



**Embargoed until 10am**

16 February 2009

**Release of the Independent Review Committee report 'Rugby League – Contributing to New Zealand's Future' Questions and Answers**

The information below is provided by the Independent Review Committee and SPARC in relation to the review findings, recommendations and future processes.

**How much has the review cost?**

SPARC has invested \$120,000 in the review process. This has covered expenses of the Independent Review Committee over the six months to complete the review; travel and costs associated with interviewing 44 organisations/individuals; printing and project management etc.

**How much is SPARC committing to invest if the recommendations are accepted?**

There are two funding phases to be considered – transition and post transition. The transition phase encompasses the period between the NZRL AGM (March 28/29) and October 2009. SPARC is committing to invest \$452,500 to support the NZRL in this transitional phase. This would help cover core costs, the board appointment process, executive recruitment, strategic plan development, legal advice, and zone board and general management establishment.

The second funding phase would be post October 2009. At this point the NZRL would have a strategic plan and a sustainable budget. It would be SPARC's intent to enter into a multi-year investment to enhance NZRL's ability to plan ahead. The investment would be a 'whole of sport' model rather than having several separate investments. The investment will be based on the value proposition NZRL provides relative to other SPARC partners. Subject to the strength of the proposition SPARC would consider substantially increasing its investment in NZRL.

**How much has SPARC invested in Rugby League in the past?**

SPARC has invested \$895,000 in NZRL over 2002-2007. The typical amount invested per annum in recent years has been \$140,000. SPARC has invested approximately \$130,000 from November 2008 to March 2009 to support basic NZRL operations.

**What will SPARC's position be if the recommendations are not adopted?**

SPARC shares the Independent Review Committee's concerns that if the recommendations are not implemented that the sport will not be financially sustainable, player numbers will dwindle and there will be limited potential for high performance development generated by the NZRL.

SPARC must have confidence in the NZRL to invest in it. With investment comes responsibility and accountability. Taxpayer money cannot be invested into organisations which are not sustainable or viable. Failure to implement the recommendations would severely limit SPARC's ability to invest in NZRL in the future.

**The Kiwis are world champions – doesn't that show the NZRL is working well?**

The Kiwis World Cup campaign was a magnificent achievement by a special group of players with inspired leadership and planning. The challenge is to be the best *consistently*. However rugby league in New Zealand has inherent problems with governance, infrastructure and financial management. There is the potential for sustained success on the world stage if supported by a high performance strategy which addresses the current talent recruitment and retention issues.



**Are the findings of the Independent Review Committee a judgement on the current board?**

No judgement is being made of the current board. The key issue is that the current governance structure does not enable the NZRL to operate robust enough systems which are in the best interests of the game in New Zealand. The focus of the review is not on specific members of the board but on structural/governance issues.

It is important that the NZRL working with key stakeholders look to the future and what processes can be put in place that will make rugby league a strong and sustainable sport for all New Zealanders.

Under the Review recommendations the current board would be required to resign by May 1 as part of the establishment of a new governance structure. Existing board members would be able to put their names forward for appointment to the new board.

**Why is it being proposed that SPARC appoint two persons for the appointments committee?**

SPARC has strong expertise in sports governance. It has invested heavily in sports governance programmes across several sports.

**Why has the review not recommended any action on the investment in bars and gaming activities saga?**

The issues around the investment in bars were raised in the review in the interests of transparency and looking at the entire picture. The Department of Internal Affairs and the Serious Fraud Office have conducted investigations in the past.

SPARC concurs with the Independent Review Committee's view that 'for the game to move forward it is important that this episode of NZRL's history is documented and communicated to stakeholders so that the door can be closed on the past and the game can move on and focus on the future.'

**Ends**

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