

Community Club Sustainability Program Player Payments Framework

Club Education Guide

February 2020



This document is intended be used as a guide only - for further detail please refer to the Player Payment Rules, and the Rules Guidelines

What are Allowable Player Payments (APP) and what does it include?

- Payments made by Club (or an associate of a Club) to a player (or an associate of a player) registered with the Club.
- The APP cap has been set by Farrer FL, Riverina FL and Hume FL at \$95k for 2020 which cannot be exceeded by the Club for that season.
- The APP cap has been set by AFL Canberra at \$100k for 2020, however a Club must not exceed \$95k in Allowable Player Payments to Male Players, and a Club must not exceed \$95k in Allowable Player Payments to Female Players.
- Clubs may apply for an increase in a competition APP based on a Club's specific factors eg: remote location, small population base, limited access to underage players etc.
- Includes all Male and Female Players registered with a Club (eg Seniors, Reserves, Underage).
- A Player may receive up to \$3000 for coaching any open age team, (other than the Club's Senior Team) or the oldest under-age team at the Club (e.g. Under 19, Under 18 or Under 17 team) which will be excluded in the calculation of the Club's Player Payments.
- Where a Club appoints a single Player as the coach of the Club's Senior Team (i.e. a playing coach), 50% of their payments may be excluded from the calculation of the Club's Player Payments. For example, if a playing coach is paid \$30,000, then \$15,000 would not be a Player Payment and would not be included in the calculation of the Club's Player Payments.
- The Individual Player Payments Threshold is \$100, meaning players receiving less than \$100 can be summarised on one document – the Non-Declared Player Statement

Coach / Player Payment Summary – Rules and Guidelines

Payment Type	Included/Excluded	Condition
Non-playing Coaches	Excluded	Non Playing – means coach is not playing at any level of Football for the Club. In the event the coach plays in any grade, 50% of their Coaching payment will be activated for the Salary Cap, unless in exceptional circumstance as approved by League Football Operations
Playing Senior Team Head Coach(es)	% Included	Standalone Head Coach = 50% of Payments Package is excluded Co-Coaches (2) 25% of each Payments Package is excluded
Assistant Coach/es, Reserves Coach or Coach of the Oldest Underage Team that are senior contracted players	Included	Players that are contracted and payments are made that include coaching roles (other than \$3k limit defined in 3(c) of guidelines, which is limited to one coach per team)
Player Payments or Benefits	Included	Includes Male, Female, Reserves, and Underage Player Payments or Benefits (includes Superannuation)
After Match Awards (i.e. best player vouchers) and other Benefits (i.e. bar or meal vouchers)	Included	100% of all cash awards are included Non-Cash awards of up to \$300 per match, per team are excluded, while non-cash awards exceeding \$300 per match, per team are included. (e.g. \$350 of Awards provided, \$50 falls under Salary Cap)
Insurance Premiums	Excluded	On a team basis (e.g. all team members receive the same benefit)
Travel and Accommodation	Excluded	On a team basis, where all team members receive the same benefit, it is excluded (e.g. Team Bus Trip, Group Accommodation etc.) individual payments (rent assistant, flights, fuel etc.) are included
Injury Payments (Paid by Club, not under Insurance Policy)	Included	Clubs may apply for exemption under a Ruling – e.g. Club Fundraiser for Player
Finals appearances Payments or Benefits	Included	
All Sign on Fees and Performance Incentives	Included	

Player Payment Rules - Summary of Reporting Documents required of Club

	Reporting Document	Information	Due date/s
1	Player Declaration	<ul style="list-style-type: none"> Conditions for individual players Pre-existing Contracts will be recognised 	April 30 or within 7 days of entering into an agreement with the club if after April 30
2	Non-Declared Player Statement Form	<ul style="list-style-type: none"> Summary of players not already providing a Player Declaration Players expected to or have played Senior games but receive no payment or payments <\$100 per match 	April 30
3	Proposed Coach & Player Payment Budget	All forecast or expected payments to be made to players for the football year	April 30
4	Mid Season Player Payment Actual Reports (recommended)	Details of all payments made to date and future predicted payments for the football year	July 14
5	End of Season Player Payment Actual Report	Details of all payments made or committed to be made to players in the football year	October 31

Note: Templates of all reporting documents can be found on the AFL NSW/ACT Website

Reporting Documents – Player Declaration

1. Player Declaration requirements– for individual players:

- Any player that is paid under a Player Declaration (previously a player contract) more than \$100 per game
- Lodged with the League prior to April 30 or within 7 days of entering into an agreement with the Club if agreement after April 30
- Signed by player and either Club President, Secretary, Treasurer or Football Manager

Additional information:

- Player Declaration template will be provided
- Pre existing Contracts will be recognised
- Attachments may be added – Clubs Codes of Conducts, Player Obligations etc.

2. Non-Declared Player Statement Form

- Player paid less than the Individual Player Payments Threshold which is \$100 per game
- Clubs may choose to have all arrangements with players either formalised via Player Declarations, or may elect to provide a summary of all players who receive less than \$100 per match and have not provided Player Declarations on a Non-Declared Player Statement Form
- Lodged with League by April 30 for club OR Within 7 days of entering into an agreement (i.e. where arrangement is made with the player after April 30 lodgement)
- Includes player expected to, or has played Seniors and **NOT** receive any payment
- Signed by the Non-Declared Player, and either Club President, or Secretary or Treasurer or Football Manager (Similar to match day team sheet)

Reporting Documents –Coach/ Player Proposed Payment Budget

3. Player Payment Budget

- Lodged by April 30 (and updated as necessary)
- Detail of all payments EXPECTED to be made to players for the football year
- Include Players that are expected to play Seniors (Firsts) but not expected to be paid
- Signed by President and one of Club Secretary/Treasurer/Football Manger

4. Coach / Player Payment Actuals

- Recommended lodgement on July 14 to assist monitoring
- Required lodgement on October 31
- Detail of all payments ACTUALLY MADE to the coaches/players up to the reporting dates in the football year
- Should be consistent with Actual Payments made in Club Annual Financial Statements
- Signed by Club President and one of Secretary/Treasurer/Football Manger

Club Compliance requirements – Tax Purposes

Tax law operates separately from the APP framework. Clubs and players remain responsible for compliance with their individual tax obligations and should seek independent advice.

PAYG - Current ATO requirements (general information only)

- If the Tax Free threshold is NOT claimed by player receiving \$75 per week or more – PAYG will need to be withheld
- If the Tax Free Threshold is claimed by player receiving \$350 per week or more - PAYG will need to be withheld
- Player may declare payment relates to Recreation or Hobby:
 - TR1997/17 Income Tax: Sports people - receipts and other benefits obtained from involvement in sport
 - Statement by Supplier provided to club by player who declares income is a Hobby or Recreational Pursuit Player may declare payment relates to Recreation or Hobby

Deductions available to support exceed anticipated earnings

- Travel from another job to Football including training sessions
- Medical Expenses including % of Health Cover
- Property and Equipment
- Club subscriptions and compulsory functions

Player Payment Rule - What is required from Clubs

1. Ensure all Player Declaration Forms are signed for players receiving benefits >\$100 / match
2. Ensure that other players expected to play seniors sign the Non Contracted Player Declaration Form
3. Update the Club Budget Declaration
4. Submit documents to League by April 30
5. Update Club Budget throughout the season, submit interim player payments report by July 27 (i.e. mid-season) and the final formal player payments report by October 31

All documents are available on the [AFL NSW/ACT website](#)

Implementation for 2020

- As with a Player Points System, a Salary Cap requires a consistent regional approach in order to be effective.
- The APP cap has been set by Farrer FL, Riverina FL and Hume FL at \$95k for 2020 which cannot be exceeded by the Club for that season.
- The APP cap has been set by AFL Canberra at \$100k for 2020, however a Club must not exceed \$95,000.00 in Allowable Player Payments to Male Players, and a Club must not exceed \$95,000.00 in Allowable Player Payments to Female Players.
- The compliance procedures will include monitoring and auditing of Club reporting, as well as the engagement of independent integrity officers as required.
- All Clubs will utilise the SportsTG Player Payment Portal for the secure storage of player payment information.

Supporting Documentation

1. Player Payment Rules
2. Player Payment Guidelines
3. SportsTG Player Portal Instructions
4. Memo to Clubs regarding Privacy Concerns

SportsTG Player Payment Portal

- The SportsTG Club Portal is an online way to increase accountability and efficiency of club documentation.
- The portal will allow for a quick and simple process for Club Managers to upload player and contract forms and League Managers to easily review club documentation.
- Each club is restricted to access to their club only to keep documentation secure and confidential. Participation in the portal is mandatory and we are open to continued feedback and ideas on the portal.
- Each club will be provided an email account and password by their League Manager. Your club email account and password will grant you access to your club's SportsTG portal.
- More information on how to use the SportsTG Club Portal is contained in the Instructions Booklet.

BACKGROUND: General philosophy of the Community Club Sustainability Program

The Community Club Sustainability Program is based on the following objectives:

- 1) Assisting the equalisation of competitions
- 2) Promoting player loyalty and junior development
- 3) Improving the sustainability of Community Clubs
- 4) Supporting the role volunteers undertake in managing their clubs by:
 - a) Capping the need to fundraise money for player payments
 - b) Providing a more competitive environment on field, that encourages more volunteers to support at club level

BACKGROUND: Introduction of the Community Club Sustainability Program across NSW/ACT

The player points system embedded in the Community Club Sustainability Program has been gradually and successfully implemented across NSW/ ACT regions and leagues as follows:

- 2016 (AFL Canberra First Grade, Riverina FNL Seniors, Farrer FNL Seniors)
- 2017 (Hume FNL Seniors)
- 2018 (AFL South Coast Division 1, Black Diamond Cup, AFL Sydney Women's Premier, AFL Canberra Women's First Grade)
- 2019 (AFL Sydney Premier Division)

The player points systems operate within a standard framework with local variations approved by AFL NSW/ ACT.

BACKGROUND: The need for a Community Club Sustainability Program across NSW/ACT

- In 2017, AFL NSW/ACT conducted a survey with Southern NSW and AFL Canberra Clubs. In total, 35 of the 36 clubs completed the survey with some key findings as follows:
 - 70% of club respondents believe that the current level of player payments are unsustainable
 - 72% of club respondents believe the inflationary nature of player payments causes financial strain on clubs and an additional burden on volunteers
 - 70% of club respondents believe that a Salary Cap, operating in conjunction with the Player Points System, would be more effective
 - 77% of club respondents want a Salary Cap to address unsustainable player payments
- Following the successful implementation of a regional Player Points System across AFL Riverina, AFL Canberra and Hume FNL, all leagues agreed to introduce a “soft” player payment framework in 2018 focusing on education and reporting throughout the 2018 season ahead of proposed implementation for the 2019 season
- Information provided by clubs across Hume FNL, AFL Canberra and AFL Riverina indicated a total spend on players of over \$3M (averaging ~\$90K p/a per club) in 2018
- The finishing order of AFL Canberra clubs in 2018 went in order of player payment spend, with the bottom club spending circa 10% compared to the eventual Premiers.