



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party

Proposal No: C1679

Date Referred: 14/03/2023

Date Published: 20/03/2023

Proposal Title: Sport Funding

Cluster: Enterprise, Investment and Trade

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4-year Total \$'000
Expenses (ex. depreciation)	15,850	18,750	18,750	17,650	71,000
Depreciation					-
Less: Offsets	15,854	18,756	18,824	17,678	71,112
Revenue					-
Net Operating Balance:	4	6	74	28	112

Capital Expenditure	-	-	-	-	-
Capital Offsets					
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	4	6	74	28	112
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Total State Sector Impacts

Net Lending/(Borrowing):	4	6	74	28	112
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Notes and costing assumptions:

The policy proposes to provide funding to various sport programs sourced from existing unallocated Sport's Fund from within the Office of Sport.

The policy would be administered by the Office of Sport for the duration of the policy. Refer to **Table 1** for a list of sporting programs and proposed funding profiles.

Further details are provided in each of the following subsections.

The PBO estimates the cost of this policy to have a budget saving of \$4,000 in 2022-23, \$6,000 in 2023-24, \$74,000 in 2024-25 and \$28,000 in 2025-26 with a total budget saving across the forward estimates of \$112,000.

Notes and costing assumptions continued:

Table 1 – Sporting Programs

Program	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	Total \$'000
Expenditure					
UFC to NSW	6,600	2,200	-	-	8,800
State Sporting Organisation (SSO)	-	5,000	10,000	10,000	25,000
Central Coast Soccer	3,700	-	-	-	3,700
Sports Participation and Infrastructure Fund	5,500	5,800	3,000	1,900	16,200
Bankstown District Soccer	50	-	-	-	50
Surf Life Saving	-	5,750	5,750	5,750	17,250
Subtotal	15,850	18,750	18,750	17,650	71,000
Savings					
Unallocated Sports Fund	- 15,854	- 18,756	- 18,824	- 17,678	- 71,112
Total	- 4	- 6	- 74	- 28	- 112

UFC To NSW

The policy proposes a commitment of \$8.8 million to host Ultimate Fighting Championships (UFC) pay-per-view (PPV) events in each calendar year over the first term of government with the first event in 2024. The funding would guarantee either one stadium event and one fight night event in Wollongong and/or Newcastle or two arena events.

The funding would be managed by Destination NSW and have a budget impact of \$8.8 million over the forward estimates from 2022-23 to 2023-24.

Background

Pay-per-view is a webcast service providing viewers access to watch individual events for a limited time via private telecast through payment of a one-time fee.

- An event held at CommBank Stadium is estimated to cost approximately \$7.2 million.
- Arena events are expected to cost approximately \$4.4 million each.
- Fight Night events are expected to cost approximately \$1 million each.

Caveat

The cost of staging UFC PPV events can be affected by movements in the foreign exchange rate and therefore the costing estimated by the PBO can be subject to change.

State Sporting Organisation

The policy proposes to increase funding provided under the Organisation Support Program to \$5 million in 2023-24 and \$10 million per year in both 2024-25 and 2025-26. The Organisation Support Program assists peak sporting bodies and identified organisations to build capacity, invest in governance processes and create and deliver sport and recreation activities as well as competitions at all levels in NSW.

The funding would be managed by the Office of Sport and have a budget impact of \$25 million over the forward estimates from 2023-24 to 2025-26.

Central Coast Soccer

The policy proposes to provide \$3.7 million in funding in 2022-23 for three soccer programs on the Central Coast. The program funding would be as follows:

Notes and costing assumptions continued:

- \$2.2 million to construct a synthetic playing field in Tuggerah working with Central Coast Football. This amount will be matched by the Central Coast Mariners Football Club.
- \$1 million to the Central Coast Mariners to support community programs for at-risk youth and disadvantaged adults.
- \$0.5 million for training facilities for the new Central Coast A-League women's team. This amount will be matched by the Central Coast Mariners Football Club.

Sports Participation and Infrastructure Fund

The policy proposes to provide \$16.2 million to establish a Sports Participation and Infrastructure Fund. The funding proposed is \$5.5 million in 2022-23, \$5.8 million in 2023-24, \$3 million in 2024-25 and \$1.9 million in 2025-26.

Bankstown District Soccer

The policy proposes to provide a capped grant of \$50,000 to Bankstown District Soccer in 2022-23.

Surf Life Saving

The policy proposes to provide an additional \$23 million over four years to Surf Life Saving NSW (SLSNSW) starting in 2023-24. Funding is to be used to allow SLSNSW to increase resources and equipment to extend guarding in unpatrolled locations with the aim of reducing coastal drownings. The funding profile proposed in the policy will be capped at \$5.75 million per year for 4 years from 2023-24 to 2026-27.

The funding would be administered by both NSW Office of Sport and NSW State Emergency Service with a budget impact of \$17.25 million over the forward estimates from 2023-24 to 2025-26.