

The Voice of Irish Sport

Pre Budget Submission 2025



FEDERATION OF IRISH SPORT
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“ We also need to look, when this Olympics is over, at how we can really try to build on its legacy in Ireland. ”

An Taoiseach
July 25th, 2024

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Investing in People and Programmes on a Multi Annual Basis will Secure Legacy Benefits

The Olympic Games is generally recognised as being the greatest worldwide festival of sport. And while most individual sports still have their own world championships, an Olympic medal is still the ultimate ambition for most sportsmen and sportswomen. The wonderful Paris Olympics which we experienced this year has without a shadow of doubt added to the lustre of what it means to be an Olympian and just how much a medal means.

Happily, Ireland has just enjoyed its best ever Olympics – seven medals and four of them GOLD. A remarkable achievement backed by so many other great performances as our largest ever Olympic team all did us proud.

Over 200 countries competed in Paris and Ireland was in 19th place in the medals table and sixth per capita.

Our overall performance in Paris showed just how far Irish sport has progressed. There were no real surprises. Those that won medals – across four sports – expected to do well, such has been the level of their preparations.

With the Paralympic Games underway at the time of publication, Team Ireland has already enjoyed medal success with one gold, two silver and two bronze medals so far. Team Ireland has also set several new national records and personal bests at the Paralympic Games.

While there were many reasons for our successes there can be no doubt that successive governments have had a major role to play, as indeed have Sport Ireland, the Sport Ireland Institute, Paralympics Ireland and the Olympic Federation of Ireland.

We only need to go back three Olympic cycles to see the then Minister for Sport and future Taoiseach, Leo Varadkar, posing the question as to why New Zealand, a country so like Ireland in so many ways, including a similar population and a dominant sport (Rugby as against Gaelic Games), could bring home 18 medals from the Rio Olympics while we won 2 medals at the same Games.

Importantly the government decided to do something about it and the resultant “National Sports Policy 2018–2027”, a ten-year strategic plan for sport in Ireland, came into being. The plan laid out the actions that would need to be undertaken to develop sport at all levels and came with a commitment by government to double funding for sport over the life of the plan.

The government has more than met its commitment to date with its investment in High Performance sport, the development of our wonderful Sport Ireland Campus and the re-instatement of the Capital Sports Fund.

More recently following the end of the Paris Olympics, the Minister of State with responsibility for Sport & Physical Education Thomas Byrne announced that the government would be investing €500million over the next 4-year Olympic cycle in High Performance programmes, in the creation of a Cycling Velodrome, a Badminton Centre and Cricket oval on the Sport Ireland Campus and also a major new round of the Sports Capital Fund.

However, while welcoming this great news for Irish Sport, The Federation would like to go back on the question posed by the then Minister for Sport Leo Varadkar, concerning a comparison between sport in Ireland to sport in New Zealand. At the time the Federation took Mr Varadkar’s question to heart and decided to do something about it.

In 2018 we contacted Sport New Zealand directly and invited their chief executive, who also ran their High-Performance programme, to come to Ireland to discuss how sport is run in New Zealand. Thankfully, he also brought his Head of Sports Participation with him.

They were more than happy to share their learnings. Not surprisingly their key points concerned the importance of increasing participation in sport and physical activity year on year – every year – and the equal importance of government funding right across the sporting spectrum from grassroots to High Performance. And yes, better facilities were important but **investment in people and programmes trumped everything.**

The point was made again and again that New Zealand success at World and Olympics level was based on the investments in grassroots participation levels, on creating the right pathways and investing in the right people to deliver the programmes needed to capture and nurture the high performers of tomorrow.

It must be noted that in Ireland core funding for sport in 2024 based on our population of 5.3 million is circa €22 per capita¹, however, in New Zealand² it is €44 per capita based on a population of €5.1 million.

In 2018, the total value of sport to the Irish economy was €3.7bn (GVA). Importantly, the sport economy is driven by the participation elements of sport.

A small change in participation rates would have a strong positive impact on the economy. Any investment aiming to increase sport participation is likely to be self-financing³.

The simple fact is that if we are to match New Zealand’s achievements – and we can – we need to increase participation levels across all organised sporting activity, create better pathways to nurture and identify talent, and to also have the right calibre of coaches.



1. <https://assets.gov.ie/295665/9df2d933-bb5c-42e6-b158-8907aa8a3353.pdf>

2. An analysis of the funding of the play, active recreation and sport sector in New Zealand' 2022

3. <https://www.sportireland.ie/sites/default/files/media/document/2021-09/vos-report-final-19-07-21.pdf>

The responsibility for this rests on the shoulders of the National Governing Bodies (NGBs) of all our sports and the Local Sports Partnerships (LSPs) that do such a good job at local level in finding ways to get people more active. If they are to do the job that needs to be done, they will need to be better financed to meet every day operating costs, retain talent and negate the impact of inflation. In 2024 core funding for 87 NGBs and LSPs was €28.7 million in total.

Ireland has won 13 medals at the last three Olympic games – a great return when you compare that with what went before. However, in the same period New Zealand has won 58 medals in the summer Olympic Games – and another 5 at the Winter Olympics!

None of that should take away from our most recent achievement which was fantastic. This is to illustrate what a similar sized nation, with a similar climate, has achieved when sport is well funded in all the right areas.

Perceived wisdom is that it generally takes between 8 and 10 years of development before an elite athlete reaches their potential. There are exceptions to this rule but not many.

In other words, we need to be identifying talent that may not come to fruition until the Brisbane Olympic Games in 2032 – NOW! They are today’s participants who hopefully are already on initial pathways that will be creating the next Kellie, the next Rhys, the next Daniel, the next Paul and the next Fintan.

It is vital we increase the core funding for our NGBs and LSPs if this is to happen.

In 2024 core funding for our NGBs and LSPs was €28.7 million in total. This consisted of €17.3 million to be shared by 58 NGBs and €11.4 million to be shared by 29 LSPs. All concerned are appreciative of their funding. There is no question about that.

The reality however is that since 2020 the real value of the monies going to the NGBs and LSPs has been eroded both by inflation and by the other very real costs incurred in ensuring that sport meets the governance standards rightfully insisted upon by government in return for public funding. Again, all our sports bodies fully understand this.

However, if we are to continue to develop sport and Physical Activity in Ireland at all levels, we must have a greater investment in the core activities of our NGBs and LSPs in their programmes to encourage participation and in providing the coaches and the other professional personnel necessary to the delivery of those programmes.

A commitment to multi annual funding is essential throughout Irish sport as it provides certainty not alone in our programmes but also in employing the talent required to get the best from our aspiring athletes.

In our document we have also looked at ways in which the government might raise additional funding for sport.



Our primary ask of Government is to increase core funding in budget 2025 to a level that ensures that we continue to develop our pool of young talent and that in increasing the core funding, government would also employ the same commitment to multi annual funding as they have done with the HP programme.



Mary O'Connor
CEO Federation of Irish Sport

The Federation of Irish Sport is the representative body for all the national governing bodies of sport (NGBs), Local Sports Partnerships (LSPs) and other sporting bodies such as the Olympic Federation of Ireland, Paralympics Ireland, Active Disability Ireland and Ireland Active. These are the organisations that bring sport and physical activity to life throughout the island of Ireland.

These include areas we have identified in the past such as taxation reforms and also an increase in the betting levy.

Our key focus is however on increasing the core funding which we believe will help ensure that the government realises the full potential of all the monies it invests in sport and that we enjoy the pride and joy sport brings into all our lives.



Irish Firsts at the Olympics



- First time winning four gold at an Olympics Games and first time winning seven medals overall.
- First time winning in four different sports at a single Olympics : Boxing, Swimming, Rowing, Gymnastics
- First Gymnastic Olympic Medal - Rhys McClenaghan
- First heavy weight Rowing Olympic medal - Philip Doyle & Daire Lynch

- First Irish male swimmer to win an Olympic medal and first to win two Olympic medals at a single games - Daniel Wiffen
- First Irish Athlete to win a medal at three consecutive Olympics Rowing - Paul O'Donovan
- First Irish Boxer to win gold at two Olympics and first Irish Woman to win a medal at two Olympics - Kellie Harrington
- First Irish woman to make an Olympic sprint final 400m - Rhasidat Adeleke
- Irelands First Five Time Olympian - Fionnuala McCormack



2023 Highlights

Outputs of Government investment in Sport and Physical Activity



Sport Ireland Local Sports Partnerships

Local participation opportunities provided across **60+ sports**

5,000+ people attended the BeActive Festival and LSPs held 7 BeActive nights during European Week of Sport

8000+ participants in 504 registered events across the HER Outdoors week in 2023

48% of LSP Coordinators are women

46% of LSP board members are women

National Governing Bodies Highlights

Participation Sports

128,000+

Registered swimming, cycling and running members across 1,056 Cycling, Swimming, Athletics and Triathlon Clubs.

Disability Sport

143 workshops



Active Disability Ireland completed 143 workshops empowering over 1500 individuals from LSPs, NGBs and sports clubs with the knowledge and confidence to enable people with disabilities to participate and thrive in sports and physical activity across Ireland

Racquet Sport

95,000+

Registered members taking part in racquet sports such as badminton, squash, racquetball & tennis



Water Sports

93,000+



Participants actively involved in watersports activities through the NGBs of diving, water-skiing, sailing, surfing, rowing & canoeing

Ref : Sport Ireland sport investment 2024.doc

Ref : Active Disability Ireland Annual report 2023

Why Sport Matters

The value of sport is recognised by multiple government departments through inclusion in policies and strategies

The Federation of Irish Sport has always said ‘Sport Matters’ and this is proven by the existing government recognising sport’s multiple value across various government departments policies and strategies. Below is an overview of Why Sport Matters to Government objectives and how they interface, achieving cross societal goals, through a collaborative partnership approach.

Given the wide-ranging brief and enormous power of sport, it is not surprising that sport and physical activity has a positive role to play across several government policies and strategies not least of all the Department of Health.

Here is a snapshot of the cross section of Departments that are either directly or indirectly referencing sport and physical activity and incorporating their benefits into action plans:

Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media

1. The National Sports Policy 2018 – 2027
2. The National Sports Policy Action Plan 2024 –2027

The Department of Health

1. Healthy Ireland Framework 2019 – 2025,
2. Healthy Ireland Strategic Action Plan 2021–2025, A cross-government, cross-sectoral plan that sets out the key actions by theme for the period 2021–2025, the specific implementation actions that will be achieved by end of 2023 and identifies the lead department for each action (Creation of Ireland’s first National Physical Activity Plan 2016 – 2026)
3. Positive Ageing Starts Now – The National Positive Ageing Strategy
4. Connecting for Life: Ireland’s National Strategy to Reduce Suicide 2015 to 2024
5. Slainte Care Strategic and Implementation Action Plan 2021–2023
6. A Healthy Weight for Ireland Obesity Policy and Action Plan 2016 — 2025
7. Sharing the Vision A Mental Health Policy for Everyone
8. Get Ireland Walking 2023–2027, ‘is an initiative of Sport Ireland, supported by Healthy Ireland and delivered by Mountaineering Ireland’.

The Department of the Environment, Climate & Communications

1. Project Ireland 2040 – National Marine Planning Framework
2. Climate Action Plan 2024

The Department of Public Expenditure, NDP Delivery & Reform

1. Project Ireland 2040 – National Development Plan (NDP) 2021 –2030

The Department of Justice & Equality

1. The Migrant Integration Strategy 2017 – 2020. New strategy in consultation.

The Department of Children, Equality, Disability, Integration & Youth

1. The National Strategy for Women and Girls 2017 – 2020 was launched by the Department of Justice and Equality to address obstacles to women’s equality in Ireland. A new strategy is now being developed by the Department of Children, Equality, Disability, Integration and Youth on the next National Strategy for Women and Girls.
2. The National Disability Inclusion Strategy 2017 – 2021 – new plan is in consultation phase by the Department of Children, Equality, Disability, Integration and Youth coordinating work across Government to develop Ireland’s next National Disability Strategy, which will be the successor to the National Disability Inclusion Strategy (2017–2021) .
3. National Policy Framework for Children and Young People 2023–2028
4. A Whole-of-Government Strategy for Babies, Young Children and their Families 2019–2028

The Department of Employment Affairs and Social Protection

1. The Migrant Integration Strategy 2017 – 2020. New strategy in consultation.

The Department of Rural & Community Development

1. Our Rural Future: Rural Development Policy 2021–2025

The Department of Transport

1. National Sustainable Mobility Policy 2022–2025

Sport Matters to fulfilling our Sustainable Development Goals....

In addition to the policies and strategies outlined above, Sport and Physical Activity been seen as a conduit to achieving many of the SDGs that Government has committed to, such topics as sustainability and climate change.

In 2024 Sport Ireland published their report on 'Mapping the Contribution of Irish Sport to the UN Sustainable Development Goals'

It states:

"This report will articulate how sport contributes to each of these SDGs in Ireland, allowing Sport Ireland to understand and begin quantifying the significant impact sport has on the SDGs. The report also provides recommendations for Sport Ireland concerning improving the evidence base and bridging data gaps to monitor Ireland's progress towards the SDG targets. This project establishes a road map for Sport Ireland to begin analysing the contribution of Sport in Ireland to the SDGs."

This report again reaffirms the expectations placed on NGBs and LSPs to show leadership and engage with implantation initiatives and programmes to help deliver the SDG's, this requires resourcing and ultimately an increase in core funding.

Minister Thomas Byrne stated at the announcement that:

"This report sets out the role that sport can play in achieving sustainable development and it underlines the commitment of the Government of Ireland to this important agenda"

"Sport has the power to bring people together, build communities, and promote improved health and well-being."

The NSP actions were mapped to ten of the SDGs which research has shown sport can meaningfully contribute to. The ten SDGs are:



Ref.: Sport Ireland SDG Report: Mapping the Contribution of Irish Sport to the UN Sustainable Development Goals Pg. 7

4. https://www.sportireland.ie/sites/default/files/media/document/2024-05/report_SDG_FINAL_0.pdf

Ask 1

Multi Annual increase in core funding for our NGBs and LSPs

Since the launch of the National Sports Policy there has been a major change in government funding in areas such as the High Performance and also Sports Capital Funding. The one vital area that has lagged is the core funding that goes to the NGBs and LSPs and is a vital component in the creation of the programmes and pathways that ultimately identify and nurture the sporting heroes of tomorrow.

It is essential that such funding is increased and also that a multi-annual funding model be embraced if we are to:

- Create meaningful long-term programmes
- Retain our key people
- Attract quality coaches and other professional staff

A multi-annual funding model creates certainty and allows for strong strategic planning going forward.

There is precedent. A multi-year commitment to the HP sports programme has now been in position for a number of years and we can see what an impact it has had. Certainty of future funding is essential in all areas of sport as it allows for confident planning.

A similar commitment is also essential when it comes to the funding our NGBs and our LSPs receive through Sport Ireland. This is the money that annually delivers the people and the programmes that drive participation. And it is that core funding that is at the heart of our single biggest ask we have of government in the upcoming budget.

The Rationale

It is difficult to overstate the importance of the core funding for our NGBs and LSPs. All sport in this country starts with them. They create the programmes, hire the right staff, build the pathways and ultimately nurture the participants that go on to perform at the highest levels in their sport on a world stage.

When you look at the different components of the overall sporting landscape you see that in the period 2018 -2024 the breakdown shows that the overall split has seen -:



Total core funding to 29 LSPs €62.52m



High Performance investment figures from 2018 through to 2024 are €136.29m



Large Scale Sport Infrastructure funded projects to €124 million. (LSSIF)⁵



Sports Capital and Equipment programme (SCEP): €266 million⁶

5. A new round of LSSIF funding of up to €120m was announced on the 26th April 2024 and applications for same closed on the 1st of July 2024. Assessment of applications, for funding of between €600,000 and €30 million is now taking place.

6. The Sports Capital and Equipment Programme (SCEP) is the primary vehicle for Government support for the development of sports and recreation facilities and the purchase of non-personal sports equipment throughout the country.

While inflation needs to be factored into all areas of funding the reality is that core funding has also had ever more demands on it to meet the costs of ever better corporate governance which quite understandably needs to be met by sports bodies.

In other words when you examine the significant rise in investment in the three key areas – namely people and programmes, high performance and capital investment – it is noticeable that the people and programmes element which is funded by the core monies that go to the NGBs and LSPs shows nothing like that level of investment. And yet this is the very area that provides the foundations on which all of sport in Ireland is built.

Without their work there would be no High Performers and no need for the excellent facilities – including our wonderful Sport Ireland Campus – that are now emerging and contributing to our successes.

The only way we can sustain our increasing successes at the highest levels will be by increasing core funding and investing in people and programmes.

Core funding is used to strengthen the core of an organisation, not just maintain it.



The Federation members – the NGBs and the LSPs – are ambitious to see change happen, mindful that they must meet the changing needs of its members, and conscious of the need to do all this while doing so in an environment where the demands of compliance and good governance must also be met.

We need the government to match their ambition by ensuring that core funding is adequate to meet these needs on a multi annual basis.

In 2024 €17.3 million was invested in 58 National Governing Bodies of Sport (NGBs) an increase of €1.3 million on the 2023 figure. Investment in the network of Local Sports Partnerships (LSPs) increased by €1 million, with a total investment of €11.4 million being allocated across the 29 LSPs.

However, the reality is that since 2021, the real value of core funding for NGB's has been eroded by inflation and other costs of doing business.



In 2021, core funding was unchanged from the previous year, but average consumer price inflation increased by 2.4 per cent.



In 2022, core funding increased by 8.3 per cent, and average consumer price inflation increased by 7.8 per cent.



In 2023, core funding increased by 6.7 per cent, and average consumer inflation increased by 6.3 per cent.



In 2024, core funding increased by 8.1 per cent and average consumer inflation increased by 3%.

If we are to continue to make the progress seen in the recent Olympic & Paralympic Games we need to start making the investment in core funding now. As we have already pointed out it takes many years of investment to produce athletes to compete at the highest levels of all and for us all to bask in the pride of our athletes on winning podiums at the great festivals of international sport.

The reality is that the upcoming budget will be looking at funding for Year eight of that ten-year National Sports Policy and we still do not have multi annual core funding. This was first mooted by the government in 2014 with the Minister at the time stating that *“This measure would benefit NGB's by facilitating the development of more strategic and longer-term planning for their sports and would provide them with more certainty around their funding than currently exists”*.

The Rationale

It is difficult to overstate the importance of the core funding for our NGBs and LSPs.

All sport in this country starts with them. They create the programmes, hire the right staff, build the pathways and ultimately nurture the participants that go on to perform at the highest levels in their sport on a world stage.

As we have said on many occasions multi annual funding facilitates:



Improved Budgeting



Improved Strategic Planning



Allows for the implementation of long-term sports development projects, programmes and initiatives



Provide security of tenure for professionals employed by NGBs which is extremely difficult at present given the current annual nature of funding

If we are ultimately to be as successful as we believe we can be it is vital that we continue to recruit and retain ever better professional staff. In short, a commitment to a multi annual model for the funding of sport in Ireland makes sense in so many different ways.

Above all it provides better value for money and a more efficient use of resources compared to the amount of work and time involved in the annual process.

Our government has already committed to significant investment in sport. Our ask is simply to recognise the role of the NGBs and LSPs by ensuring core funding is increased in a meaningful way and that this increase comes in tandem with a commitment to a multi annual funding model from now on.

The Anticipated Benefits

A BONUS OF CORE FUNDING!

While our focus has been on the importance of core funding in relation to instigating the programmes that ultimately will identify the next generations of sporting stars, the reality is that the same investment is financing the programmes that bring everyone to sport. These programmes enable everyone to take their first sporting steps and hopefully to build a lifelong love of sport and physical exercise that is at the heart of greater participation at all levels of sport. This will also have a major impact on the overall health and wellbeing of our population.



It must not be forgotten or taken for granted the value of sport to Ireland, indeed when it comes to **Health 97,000 Cases of disease in Ireland in 2019 were prevented by participation in sport and physical activity. The net value of health care and wider costs savings achieved was €0.4bn in 2019⁷. To reinforce this point we spend €1.5 billion per year on obesity treatment in Ireland.**

In addition, for every €100 invested by Government, it received €209 in return in taxes.



At the announcement of core funding for 2024 Minister for Sport Catherine Martin stated,
“The National Governing Bodies of sport and the Local Sports Partnerships are at the heart of Irish sport and are key to achieving our aim of increasing participation in sport across the population.”

⁷. <https://www.gov.ie/en/policy/6d07a6-sport/>

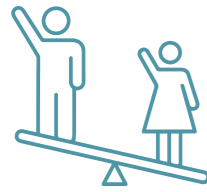
The most recent Sport Ireland Irish Sport Monitor, which is a long-established survey providing an ongoing measurement of sports participation in Ireland. underpinned this view. The following key findings are revealed in the 2023 ISM: -



Sports Participation: 47% of the adult population regularly participated in sport. This indicates a 4-percentage point increase in sports participation since 2022, increasing the number of people regularly participating in sport from 1.75 million in 2022 to 1.97 million in 2023



Physical Activity: ISM 2023 categorised 39% (1.6 million) of the adult population as 'highly active', who met the National Physical Activity Guidelines through sport and recreational walking



Gender Gap Reducing: The difference in sports participation rates between men and women reached its lowest level on record at just under 3%. Sport participation among women (46%) reached its highest level, increasing by 6 percentage points since 2022. Sports participation among men (49%) increased by 4 percentage points since 2022.



Socio-economic: The existing 19 percentage point socio-economic gap in sport participation was lower than any other point since the pandemic, and much lower than the 34-percentage point gap measured in 2017.



Disability: The proportion of those with a long-term illness or disability involved socially in sport increased by 12 percentage points to 34%. One in five people with a disability (21%) were classified as inactive compared to one in ten people without a disability (9%)



Child Sports Participation: Just over three quarters of parents (78%) said they have at least one child participating in sport outside of school.



Adult Sport Transitions: Three in every five adult sports participants (60%) started their sport aged 16 or older.

Our key request is that the government continues to demonstrate its commitment to double funding for sport over the life of the National Sports Policy, but not be limited by it and ensure core funding is increased in Budget 2025. We are now enjoying a period when Sport and its value are at an all time high in Ireland. We should capitalise on this now with a view to increasing overall participation while developing our most talented participants.

It is the strong view of the Federation that the priority stakeholders for the continued successful implementation of the National Sports Policy are the NGBs and the LSPs with their expertise in delivering sustained participation and activity programmes.

In the main those programmes are delivered by the 13,000 clubs that make up the fabric of all sports in Ireland. In turn they include the 450,000 volunteers without whose inputs sport as we know it would not exist and whose efforts are worth an estimated economic value of €1.5 billion per annum. We owe all of them maximum support for their efforts.

As we move into the final years of our first ever ten-year policy for sport in Ireland, we are calling on government to deliver a strong endorsement of the work of NGB's and LSP's by increasing their core funding.

So where to find the additional funding?

Our overall ask in relation to the upcoming budget is for government to find additional funding for the core activities which build the base of sport in Ireland. We realise that there is much to be financed across many areas in relation to the budget, we would however respectfully suggest that additional funding for sport might be found outside of the current funding channels.

As we have mentioned previously in our submissions, we believe that changes could be made in existing legislation to the benefit of sport. We also believe that a 1% rise in the betting tax could produce up to €40 million which could beneficially invest in sport and also sporting programmes specifically aimed at tackling the problems of gambling addiction.

Ask 2

Reform elements of Taxation Policy as per action 3.7 of the national sports policy

In 2018, the Irish Government published the National Sports Policy 2018 – 2027 (NSP). As noted in the foreword to that document the publication of the Policy NSP represented an important milestone for the Irish sporting community. The emphasis of Government when launching the Policy NSP was the importance of sport to people’s lives, the positive effect that a physically active lifestyle has for physical and mental health (with a particular focus on tackling obesity) and the wider benefit to the State in terms of economic and societal benefits.

The Rationale

Following an extensive consultation process and consideration of international best practice, the NSP sets out a vision for Irish sport in 2027 along with 57 actions to transform the Irish sporting landscape. The Sports Policy Action Plan 2021 – 2023 (Action Plan) forms part of the NSP and focusses on near term developments to progress the overall strategy.

Action 3 of the Action Plan deals specifically with funding requirements. Taxation reform is highlighted as means of assisting the drive for more funding/ available income for sporting bodies and to incentivise sport participation with a number of key taxation reforms highlighted in that vein. The need for tax reform in this area becomes particularly acute when one considers the impact of COVID-19.

The pandemic impacted sport in so many ways and despite the welcome government assistance during this period serious damage was caused to the NGB’s and LSP’s in terms of membership and finance. Whilst the pandemic confirmed the validity of the NSP, it is beyond dispute the significant damage caused to the State’s sporting organisations, in particular financially but also from an engagement perspective.

Action needs to be taken now to assist with rebuilding and future proofing these organisations with an overall objective of making them more self- sustainable into the future.

FIS welcomed the announcement by the then Minister for Finance Michael McGrath in his Budget Speech for 2024 of the intention to examine ways in which additional funding could be made available to sporting bodies by the deployment of the tax system to better encourage philanthropy in the sporting sector. In particular, this included the potential establishment of long-term Strategic Development Funds to facilitate capital investment in sports facilities.





The Proposed changes

While it is the view of FIS that changes to the existing tax system are needed to facilitate greater investment, those changes **should not be restricted to capital investment**. Our view is that the relevant provisions of the tax legislation (Section 847A of the Taxes Consolidation Act 1997) should also be extended so that it covers certain aspects of current expenditure such as expenditure on coaching and sporting equipment. The consistent feedback from our member NGBs is that an extension in this manner could really help to increase the financial resources coming from the private sector.

The recent success of our Olympians and Paralympians is a testament to the hard work and dedication of our athletes. An extension of the S847A regime would allow our NGBs and the OFI to commit greater resources to areas such as high-performance coaching which could really help to build on that Olympic and Paralympic success.

FIS understands that the proposals set out in Action 3.7 were very wide in scope and that there is a limit to what relevant stakeholders can implement in any year. However, it is our view that all of the proposals have merit and that their introduction could really positively impact our member organisations.

We include a summary of Four Proposed legislative amendments

1 Extending Relief on Donations to Approved Sporting Bodies

To enable the ease and incentivisation of donation giving to approved sporting bodies the proposals (in order of preference) are:

- **Current expenditure:** extend relief to certain categories of current expenditure, in particular expenditure on sporting equipment and coaching.
- **Monetary threshold:** eliminate the €250 eligibility threshold such that all donations qualify for relief regardless of quantum.
- **Small cash donations:** introduce relief for small cash donations (€50 or less) to S. 235 TCA approved sporting bodies in respect of all individual donations by way of standard 25% top-up payment (with appropriate limitations).
- **Administration:** system of Enduring/ Annual Certificates for qualifying donors / donations in excess of small cash donations to align administration with charitable giving (with adjustment given relief at marginal rather than a blended rate).
- **High earner restriction:** removing the current inclusion of S.847A TCA relief from the high earner restriction.

2 VAT relief for sporting bodies

To mitigate the VAT cost incurred by sporting bodies and incentivize personal exercise:

- **Compensation Scheme:** introduce a VAT compensation scheme similar to that in place currently for charities.
- **Exercise classes:** introduce the second reduced rate of VAT (9%) to the supply of sport or physical exercise classes (given the adjustment to the EU VAT Directive having effect from 6 April 2022).



3 Granting Of Charitable Status to those NGBs And LSPs who wish to pursue that option

The Charities Act 2009 specifically excludes approved sporting bodies by reference to S. 235 TCA. In line with international precedent and FIS' Vision for Irish Sport, the proposal is to extend charitable status to NGBs and LSPs on an opt-in / opt-out basis.

This would result in potential tax benefits for qualifying bodies (e.g. donation giving, VAT, business rates) and align the status of sporting bodies with their inherent societal and cultural benefits.

4 Tax-driven incentives for personal exercise

With a view to incentivizing personal exercise amongst the wider population and ultimately going some way to reducing the ever-increasing issue of obesity in this country:

- Introduce a system of tax refund on qualifying costs associated with personal/ recreational exercise for children (similar to the systems in place in certain Canadian States).
- Introduce an Employee Exercise Scheme modelled on the Cycle-to- Work scheme under which willing employers make a per annum purchase of personal / recreational exercise membership on behalf of the employee to a maximum of €500 as a non-taxable benefit-in-kind.

Ask 3

Increase The Betting Levy to Invest More in Sport

As the National Sports Policy continues to be successfully implemented, there is a need to ensure that all our sports receive adequate financial support. One potential strategy to make this happen would be to increase the existing betting levy. The current levy's contribution to the sports sector is not reflective of the growth in the betting industry nor indeed how today that industry utilises all of sport in its business. This submission outlines the rationale, proposed changes, and anticipated benefits of increasing the betting levy in Ireland.

The Rationale

The betting industry in Ireland has seen significant growth over the past decade, driven by the rise of online betting platforms and an expanding public interest in gambling. However, it must be said that the current betting levy does not contribute to societal costs associated with gambling harms. This submission advocates for an increase in the betting levy as a measure to address public health concerns, support gambling addiction services, and the development of our grassroots sport programmes which we believe could be used to tackle the problem of addiction both through the programmes and the use of our sports stars as role models across a multi-sport infrastructure. The Irish betting market has experienced substantial growth, with estimates suggesting the online betting segment is worth over €1 billion annually estimating it has grown by over 30% in the last five years. While the betting industry contributes to the economy, it also poses risks, including increased instances of gambling addiction and related societal issues. The Federation of Irish Sport strongly believes a change in the levy structure is essential if Ireland is to align itself with regulations of our European counterparts. Currently Ireland's betting levy is the lowest in the EU at 2%

There are many strong reasons to increase the betting levy.

- **Revenue Generation:** Increasing the betting levy can provide a significant source of revenue for the government. This additional funding can be allocated to various public services, including healthcare, education, and sports development.
- **Support for a multi-Sport infrastructure:** A higher levy can be used to support the building of multi-sport facilities nationwide, which are integral to Ireland's culture of community and voluntary spirit, sustained sports participation, and localised economy generation. Many grassroots sports organisations struggle to secure funding. An increase in the betting levy can help bridge this funding gap, ensuring that communities have better access to sports facilities, coaching, and youth programmes that foster participation and talent development.
- **Addressing Problem Gambling:** A portion of the increased revenue could be dedicated to combating problem gambling. This could include funding for addiction services, education campaigns, and initiatives aimed at promoting responsible gambling. Early intervention is the most cost-effective and societally beneficial approach to reduce gambling related harm.
- **Economic Contribution:** Sport contributes substantially to the Irish economy, generating jobs and income from tourism, events, and local businesses. Enhancing funding for sports through the betting levy will amplify these benefits, creating a virtuous cycle of investment and growth.
- **Public Interest and Accountability:** An increase in the betting levy demonstrates a commitment to ensuring the betting industry operates in a socially responsible manner, holding operators accountable for their impact on society. These rationales reflect a combination of economic, regulatory, and social considerations that can inform policy decisions regarding the betting levy in Ireland. Ultimately, the decision to increase the levy should balance the needs of the industry with the interests of the public and broader societal impacts.

The Federation is proposing an increase of the current betting levy from 2% to 3% of gross profits from betting operations. This adjustment could generate an estimated €40 million in additional funding annually.

The Anticipated Benefits

The reinvestment of levy funds into support services will likely result in a decrease in gambling-related harms and an overall improvement in public health outcomes. Increasing the betting levy in Ireland represents an initiative-taking approach to addressing the growing concerns associated with gambling. It ensures that the betting industry contributes its fair share to the societal costs and supports the development of vital services that can help mitigate the negative impacts of gambling.

We urge the government to consider this submission as part of its broader budgetary planning for the upcoming fiscal year. We recommend the government initiate a consultation

process with stakeholders in the betting and public health sectors to develop a comprehensive plan for the phased implementation of the increased betting levy.

This process should also include an evaluation framework to assess the social and economic impacts of the changes while also establishing a clear framework outlining how the additional funds from the increased levy will be allocated to different sports, with a focus on grassroots and community-led initiatives.

This submission provides a structured approach to advocating for an increased betting levy in Ireland, emphasizing the necessity for responsible governance in managing the impacts of the



betting industry on society. Increasing the betting levy presents a strategic opportunity not alone to tackle a very real problem but also to enhance the funding landscape for sports in Ireland.

By recalibrating the involvement of the betting industry in supporting sports, we can create a more sustainable and equitable platform for all athletes and sports organisations. We urge the government to consider this proposal seriously and take steps to implement an increased betting levy in the upcoming budget.



Reference notes

Increasing the betting levy in Ireland has been a topic of discussion for various stakeholders, including government officials, lawmakers, and industry experts. However, there is no getting away from the evidence that problem gambling is prevalent in Ireland. The Health Research Board 2019–2020 Report found that there are 137,000 people who experience problematic gambling, in Ireland – across the categories of ‘low-risk’ (90,000), ‘moderate risk’ (35,000) and ‘problem gamblers’ (12,000).

This data would appear to indicate that a person has a 1 in 3 chance of progressing to the next highest ‘risk-level’ if no harm-reduction intervention is made. As such, it is imperative to implement early interventions in order to prevent escalating levels of gambling-related harm – both for the individuals who gamble and their loved ones (including child dependents).

The most recent European School Survey (2019), found that Irish males, aged 15–16, had a problem gambling prevalence rate of 1.7%. This is more than 5 times the rate of the general population (0.3%) and more than 3 times the rate of 15–24-year-olds (0.5%). As all addictions are progressive – meaning that the level of harm escalates over time – this is an extremely worrying situation. In this submission we outline in brief rationales for considering an increase in the betting levy.

In 2010, the Institute for Public Health estimated that “the health and social costs of problem gambling appear to exceed government revenue gained from gambling taxes and businesses.

Members

National Governing Bodies

Active Disability Ireland
American Football Ireland
Angling Council of Ireland
Archery Ireland
Athletics Ireland
Badminton Ireland
Basketball Ireland
Ból Chumann na hÉireann
The Camogie Association
Canoeing Ireland
Community Games
Cricket Ireland
Croquet Association
Cycling Ireland
Deaf Sports Ireland
Fencing Ireland
Football Association of Ireland
Gaelic Athletic Association
GAA Handball
Golf Ireland
Gymnastics Ireland
Hockey Ireland
Horse Shoe Pitchers Association of Ireland
Horse Sport Ireland
Ice Skating Association of Ireland
Indoor Bowling Association
Inline Hockey
Ireland Active
Irish Amateur Wrestling Association

Irish Athletic Boxing Association
Irish Cheer Sport Association
Irish Clay Target Shooting Association
Irish Flying Disk Association
Irish Ice Hockey Association
Irish Judo Association
Irish Lawn Bowls
Irish Martial Arts Commission
Irish Olympic Handball Association
Irish Orienteering
Irish Rugby Football Union
Irish Sailing
Irish Squash
Irish Surfing Association
Irish Table Tennis Association
Irish Tae Kwon Do Union
Irish Ten Pin Bowling Association
Irish Tug of War Association
Irish Underwater Council (Diving)
Irish Water Safety Sport
Irish Waterski & Wakeboard
Irish Wheelchair Association Sport
Karate ONAKAI
Lacrosse Ireland
Ladies Gaelic Football Association
Motor Cycle Union of Ireland
Motorsport Ireland
Mountaineering Ireland
National Aero Club of Ireland

National Coarse Fishing Federation of Ireland
 National Target Shooting Association of Ireland
 Olympic Federation of Ireland
 Paralympics Ireland
 Pentathlon Ireland
 Pitch and Putt Union of Ireland
 Racquetball Association of Ireland
 Rowing Ireland
 Rugby League Ireland
 Snooker & Billiards Ireland (RIBSA)
 Snowsport Association of Ireland
 Softball Ireland
 Special Olympics Ireland
 Speleological Union of Ireland
 Student Sport Ireland
 Swim Ireland
 Tennis Ireland
 Triathlon Ireland
 Twirl Ireland Federation
 Vision Sports Ireland
 Volleyball Association of Ireland
 Weightlifting Ireland



Local Sports Partnerships

Active South Dublin
 Carlow
 Cavan
 Clare
 Cork
 Donegal
 Dublin City Sport and Wellbeing Partnership
 Dun Laoghaire Rathdown
 Fingal
 Galway
 Kerry
 Kildare
 Kilkenny
 Laois
 Leitrim
 Limerick
 Longford
 Louth
 Mayo
 Meath
 Monaghan
 Offaly
 Roscommon
 Sligo
 Tipperary
 Waterford
 Westmeath
 Wexford
 Wicklow

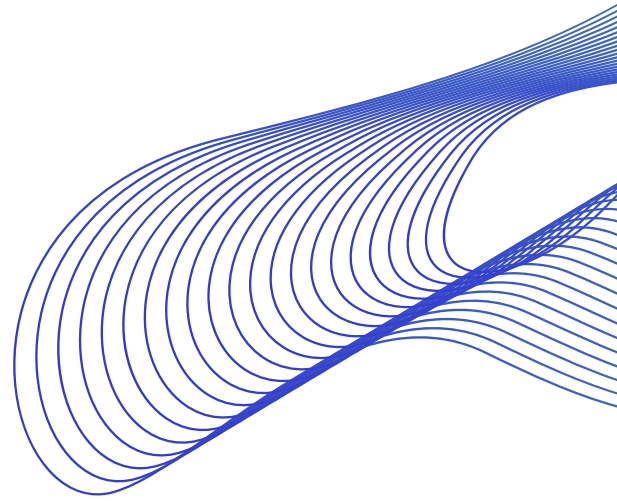




“ I can absolutely guarantee that there will be significantly more funding not just for our elite athletes who deserve it, but for grassroots as well from where they all come. ”

Minister Thomas Byrne TD,
Minister of State with responsibility for
Sport and Physical Education
August 11th, 2024





The Voice of Irish Sport

FEDERATION OF IRISH SPORT
Irish Sport HQ,
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