered eight of the nine gold medals won, in return for 55 per cent of the funding. These medals alone were sufficient to place Great Britain 15th in the Olympic medal table.

17 Funding received, medals targeted and won, and average cost per medal at the Athens Olympics in 2004, by priority category

Priority category	Sport	Funding received		Medals targeted		Medals won		Average cost per medal £ million
		£ million	%	Number	%	Number	%	
1	Athletics Rowing Cycling Sailing	37.2	54.9	18	41.9	17	60.7	2.2
2	Swimming Canoeing Judo Equestrian Modern pentathlon Shooting	21.5	31.6	12	27.9	9	32.1	2.4
3	Gymnastics Triathlon Diving	8.2	12.1	7	16.3	1	3.6	8.2
4	Taekwondo Archery Weightlifting	0.9	1.4	6	14.0	1	3.6	0.9
Total		67.8	100.0	43	100.0	28¹	100.0	2.4

Source: National Audit Office analysis of data from UK Sport

NOTES

1 The total excludes the medals won in badminton which is largely funded by Sport England and received £291,000 of funding from UK Sport, and boxing which is exclusively funded by Sport England and received no funding from UK Sport.

2 Not all figures cast correctly due to rounding.

4.5 The remaining sports received £9.1 million, and collectively delivered one silver medal and one bronze. While this represented a significant shortfall against the target of 13, without this contribution the Great Britain team would have finished 12th rather than 10th in the medal table. In total, six sports (gymnastics, judo, shooting, taekwondo, triathlon and weightlifting) delivered no Olympic medals at all, having received between them £12.4 million of funding from UK Sport (18.3 per cent of the total awarded to Olympic sports). Five of these sports had, however, won World Championship medals in the years preceding the Olympic Games.

4.6 Across the board, the average cost per medal was £2.4 million, with the cost per medal for priority one sports slightly lower at £2.2 million. The highest average cost was for priority three sports, which won only one medal in return for £8.2 million of funding.

4.7 For Paralympic sports there are two priority one sports – swimming and athletics – which account for 75 per cent of the available medals. Between them, these two sports delivered 73 per cent of the medals won by Great Britain at the Athens Paralympics (having targeted 67 per cent) in return for 51 per cent of the funding, including 22 of the 35 gold medals. Four Paralympic sports (boccia, sailing, wheelchair fencing and wheelchair rugby) won no medals, having received total funding of £1.3 million from UK Sport (8.4 per cent of the total awarded to Paralympic sports).

UK Sport is reconsidering its investment strategy for the Beijing Olympic cycle

4.8 Looking ahead to the Beijing Olympic cycle, UK Sport is reviewing its investment strategy for the World Class Performance Programme with a view to securing a more transparent process and better return on investment. It is proposing a new 'performance investment model' based on identifying at the outset of the four year Olympic cycle athletes capable of winning a medal or finishing in the top eight at the Games in 2008, allocating a maximum number of athlete places based on this information, and calculating a commensurate level of national governing body funding based on a minimum amount per athlete place.

4.9 From our discussions with national governing bodies and others, we identified a number of options UK Sport might consider, in light of funding constraints and the performance of individual funded sports in Athens, to maximise its return on investment in the future.

- Reducing the number of athletes supported by the World Class Performance Programme by tightening the performance criteria athletes have to meet to be eligible for support. Only seven of the 101 athletes who had been 'C' grade (ranked from 11th to 20th in the world – see paragraph 2.15) at some point during the course of the Olympic cycle came through to win medals at the Athens Olympics. Reducing the number of 'C' grade athletes could allow resources to be focused on a smaller number of higher performing athletes.
- Reducing the number of athletes supported by setting maximum squad sizes for the programmes. The Cunningham Review (see paragraph 1.8) recommended that UK Sport and national governing bodies should agree a maximum number of athletes to be supported, and some national governing bodies such as British Cycling voluntarily employed this policy during the Athens Olympic cycle.
- Focusing resources on fewer sports. After the Athens Games UK Sport is in a position to review whether its funded sports have delivered, and remain capable of delivering, world class performance.
- Reducing the scale of the Programme by financing in more sports tailored support for individual talented athletes rather than funding national governing bodies to deliver extensive support programmes.

4.10 Our expert panel endorsed the need to review the investment strategy. The panel contrasted the breadth of funding in the United Kingdom with the situation in Australia, where only eight sports were supported by the Australian Institute of Sport at its inception in 1981, building to 14 sports a decade later. While the Institute is catering for some 27 sports today, that is a full 20 years into its development.

4.11 The research we commissioned indicated that UK Sport's approach to awarding funding is broadly comparable to that adopted in Australia, Italy and the Netherlands. All three also take account of sports' track record of success, international significance and public profile in allocating funding. In Italy, for example, funding has been increased in recent years for more mainstream sports such as athletics and swimming in the light of public concern that Italy's success in the Olympic Games in 1988 was too heavily concentrated in lower profile sports.

UK Sport agrees targets with national governing bodies but these are not always comprehensive and meaningful

UK Sport agrees medal targets with national governing bodies and monitors performance against them

4.12 As part of their funding applications, national governing bodies are required to submit targets for the Olympic cycle, which are approved by UK Sport as funding is awarded. The principal focus of the targets is medal performance at Olympic and Paralympic Games, however interim targets for the years leading up to the Games are also agreed. Typically these focus on medal performance at World and European Championships. These interim targets are performance measures in their own right, but also represent useful milestones against which to assess sports' progress towards their Olympic or Paralympic targets.

However, the usefulness of target setting has been constrained

4.13 The following issues have limited the effectiveness of the targets as monitoring or evaluative tools.

- **UK Sport did not agree medal targets with all sports** – the exception was swimming where UK Sport agreed with the national governing body that it was not possible to set realistic medal targets in the aftermath of the Sydney Olympic Games in 2000 where the British team won no medals, although targets based on swimmers' world rankings were agreed. Funding was awarded on condition that medal targets would be set later in the Olympic cycle, yet UK Sport did not enforce this despite medal success at the World Championships in 2001 and 2003.
- **UK Sport has not always set or maintained challenging targets** – in the case of sailing, UK Sport accepted what it acknowledged as being conservative targets largely on account of reasonable concerns expressed at the start of the Olympic cycle by the national governing body. In the event the concerns did not materialise, but UK Sport did not revise the Olympic target upwards despite sailing clearly exceeding its interim targets.

- **The major Paralympic sports have struggled to set meaningful medal targets** – the precise configuration of events at the Paralympics and World Championships is subject to change at late notice, and such changes can require last-minute amendments to medal targets. On learning of the final event schedule for the World Championships in 2002 for example, the target for disability athletics was amended from 58 medals to 36. This difficulty in setting meaningful benchmarks also inhibits UK Sport's ability to form a view on whether the programmes are delivering the intended benefits.
- **The targets UK Sport agrees with national governing bodies have been predominantly based on medal outcomes** – they are therefore subject to the same inherent concerns as those which apply to UK Sport's own medal-based indicators as set out in paragraph 3.7.

4.14 While the national governing bodies generally acknowledge the importance of medal targets, they recognise these inherent problems. Some are already using non-medal performance measures, such as awarding points on a sliding scale to all athletes who reach finals. Such measures give a broader view of performance outcomes, going beyond the 'all or nothing' approach of medal targets and recognising greater value in, for example, coming fourth in a final compared with being eliminated in the first round of a competition.

UK Sport is working to strengthen its approach to evaluating the programmes provided by national governing bodies

4.15 During the Athens Olympic cycle, UK Sport commissioned independent experts to evaluate the programmes provided by individual national governing bodies. The experts, who were typically senior coaches or performance management professionals, usually spent between 20 and 30 days at a governing body typically over a period of two to three months, interviewing key staff and surveying athletes in order to assess the quality of the programme. All the case study sports we examined had been subject to an external evaluation of this kind early in the Athens Olympic cycle.

4.16 National governing bodies consider that a system of external evaluation is valuable as a learning tool and driver of improvement, but most had some concerns with the arrangements in place during the Athens Olympic cycle. Their concerns included:

- the process often did not coincide with or draw on national governing bodies' own internal evaluation processes;
- the experts commissioned by UK Sport may not have had the most appropriate skills for a particular evaluation and often did not have time to develop sufficient knowledge about the sport under review;
- the process added little significant value or highlighted few issues of which national governing bodies were not already aware.

4.17 UK Sport accepts these concerns and is seeking to improve its evaluation arrangements for the next Olympic cycle. It is considering a new approach involving self-evaluation by national governing bodies, giving an opportunity to build on and drive improvement into the various internal evaluation processes that are operating in the sports. The self-evaluation will be supplemented by closer ongoing monitoring by UK Sport staff and more focused external input where particular issues merit it. The governing bodies we spoke to generally welcome UK Sport's plans and confirmed they would prefer to retain some external element to the evaluations by involving, for example, credible individuals with particular expertise from within UK Sport or a performance director from another sport under a peer review arrangement.

4.18 UK Sport has also been developing a 'performance planning tool' which offers a framework for analysing the various aspects of a world class programme, such as leadership and staff development as well as athlete performance. A broad evaluation of this kind has the potential to provide a greater sense of the value being added by national governing bodies' programmes and to identify the key elements of a successful programme, examples of good practice and specific areas for improvement.

UK Sport also seeks information on the effectiveness of its investment from a survey of athletes on the World Class Performance Programme

4.19 UK Sport has undertaken surveys of all the athletes on the World Class Performance Programme once during each Olympic cycle, most recently in Autumn 2003. The surveys examine athlete lifestyle and training commitments, along with satisfaction levels for their personal awards, the services available to them through the national governing body programmes and the quality of management delivering these services.

4.20 While the survey generates some eye-catching positive headline feedback such as the high approval ratings for athlete personal awards highlighted in paragraph 2.19, the usefulness of the detail it provides UK Sport with is less clear. The response rate to the survey dropped from 77 per cent in 1999 to 47 per cent in 2003. While the survey authors highlighted that this was not a concern for drawing broad conclusions across the World Class Performance Programme, they did point to difficulties in drawing conclusions about smaller sub-groups such as individual sports.

UK Sport is working with national governing bodies where it has significant concerns about performance

4.21 Where poor performance results or other information from its monitoring or evaluation indicate significant cause for concern, UK Sport may intervene to reduce its funding or help the national governing body concerned to improve. A number of smaller sports have had funding for particular disciplines cut and bobsleigh (one of the Winter Olympic sports supported by UK Sport) had its World Class Performance Programme funding terminated altogether.

4.22 UK Sport's interventions in larger sports have proven more complex – on account of the public profile of the sports and their strategic importance to UK Sport in terms of their medal significance at Olympic and Paralympic Games – and their effectiveness is unclear. For example, when the swimming team failed to win any medals at the Olympic Games in 2000, the sport automatically lost its status as a priority one sport for the Athens Olympic cycle. This cost the national governing body the opportunity to share in a special fund of £600,000 per annum which UK Sport set aside for the top sports.

4.23 The national governing body itself acknowledged the poor performance in Sydney and recruited a new performance director who set about restructuring the programme. UK Sport chose to support this new regime, investing an amount during the Athens Olympic cycle which was only £40,000 lower than for the Sydney cycle – in effect a one per cent reduction. UK Sport also gave the new performance director a great deal of flexibility to change the programme and, as set out in paragraph 4.13, did not require the national governing body to set medal targets in return for the funding. The sport delivered an improved performance at the Athens Olympic Games with two bronze medals.

4.24 During the Athens Olympic cycle UK Sport's concern has focused on athletics, which produced disappointing performances in both the 2001 and 2003 World Championships. UK Sport did not cut funding during the cycle, opting instead to commission expert reviews to identify how problems might be rectified. Details of these interventions are set out in **Figure 18**. In the event, athletics fell short of its target for the Athens Olympic Games winning four of an anticipated seven medals, although three of the four were golds.

UK Sport faces a number of challenges in managing the World Class Performance Programme in the next Olympic cycle

UK Sport is seeking to improve its own capacity to manage the World Class Performance Programme effectively

4.25 Overall national governing bodies consider that UK Sport's management of the World Class Performance Programme has improved over the years. The governing bodies commended UK Sport for reducing what they perceived as the burdensome and unnecessary bureaucracy of the early years of the Programme. National governing bodies also particularly welcomed the commitment UK Sport's staff have shown in helping them through the funding process and in being flexible and responsive when sports have felt that changes have been required to the running of their programmes.

18 UK Sport's interventions in athletics

Following the 2001 World Championships

- After a disappointing performance at the World Championships in 2001 when the Great Britain team won two medals, UK Sport commissioned an additional external evaluation review to identify whether there were particular problems within the athletics programme that could be addressed.
- The key area highlighted by the review was the need for UK Athletics to secure greater buy-in from top athletes and their personal coaches to the programme. In response, UK Athletics set aside an element of its funding to provide services for these athletes and UK Sport made available an additional £50,000 to contribute to 'high flyer' awards, mainly to enable athletes to fund more time with their personal coaches, with the aim of aligning the coaches more closely with the programme. The evaluation review also recommended improvements in staff training and clarification of roles within the programme.

Following the 2003 World Championships

- After another disappointing performance at the World Championships in 2003 when the team won three medals, UK Sport and Sport England jointly commissioned an independent review of athletics in the United Kingdom. Led by Sir Andrew Foster¹, the review examined how athletics is organised and whether its structure allows it to achieve success at every level given the resources now available through the National Lottery.
- The 'Foster Report' was published in May 2004 and set out 33 proposals for action focusing on the structure and management of athletics. In June 2004, UK Sport and Sport England announced that Sir Andrew was to chair the project board which would oversee the implementation of the report's recommendations over the next 18 months.
- On elite performance, the Foster Report recommended that, following the planned retirement of the present performance director, the post should be filled through an international search with the help of recruitment consultants to secure the services of the best available person. Following a search and selection process over several months, in December 2004 UK Athletics announced the appointment of a new performance director.

Source: Information from UK Sport and 'Moving on: a review of the need for change in athletics in the United Kingdom' by Sir Andrew Foster

NOTE

¹ Sir Andrew Foster worked in local government and the National Health Service, and was Controller of the Audit Commission between 1992 and 2003; he is currently Chairman of Sport England's Audit, Risk and Corporate Governance Committee.

4.26 However, some national governing bodies along with our expert panel expressed concern about the capacity of UK Sport to add value to the World Class Performance Programme, particularly in technical areas given the level of sport specific technical expertise established within governing bodies themselves. Governing bodies felt it was difficult for UK Sport staff to advise or challenge their performance staff effectively on an equal footing, and that they did not influence the technical content of the programmes. This chimed with our review of UK Sport's case files where our overall sense was that the role of UK Sport staff was more one of advocacy than challenge.

4.27 To strengthen its ability to review and challenge national governing bodies effectively, UK Sport has recruited a number of well regarded people from within the elite sport sector, including the former performance director of British Cycling in a troubleshooting performance adviser role. These moves have been welcomed by the national governing bodies. It is also restructuring the team who deal with governing bodies on a day to day basis and revising their job descriptions, to place greater emphasis on technical expertise.

UK Sport is well positioned to disseminate the good practice it learns across the sports

4.28 Increasing the technical capacity of its staff should also assist UK Sport in facilitating the sharing of expertise and experience between sports (for example, on innovative coaching practices or the use of new technology to support athletes' training). National governing bodies see this as a key area where UK Sport is well positioned to add value to the World Class Performance Programme. UK Sport currently has a number of mechanisms for facilitating cross-sport working, including a 'performance directors forum' which brings together performance directors four times a year to share best practice and address topical sporting matters. UK Sport is also one of the hosts of an annual seminar for national governing bodies' chief executives. And it holds an annual world class coaching conference for performance and coaching staff from across a wide range of sports.

4.29 National governing bodies welcome these forums for cross-sport working but generally consider that they are insufficiently focused to be of optimal value. Typical concerns for the larger sports were that important issues were not treated in sufficient depth as too many sports were attending and agendas were being drawn too broadly. They felt that while some interchange between themselves and smaller sports had value – a belief shared by smaller programmes such as modern pentathlon – there was also a benefit in their meeting amongst themselves on issues of particular concern for large programmes; UK Sport had not facilitated this to date.

4.30 The research we commissioned found that other countries also seek to ensure that their elite sports benefit from leading edge expertise. For example, in Italy the national body responsible for non-professional sport runs the Scuola dello Sport (sport school) in association with the national sport federations. The school provides training and development for coaches, technical staff and others to ensure that they are up to date with developments in world sport, and facilitates the sharing of good practice across sports. The national sports body also co-ordinates the commissioning of applied scientific research to support elite sport from universities and other research institutes.

UK Sport is working with the home country sports councils to reform the process by which elite sport is funded

4.31 The system for supporting elite sport in the United Kingdom is complex due to the existence of:

- multiple funding agencies, with UK Sport operating at Great Britain level and four home country sports councils which award funding to home country based sports and talented athletes below elite level (see paragraph 1.7);
- diverse national governing body structures reflecting the variety of competitive structures for sports, some of which compete predominantly as Great Britain or the United Kingdom and others at home country level.

4.32 Traditionally national governing bodies at United Kingdom and devolved levels have made separate applications to UK Sport and the home country sports councils, seeking support for the various programmes they run. The governing bodies have generally found this to have been an administratively burdensome process, and they feel the funding framework has made the task of achieving a co-ordinated United Kingdom strategy for elite development considerably more challenging.

4.33 Both the Cunningham Review and Game Plan (see paragraph 1.8) made recommendations designed to rationalise the funding system and improve consistency and co-ordination, the culmination of which has been UK Sport's development of the 'one stop planning process'. This aims to simplify the funding application process by requiring the collective national governing bodies of an individual sport in the United Kingdom to agree a co-ordinated approach to the support of talented and elite athletes at all levels throughout the United Kingdom.

4.34 As opposed to each United Kingdom national governing body submitting separate plans to UK Sport and Sport England and home country governing bodies submitting separate plans to their respective sports councils, the United Kingdom governing body will submit the plans for all the constituent parts of the sport to UK Sport, who will take the lead in co-ordinating the assessment and investment process. UK Sport and the home country sports councils will share details of the extent to which each of them wishes to fund the plans to ensure there are no gaps or inconsistencies. The funding streams will remain separate as is the case now, and councils will continue to take responsibility for monitoring their own investment.

4.35 In October 2003 UK Sport and the home country sports councils announced 10 United Kingdom-wide priority sports which would be required to prepare one stop plans for the Beijing Olympic cycle. The sports concerned are: athletics, canoeing, cycling, equestrian, gymnastics, judo, rowing, sailing, swimming and triathlon. While the implementation of one stop planning is in its very early stages, the national governing bodies we interviewed welcomed the system in principle and saw the submission of one set of plans to a single point of contact within the sports councils as a significant move forward in administrative terms.

UK Sport is seeking to maintain the levels of funding available for the World Class Performance Programme despite an anticipated drop in lottery proceeds

4.36 For the Athens Olympic cycle UK Sport moved to four year funding commitments⁶, giving national governing bodies the security to invest in projects and contracts that they could not do when they had to apply for funding on an annual basis as was the case prior to the Sydney Games. However, when declining lottery proceeds left a £12.5 million shortfall between income and commitments, UK Sport was only able to deliver the programme with resources diverted from its other grant-in-aid funded activities and the home country sports councils' lottery funds (see paragraph 1.11).

4.37 UK Sport plans to increase the total funding available for World Class Performance Programme awards from £92 million during the Athens Olympic cycle to £98 million for Beijing, even though lottery funding is projected to decrease to from £86 million for the Athens cycle to £72 million for Beijing. £26 million will therefore have to be found from non-lottery sources. Over £20 million of this is anticipated to be diverted from UK Sport's Exchequer funding, most of which has been used in the past to support national governing bodies' core costs and modernisation projects to help them become more efficient and effective. And UK Sport aims to raise £4 million from sponsorship during the course of the Olympic cycle - a challenging target since this represents a new source of funding for the World Class Performance Programme. The uncertainty regarding UK Sport's future resources places a premium on UK Sport's review of its funding priorities (see paragraph 4.8).

4.38 Most lottery distributors require grant recipients to raise 'partnership funding' from other sources to complement lottery money. However, in awarding funding for the Athens Olympic cycle in 2001, UK Sport decided not to require national governing bodies to identify and quantify partnership funding. Although some of the larger sports have secured sponsorship from the private sector, most do not have partnership funding and their programmes are by and large lottery funded.

⁶ Under the conditions UK Sport attaches to its grants to national governing bodies, the provision of funding for the four year cycle is guaranteed to the extent that UK Sport continues to receive funds from the National Lottery to the level required to meet all its awards. In the event that a shortfall in lottery income occurs, UK Sport reserves the right to amend the level of the award.

4.39 The research we commissioned highlighted that the Netherlands in particular has a culture of private sector involvement in supporting elite sport, leveraging significant amounts of commercial funding into the sector. For example, during the Athens Olympic cycle, the national body responsible for elite sport had 10 commercial partners, including a number of major international companies, which provided funding of some £19 million to help athletes prepare for the Games.

The Beijing Games are expected to be the most competitive ever, for both able-bodied and disability sports

4.40 The Beijing Games in 2008 are expected to be the most competitive ever. In particular, the Athens Games highlighted the likely strength of Asian teams, with China, Japan and South Korea all recording their best ever medal haul. The logistical challenges national governing bodies will face in preparing for the Beijing Games will also be a factor for UK Sport to deal with. Great Britain's successful sailing team, for example, spent large periods of each summer throughout the Athens Olympic cycle training in the environment around the sailing venue. Transpose that commitment from Greece to China and the financial and logistical implications are clear.

4.41 In disability sport specifically, national governing bodies and our expert panel highlighted rapidly increasing standards of performance and raised concerns about whether Great Britain would be able to maintain its position in future Paralympic Games. They highlighted the relatively small talent pools and low take-up of some support services provided by national governing bodies. A report commissioned by UK Sport in 2001 found that disabled athletes on 'integrated programmes' (which provide support for both able-bodied and disabled athletes) often struggled to be treated as a priority and may not have developed to their full potential. UK Sport has recently commissioned an external review on the way forward for the delivery of programmes to disabled athletes.

APPENDIX 1

World Class Performance Programme awards in support of Summer Olympic and Paralympic sports for the Athens Olympic cycle, 2001 to 2005

Sport	Funding to national governing body £000	Funding to individual athletes £000	Total funding	
			£000	%
Olympic sports				
Athletics	8,277	3,057	11,334	13.6
Rowing	7,289	3,318	10,607	12.7
Cycling	6,571	1,543	8,114	9.7
Sailing	5,410	1,768	7,178	8.6
Swimming	4,920	1,606	6,526	7.8
Canoeing	3,450	1,234	4,684	5.6
Gymnastics	3,712	471	4,183	5.0
Judo	2,750	738	3,488	4.2
Equestrian	2,774	449	3,223	3.9
Triathlon	1,845	778	2,623	3.1
Modern pentathlon	1,553	492	2,045	2.4
Shooting	1,080	404	1,484	1.8
Diving	922	500	1,421	1.7
Taekwondo	420	148	568	0.7
Archery	168	143	311	0.4
Badminton	291	0	291	0.3
Weightlifting	45	10	55	0.1
Sub-total	51,477	16,660	68,137	81.6

continued overleaf

Sport	Funding to national governing body £000	Funding to individual athletes £000	Total funding £000	%
Paralympic sports				
Swimming	3,024	1,485	4,509	5.4
Athletics	1,905	1,491	3,397	4.1
Wheelchair basketball	822	1,028	1,850	2.2
Equestrian	740	448	1,188	1.4
Judo	530	118	648	0.8
Archery	252	279	531	0.6
Wheelchair rugby	326	201	527	0.6
Cycling	350	166	516	0.6
Wheelchair tennis	0	473	473	0.6
Sailing	250	150	400	0.5
Table tennis	187	203	390	0.5
Powerlifting	215	142	357	0.4
Boccia	201	52	254	0.3
Shooting	160	88	248	0.3
Wheelchair fencing	125	0	125	0.1
Sub-total	9,087	6,324	15,411	18.4
Total	60,564	22,983	83,547	100.0

Not all figures cast correctly due to rounding.

Source: UK Sport

APPENDIX 2

Study methods

Case study examination of a sample of sports

1 Our case study examination focused on the five Olympic and two Paralympic sports which receive the most funding from UK Sport. For each sport, we examined key documents at UK Sport and interviewed the staff responsible for liaising with the sport's national governing body on a day to day basis. The case study examination was designed to collect evidence on how, during the Athens Olympic cycle, UK Sport:

- made decisions about grant awards;
- agreed targets with national governing bodies;
- monitored performance and evaluated the programmes being provided by national governing bodies;
- intervened in the light of information from its monitoring and evaluation.

The sports we examined

Olympic sports	Paralympic sports
Athletics	Athletics
Cycling	Swimming
Rowing	
Sailing	
Swimming	

Interviews with national governing bodies of sport

2 We carried out interviews with senior staff from six national governing bodies. The interviews were designed to get national governing bodies' views on:

- the benefits of the World Class Performance Programme;
- applying for funding and UK Sport's funding criteria;

- agreeing performance targets with UK Sport;
- UK Sport's monitoring and evaluation;
- relations with UK Sport and the value of its interventions;
- how the World Class Performance Programme might be improved.

The national governing bodies we interviewed

Amateur Rowing Association – David Tanner (*Performance Director*)
 British Cycling – Peter King (*Chief Executive*) and Ian Drake (*National Talent Co-ordinator*)
 British Swimming – David Sparkes (*Chief Executive*)
 Modern Pentathlon Association of Great Britain – Jan Bartu (*Performance Director*)
 Royal Yachting Association – John Derbyshire (*Performance Director*) and Gordon Stredwick (*Performance Manager*)
 UK Athletics – Max Jones (*Performance Director*) and Ken Kelly (*Technical Director for Disability Athletics*)

Interviews with athletes

3 We interviewed current and former elite athletes who have had direct experience of the World Class Performance Programme and who at the time of our fieldwork were representatives of the British Athletes Commission, the recognised athletes' representation organisation in the United Kingdom. The interviews were designed to get athletes' views on:

- the benefits of the World Class Performance Programme;
- athletes' relationship with their national governing body and with UK Sport;
- the difference made by the athlete personal awards;
- how the World Class Performance Programme might be improved.

The athletes from the British Athletes Commission we interviewed

Kate Allenby (*Modern Pentathlon*) – Chair of the Executive Committee

Guin Batten (*Rowing*) – Chair of the Olympic Working Group

Pete Gardner (*Rowing*) – General Secretary

Karen Roberts (*Judo*) – Chair of the World Class Working Group

John Robertson (*Sailing*) – Chair of the Paralympic Working Group

Ross Sabbiton (*Rowing*) – Member of the Olympic Working Group

Jamie Salter (*Swimming*) – Member of the Olympic Working Group

Sara Symington (*Cycling*) – Member of the World Class Working Group

NOTE

The athletes' roles within the British Athletes Commission are shown as at the time of our fieldwork in Summer 2004.

4 We also analysed the report of the survey of athletes on the World Class Performance Programme, carried out for UK Sport by the Sport Industry Research Centre at Sheffield Hallam University. All athletes registered on the World Class Performance Programme at 31 July 2003 were invited to take part in a self-completion survey designed to establish their views on various aspects of the Programme.

Other interviews and data collection

At UK Sport

5 We carried out interviews with senior staff at UK Sport, including the current Acting Chief Executive and the former Chief Executive; and the current Chair and the former Chair. The interviews covered all aspects of the World Class Performance Programme and wider matters relating to UK Sport's business. We also reviewed key documents, including UK Sport's funding agreement with the Department for Culture, Media and Sport; its lottery strategy for 2002-05; its annual reports and accounts; and its draft corporate plan and funding strategy for 2005-09.

6 We analysed performance data provided by UK Sport and the Sport Industry Research Centre at Sheffield Hallam University covering Great Britain's overall performance at major international championships and the performance of individual sports against target. We also reviewed UK Sport's performance measurement framework against good practice criteria.

At departmental level

7 We interviewed officials at the Department for Culture, Media and Sport with responsibility for sport. The interviews covered the Department's oversight of UK Sport in general and the World Class Performance Programme in particular, and wider matters relating to the systems for supporting elite sport in the United Kingdom.

8 We met the Rt Hon Jack Cunningham MP to discuss the review he led to examine the way the United Kingdom's top athletes were supported through the National Lottery, which was published in September 2001. Dr Cunningham was appointed by the Prime Minister, in consultation with the Secretary of State for Culture, Media and Sport.

9 We also reviewed 'Game Plan: a strategy for delivering Government's sport and physical activity objectives', which was published in December 2002. This was the report of a joint review by the Department for Culture, Media and Sport and the Strategy Unit (based in the Cabinet Office).

At home country level

10 We carried out interviews with senior staff at Sport England, Sport Scotland and the Sports Council for Wales to seek their views on the World Class Performance Programme, relations with UK Sport, and wider matters relating to the systems for supporting elite sport in the United Kingdom.

11 We also interviewed officials at the Scottish Executive and the Welsh Assembly Government with responsibility for sport in their respective countries.

Input from a panel of experts

12 We convened a panel of experts to assist us with the study, consisting of individuals with particular knowledge or experience of elite sport. The panel met to discuss the areas we were examining, including the benefits the World Class Performance Programme has delivered to elite athletes; the challenges facing UK Sport and the elite sport system more generally; and, looking to the future, how the effectiveness of the Programme might be improved. The panel also provided comments on our draft report.

Members of our expert panel

Peter Keen – Performance Adviser, UK Sport and formerly Performance Director, British Cycling

Philip Lane – Chief Executive, British Paralympic Association

Steven Martin – Deputy Chief Executive, British Olympic Association

Karen Roberts – Judo player (Commonwealth Champion 2002) and Chair of the British Athletes Commission’s World Class Working Group

Simon Shibli – Sport Industry Research Centre, Sheffield Hallam University

Chris Spice – Performance Director, Rugby Football Union

Neil Tunnicliffe – Principal of Wharton Consulting, a specialist sports consultancy

Research on the support provided to elite athletes in three countries overseas

13 We commissioned academics from the Institute of Sport and Leisure Policy, Loughborough University and the Sport Industry Research Centre, Sheffield Hallam University to research the support provided to elite athletes in three countries overseas. After consultation with the academics, the countries covered were:

- Australia – chosen because it is generally regarded as having one of the most highly developed and successful support systems for elite athletes, and it consistently achieves Olympic success;
- Italy – chosen because it is a European country of similar size in population terms to the United Kingdom and has consistently been placed higher than Great Britain in the Olympic medal table;
- the Netherlands – chosen because it is a comparatively small European country which, after the introduction of a programme of support for elite athletes, has achieved success at the Olympic Games.

The research covered an overview of how the systems of elite sport are organised in each country, and a case study of the funding and support available to a typical swimmer in Australia and the Netherlands, and a typical track and field athlete in Italy.

14 The research was designed to be primarily illustrative, rather than an exhaustive comparative analysis. Comparing the support provided in one country with that available in another is problematic because organisational structures and funding systems vary significantly from one country to the next.

APPENDIX 3

Key points from the research we commissioned on the support provided to elite athletes in three countries overseas

1 This appendix draws out key points from the research carried out for us on the support provided to elite athletes in three countries overseas. The research was undertaken by academics from the Institute of Sport and Leisure Policy, Loughborough University (who covered Australia) and the Sport Industry Research Centre, Sheffield Hallam University (who covered Italy and the Netherlands).

Australia

- The Australian Sports Commission is Australia's primary national sports administration and advisory agency. It is governed by a Board of Commissioners, appointed by the federal Minister for the Arts and Sport.
- Created in 1981, the Australian Institute of Sport in Canberra is part of the Australian Sports Commission and is the key provider of support systems for elite athletes, with a focus on success at the Olympic Games and World Championships. The services supplied by the Institute are complemented by support provided at State or Territory level.
- The Australian Sports Commission allocates funding to national sporting organisations to cover support for elite athletes, sport development programmes and participation initiatives. Some of this funding goes to purchase services from the Australian Institute of Sport.
- The Australian Sports Commission also provides one-off payments directly to elite athletes to help with living and training costs; athletes are selected for support on the basis of medal potential and individual need. In some sports there are also incentive schemes funded by commercial sponsors.

- In the early 1990s the Australian Institute of Sport targeted its resources on eight sports which were considered to have the greatest potential to win medals at the Sydney Olympic Games in 2000. The number of sports supported grew over the years and in 2002-03 the Institute funded 26 sports at elite senior and/or development level. To be eligible for funding, a sport must meet a range of criteria covering areas such as competitiveness, public interest, and international profile.

Italy

- Responsibility for elite sport in Italy rests solely with the Comitato Olimpico Nazionale Italiano, which is an autonomous non-governmental body, established in 1942. It has a central administrative base in Rome and there is a system of devolved regional and provincial committees. The Ministry of Culture monitors the Comitato but the Government is not directly involved in setting policy in this area.
- Since 1948 the Comitato Olimpico Nazionale Italiano has held exclusive legal gambling rights over the competitions and sports events for which it is responsible, holding a 'golden share' in the operators which run sports gambling on its behalf. It receives no central government funding and gambling revenues account for an estimated 90 per cent of its income.
- The delivery of support programmes to elite athletes is primarily the responsibility of individual national sports federations, which bid to the Comitato Olimpico Nazionale Italiano for resources. Some federations also provide grants to their elite athletes to cover living expenses, while others reward success by making graded payments depending on the performance achieved.

- The Comitato Olimpico Nazionale Italiano formally recognises 42 national sports federations (covering mainly Summer and Winter Olympic sports) and they receive priority in terms of access to resources. A further 19 mainly non-Olympic sports are heavily dependent on the Comitato for their revenue funding.
 - To ensure that elite sports benefit from leading edge expertise, the Comitato Olimpico Nazionale Italiano runs the Scuola dello Sport (sport school) in association with the national sports federations, which provides training and development for those involved in delivering support to elite athletes and facilitates the sharing of good practice. The Comitato also co-ordinates the commissioning of applied scientific research to support elite sport from universities and other research institutes.
- As well as being the administrative centre, this is also the national training centre for elite athletes, providing facilities and access to sports science and medical services. Sports facilities for elite athletes' training are also provided by local government.
- Responsibility for leading elite sport lies with the head coach or performance director of individual national governing bodies. Governing bodies tend to purchase support services from the national training centre rather than providing services themselves.
 - Elite athletes can qualify for funding to meet their everyday expenses. This support is means tested and guarantees athletes the minimum wage so they can train and compete on a full-time basis. Athletes can also supplement their awards by bonuses for winning medals in major championships.
 - To qualify for support, sports must be an Olympic or Paralympic discipline and meet a range of criteria covering areas such as international profile and national interest. At least 50 disciplines in the Summer and Winter Olympics are eligible for support.
 - In addition to providing funding, the National Olympic Committee / National Sports Federation also provides training to develop coaches and provide them with a career path with a view to retaining them in the Netherlands, and facilitates a forum for sharing best practice in elite sport.

The Netherlands

- Since 1993, elite sport in the Netherlands has been the responsibility of a single non-governmental body, the National Olympic Committee / National Sports Federation. It is also responsible for grassroots sport and participation initiatives. The National Olympic Committee / National Sports Federation is made up of sports' national governing bodies, to which individual sports clubs are affiliated.
- The National Olympic Committee / National Sports Federation is funded predominantly by the Ministry of Health, Welfare and Sport and also receives funding from the Dutch equivalent of the National Lottery. The private sector also provides significant funding for elite sport – during the Athens Olympic cycle the National Olympic Committee / National Sports Federation had 10 commercial partners, including a number of major international companies.
- The National Olympic Committee / National Sports Federation headquarters in Papendal near Arnhem are modelled on the Australian Institute of Sport.