



Club Affiliation Fee guide

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1. Introduction

In 2018, Australian Sailing and all Member Yachting Associations (MYA's) agreed to implement a uniform national model for club affiliation fees. The new structure was designed to harmonise fees and the funding of the sport so that it is equitable and nationally consistent, with clubs grouped with peer clubs across the country.

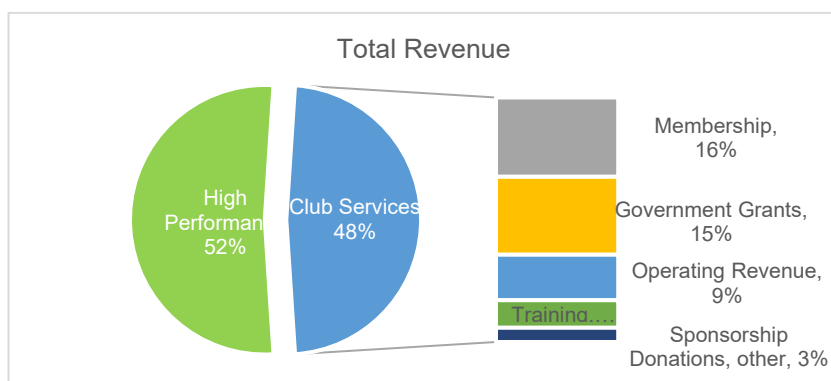
Key principles of the structure include:

- Clubs are grouped with their peers from around the country to ensure their financial contributions are equitable.
- To provide budgeting certainty for both Clubs and Australian Sailing, with fees linked to a known and stable framework, not fluctuating directly in relation to membership numbers.
- The model is based on a single fee to the club and does not directly reference the number, or category of members at a club.
- It reinforces that Clubs are the members if they are in NSW and TAS and via their MYA's in WA, QLD, NT, ACT, VIC and SA (not individuals who are members of clubs).
- It ensures the financial footing of the sport is sustainable.

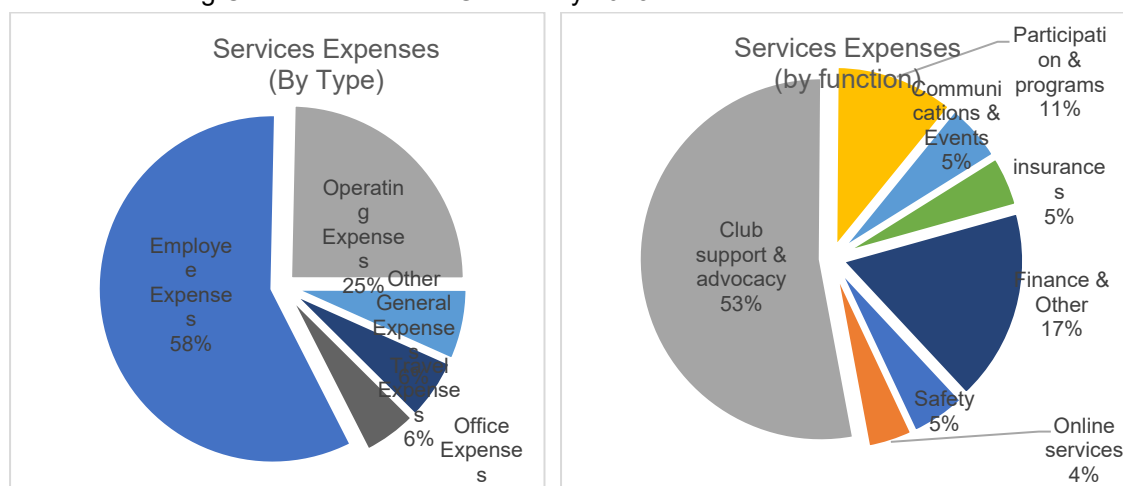
This document is intended to serve as a guide to clubs, MYA's and Regional Advisory Committees (RAC's) and incorporates the changes made following a review of the structure completed in May 2021 on the 3 year anniversary of its implementation.

2. Funding and Services

Australian Sailing is funded by a combination of affiliation fees, government grants, course fees, commercial partners and sponsors. Affiliation fees comprise approximately one third of Australian Sailing's non high performance income. They are an essential component of the revenue mix and underpin the delivery of services to clubs.



The services delivered to Clubs are determined by the board of Australian Sailing and outlined in the AS Strategic Plan. The strategic plan is developed collaboratively, with input from MYA's, RAC's, Clubs and other stakeholders. No affiliation fees are used to fund any part of the Australian Sailing High Performance program.



Further information on the services provided by Australian Sailing can be found [here](#)

3. 2021 Affiliation Fee Review

Given the importance of this revenue and the clubs who make the investment; it is essential that the fees are equitable and that clubs are paying similar fees to their peers. To ensure this continues to be the case, a working group was established by the AS board in December 2020 to review the fee harmonization project on its three year anniversary with the purpose of:

- Reviewing the fee model and consider whether it has met its objectives
- Identifying improvements that contribute to better equity, transparency and simplicity.
- Identifying any impediments for achieving full national implementation by 2022

To help inform the working group, a survey was conducted with responses from 90 (~26%) clubs. The responses indicated that:

- There is a good level of understanding of the structure (better with larger clubs)
- Majority of Category A clubs thought that the Implied Fee formula was appropriate
- Majority of Category B clubs are satisfied with basing their allocation on membership numbers
- Most respondents believe they are in the appropriate band
- Clubs that were dissatisfied were mostly highlighting perceived inequity of other clubs who they believed below their fair band.

As a result of the deliberations of the working group, a number of amendments have been made to the fee structure, which are explained in detail in the following sections.

Summary of key changes:

- The Implied Fee calculation has been replaced with a simpler club ranking; based on total income (Category A clubs only) and total membership (category A & B clubs) to initially group similar sized clubs together
- The objective criteria for band allocation (ranges of club revenue and membership per band) are better defined
- Adoption of consistent subjective criteria- based on membership composition, club activities and level of professionalism
- A national guide for fees (this document) to be published, based on the Yachting Queensland policy produced in 2018.

4. The Banded Affiliation Fee Model

Banded affiliation fee models are intended to provide stability for clubs in the band to which they are allocated. They require a sufficient number of bands to ensure that peer clubs are grouped together, the steps are manageable and that movement between bands is not a financial shock when clubs do need to move when their circumstances change. Given the breadth and diversity of the ~350 sailing clubs across the country, the National Club Affiliation Fee structure utilises 22 bands to ensure the allocation to bands is equitable.

Allocation of Clubs to Bands

There are three steps in the process of allocating clubs to bands within the system:

1. Split clubs into Categories A and B for initial ranking
2. Rank clubs within each category using simplified gross-measure criteria
3. Peer-to-peer alignment of the ranked clubs to ensure equity

Step 1

a. Ranking by Activity Level

To begin the process of assigning clubs to bands, the clubs need to be ranked in order of their respective size. As the operations of each club around the country vary significantly it is too cumbersome to compare every feature of every club at once and so the clubs are firstly broken into two categories based on a two out of three assessment against key criteria.

Clubs that meet two out of three of the following criteria are allocated into Category A:

1. Professional Club Management¹
2. Total Revenue² exceeds \$200,000
3. Total Members³ exceed 200

Professional Club Management¹: Means a club that employs full time professional staff to manage its affairs

Total Revenue²: Means the sum of all revenue the club collects in a financial year, excluding any one-off grants

Total Members³: Means the aggregate number of all club members, regardless of the category of membership

All other Clubs are initially allocated to Category B.

Step 2

b. Category A Initial Ranking Methodology

Because of the more detailed and reliable financial information available from clubs allocated into Category A, the initial banding allocation for Category A Clubs uses a two-part process.

Part 1

The starting point for grouping like clubs together is to rank them based on a simple calculation, referencing data supplied by the clubs. This step assists with highlighting outliers that do not fit the model and may require subjective assessment at a later stage.

The Club ranking is determined by the following formula:

ranking (\$ revenue) + ranking (membership)= overall club ranking.

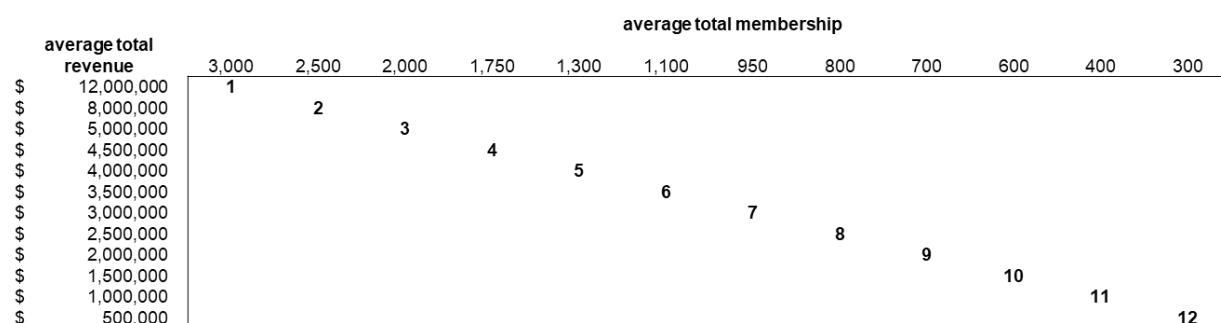
This is illustrated as follows:

Australian Sailing Club Affiliation Fee Guide May 2023

		Data (2018/19 FY)		Objective criteria (min 2 out of 3)			Implied Ranking calculation				
Club name	Status	Total members	Total Revenue	Club Management	Total membership > threshold	Total revenue > threshold	Membership Ranking	Venue Ranking	Membership + Revenue Ranking	NK Ranking	Initial band allocation
Club A	AAA	4,500	\$13,000,000	Professional	YES	YES	1	1	2	1	1
Club B	AAA	2,600	\$9,000,000	Professional	YES	YES	2	2	4	2	2
Club C	AAA	1,500	\$4,000,000	Professional	YES	YES	3	3	6	3	4
Club F	AAA	1,200	\$2,500,000	Professional	YES	YES	4	5	9	4	6
Club D	AAA	700	\$4,000,000	Professional	YES	YES	6	4	10	5	7
Club G	AAA	800	\$1,000,000	Professional	YES	YES	5	6	11	6	9
Club E	AAA	300	\$500,000	Professional	YES	YES	7	7	14	7	12
		members	Revenue	Management	> threshold	> threshold				(overall)	

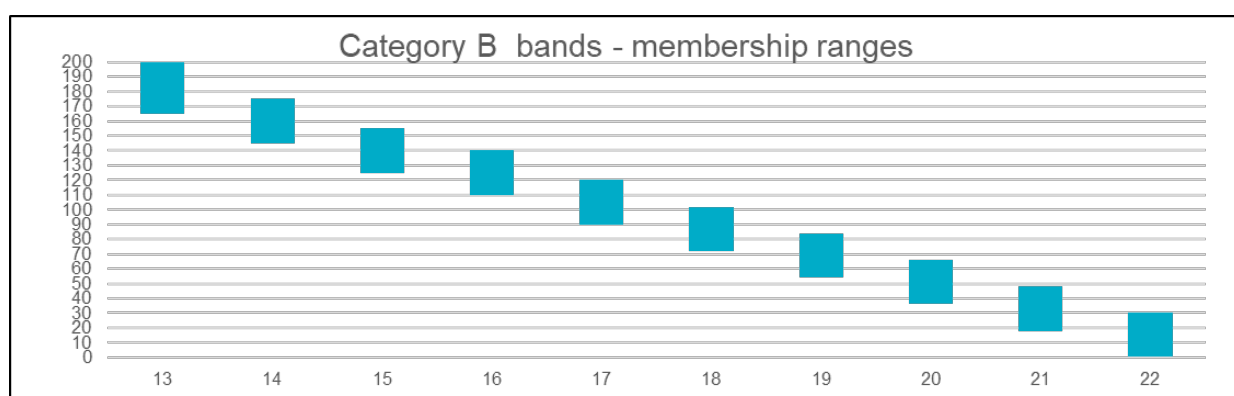
Part 2

Each club's revenue and membership figures are then compared to the reference matrix to determine an initial band allocation. Where there is not a direct correlation between the revenue, membership and banding, the midpoint band is chosen as the starting point. For example, if a club has \$5.0m revenue (band 3) and 1,300 members (band 5), the initial band allocation would be band 4.



c. Category B Initial Ranking Methodology

Within the smaller clubs of Category B the use of financial data is not as reliable an indicator of activity levels. The initial ranking is therefore done based on total membership numbers only.



Step 3

5. Peer to Peer Subjective Assessment

The final stage of the band allocation process, if required, is to review the clubs' initial allocation by the application of subjective criteria. This step is used to assess on a case by case basis the individual circumstances of each club that are not captured in the empirical data. This process is undertaken by in collaboration with MYA's / RACs and Australian Sailing management who have an understanding of the clubs from their experience of working with them.

The subjective assessment primarily utilises the three criteria outlined below with the main intent being to match clubs with their peers in the bands. In some circumstances a subjective adjustment may move a Category A club to a band below 12 or may move a Category B club to a band above 13.

a. Membership Composition

Clubs will be matched with like clubs based primarily on their total membership figures. Consideration will be given for where clubs have a large social membership component. For example, this may apply to a large regional club, where the membership is primarily social and sailing related membership is a small component.

SailPass holders will be excluded from any membership numbers used to calculate a Club's fee band.

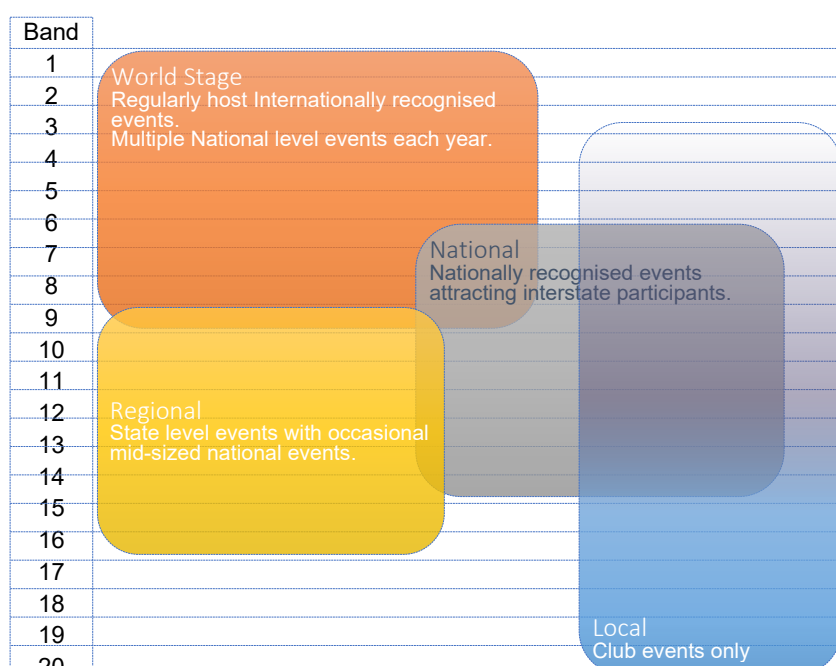
It is essential that clubs provide full transparency on member structures and numbers to allow a consistent starting point and approach when considering adjustments to bands with this criteria.

b. Club activities

The number and scale of events that clubs run is used as a key indicator of the relative activity within a club.

Generally, the greater the number of events, the larger the scale and the more likely that a club will rank higher in the Bands.

The following table is a guide to how the level of events each club hosts fit within the band system.



c. Level of Professionalism

The size and nature of professional resources committed to sailing activities may be used to align like clubs. Clubs with sailing services management staff will rank higher than those who use part-time staff or volunteer management.

6. Bands and fees for 2023-2024 financial year

Band	2024
1	\$ 105,000
2	\$ 89,250
3	\$ 76,125
4	\$ 63,000
5	\$ 52,500
6	\$ 42,000
7	\$ 33,600
8	\$ 28,350
9	\$ 24,150
10	\$ 19,950
11	\$ 15,750
12	\$ 12,075
13	\$ 8,925
14	\$ 6,825
15	\$ 5,775
16	\$ 4,200
17	\$ 3,150
18	\$ 2,625
19	\$ 2,100
20	\$ 1,575
21	\$ 1,050
22	\$ 682

7. Club Review Process

There is a nationally consistent approach to reviews based on either financial hardship or perceived misallocation to bands. All clubs have the right to appeal. Reviews based on hardship can only be made by the affected club; however appeals based on Band misallocation can be made by a club who feels they have been unfairly allocated or by another club who feels a peer club has been misallocated.

Clubs that want to make a submission for either hardship or band misallocation will be required to include the following information:

- Detailed submission explaining why it believes its fee is not equitable
- 3 x years of financial statements as provided to members
- 3 x years of membership data (including membership categories)
- The clubs proposed solution

a. Hardship

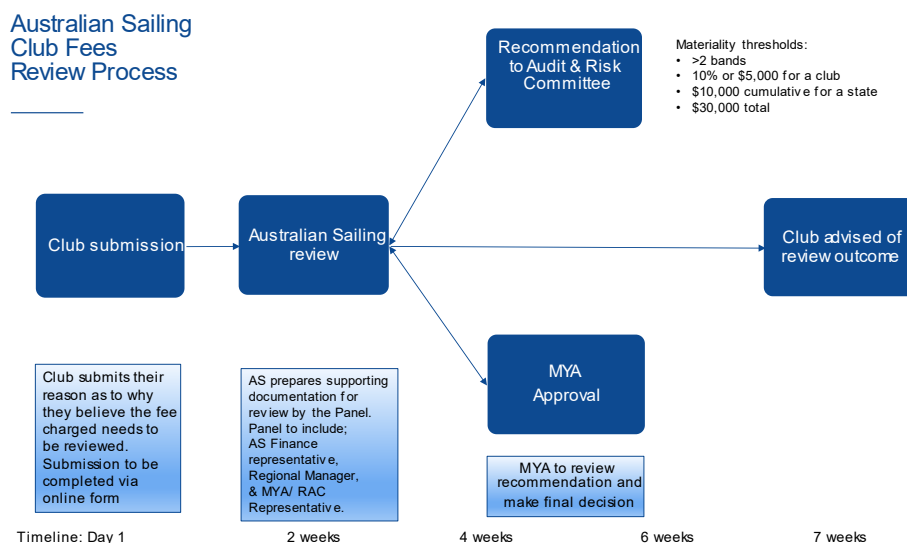
Where a club faces a situation that causes it financial hardship, they can apply through the review process for short-term relief from the full fee. Examples of this include loss of members due to drought or having the clubhouse destroyed by fire.

As part of this process the club will need to provide evidence of how the hardship is affecting the club's operations and what actions the club has taken to mitigate the hardship. The application will also require the club to nominate a solution for the type of relief being sought.

b. Misallocation

The process of allocating clubs to bands is thorough. It is guided by data initially, then reviewed and tested by Australian Sailing staff and MYA's/ RAC's. Occasionally information is incorrect or circumstances change materially to warrant a review. For these reasons clubs can request a review based on misallocation.

Clubs may also want to make a submission to have a peer clubs Band allocation reviewed. Clubs should contact their Regional Manager in the first instance.



8. Frequently Asked Questions

Q. Why is only revenue used in the banding allocation rather than a consideration of overall profit or viability of a club's operations?

A. Revenue is a common line item for all clubs, whereas profit is impacted by too many factors to make it a useful metric for comparative purposes.

Q. If a club's revenue from membership or other areas goes up, will the club's fees also go up?

A. The number of bands, their breadth and the steps between them have been specifically chosen to minimise the likelihood of clubs regularly moving between bands. It is anticipated that nominal growth will not cause a club to change bands and therefore the fees will not be affected. Clubs should only expect to change bands (up or down) if their activity levels change significantly to the extent that they are no longer matched with their peers.

Q. Is there a discount available for sailors who sail at multiple clubs?

A. The club levy is applied to the club as the member and does not take into account individuals and how many clubs of which they may be a member. It is not an individual capitation fee, so there is no "discount" applicable for individuals who are members of multiple clubs. Clubs may choose their own way to recoup this fee from their members but should not advertise or sell it as an Australian Sailing fee to their members.

Q. Will one-off incomes like government grants affect the band a club is allocated?

A. Government grant funding for one-off projects will not be included in the calculations used to allocate bands. The intent of the allocation process is to consider the normal operations of a club and it would not be a true representation of activity to include income that is not a regular part of the club's activities.

However, ongoing funding to provide services, such as income from local government programs that are used as income in place of fees that would normally be charged to members will be included in the consideration as this reflects the ongoing level of activity within the club.

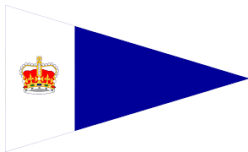



Q. When will this structure next be reviewed?





The Club Affiliation Fee structure will be reviewed every three years. The review will assess whether the structure is continuing to meet its objectives in terms of relevance, equity and transparency; and will also review the number of bands, the fees associated with them as well as the subjective alignment criteria and their application to clubs.





Q. I have a number of questions about the fee structure and how it relates to my club, beyond what is covered in this document. Who can I talk to?





A. The best point of contact is your Regional Manager. They can address your questions or assist by connecting you with the relevant Australian Sailing staff or MYA/ RAC committee member.

9. Reference clubs for band allocation



Band	Club	Commentary	Photo
1	<p>Royal Queensland Yacht Squadron (QLD)</p> 	<p>Royal Queensland Yacht Squadron is a band 1 club. RQYS is active year-round both on and off the water. The club annually hosts state, national and world championships, is an active Discover Sailing Centre. The club has 4,500 members and employs professional staff to manage its business and sailing activities. Peer clubs in this band have on average 3,300 members and \$12m annual turnover.</p> <p>Peer clubs in this band include: Royal Sydney Yacht Squadron (NSW), Sandringham Yacht Club (VIC and Cruising Yacht Club of Australia (NSW)</p>	
4	<p>Royal Yacht Club of Tasmania (TAS)</p> 	<p>Royal Yacht Club of Tasmania is a band 4 club. RYCT is active year-round both on and off the water. The club hosts, on average, 3-4 state or national championships as well as a number of regular coastal races and is an active Discover Sailing Centre. The club has 1,700 members and employs professional staff to manage its business and sailing activities. Peer clubs in this band have on average 1,500 members \$4.5m annual turnover.</p> <p>Peer clubs in this band include: Royal Brighton Yacht Club (VIC)</p>	

<p>6</p>	<p>Cruising Yacht Club of South Australia (SA)</p> 	<p>Cruising Yacht Club of South Australia is a band 6 club. CYCSA is active year-round both on and off the water. Delivering a regular racing and cruising Program, as both a Discover Sailing Centre and RYA Training Centre. Annually the club hosts, on average, 1-2 state or national championships as well as several offshore races. The CYCSA has conference and functions facilities including restaurant and bar services. The club has 1,250 members and employs professional staff to manage its business and sailing activities. Peer clubs in this band have on average 1,100 members and \$3.5m annual turnover.</p> <p>Peer clubs in this band include: Hillarys Yacht Club (WA), Royal Melbourne Yacht Squadron (VIC) and Royal South Australian Yacht Squadron (SA)</p>	
<p>8</p>	<p>Newcastle Cruising Yacht Club (NSW)</p> 	<p>Newcastle Cruising Yacht Club is a band 8 club. NCYC is active year-round both on and off the water. The club hosts, on average, 2-3 state or national championships as well as a number of regular offshore races. The club is a very active Discover Sailing Centre running courses from Tackers through to Keelboat Courses. The club has 750 members and employs professional staff to manage its business and sailing activities. Peer clubs in this band have on average 950 members and \$3m annual turnover.</p> <p>Peer clubs in this band include: East Fremantle Yacht Club (WA), Belmont 16ft Sailing Club (NSW)</p>	

<p>10</p>	<p>Darwin Sailing Club (NT)</p> 	<p>Darwin Sailing Club is a band 10 club. DSC is mostly active in the northern dry season. The club hosts, on average, 2-3 state championships and is an active Discover Sailing Centre. The club has 1,200 members and employs professional staff to manage its business and sailing activities. Peer clubs in this band have on average 600 members and \$1.5m annual turnover.</p> <p>Peer clubs in this band include: Gosford Sailing Club (NSW), Perth Flying Squadron Sailing Club (WA), Keppel Bay Sailing Club (QLD)</p>	
<p>12</p>	<p>Mounts Bay Sailing Club (WA)</p> 	<p>Mounts Bay Sailing Club is a band 12 club. MBSC is active year-round both on and off the water. The club hosts, on average, 2-3 state or national championships.. The club has 200 members and employs limited professional staff to manage its business and sailing activities. Peer clubs in this band have on average 300 members \$400k annual turnover”.</p> <p>Peer clubs in this band include: Tamar Yacht Club (TAS), Adelaide Sailing Club (SA), Cronulla Sailing Club (NSW), Townsville Yacht Club (QLD),</p>	

13	<p>Balmoral Sailing Club (NSW)</p> 	<p>Balmoral Sailing Club is a band 13 club. BSC is a small off the beach club sailing a variety of junior, youth and adult dinghies. The club has approximately 200 members and is entirely volunteer run. Peer clubs in this band have on average 180 members.</p> <p>Peer clubs in this band include: Mooloolaba Yacht Club (QLD), Elwood Sailing Club (VIC), Koombana Bay Sailing Club (WA), Port Dalrymple Yacht Club (TAS)</p>	
15	<p>YMCA of Canberra Sailing Club (ACT)</p> 	<p>YMCA is a band 15 club. YMCA Canberra Sailing Club is a family orientated sailing club situated on Lake Burley Griffin. The club runs racing for off-the-beach dinghies, catamarans and trailable yachts as well as being a Discover Sailing Centre running courses for children and adults.</p> <p>The club has 150 members and is entirely volunteer run. Peer clubs in this band have on average 140 members.</p> <p>Peer clubs in this band include: Albert Park Yacht Club (VIC), Northbridge Sailing Club (NSW), Lake Cootharaba Sailing Club (QLD)</p>	

17	<p>Tinaroo Sailing Club (QLD)</p> 	<p>Tinaroo Sailing Club is a band 17 club. TSC is a small regional off the beach club in Far North Queensland situation on Tinaroo Dam west of Cairns. The club is A Discover Sailing Centre running courses for children and adults. They mostly run only club events with one larger regional annual event as well as some small school sailing events each year for the local community. The club has 155 members and is entirely volunteer run. Peer clubs in this band have on average 110 members.</p> <p>Peer clubs in this band include: Double Bay Sailing Club (NSW), Altona Yacht Club (VIC), Port Hedland Yacht Club (WA)</p>	
19	<p>Loch Sport Boat Club (VIC)</p> 	<p>Portarlington Sailing Club is a band 19 Club situated in Bellarine Peninsula, Victoria. PSC has approx. 95 members and is ran by volunteers. The Club runs racing for Trailable yachts and OTB craft and a Discover Sailing Centre. Peer clubs in this band have on average 100 members.</p> <p>Peer clubs in this band include: Batemans Bay Sailing Club (NSW), Port Bouvard Yacht Club (WA), Wynyard Yacht Club (TAS), Dinah Beach Cruising Yacht Association (NT), Newport Cruising Yacht Club (QLD)</p>	

21	<p>Exmouth Yacht Club (WA)</p> 	<p>Exmouth Yacht Club is a band 21 club. Situated regionally, EYC has 45 members and is entirely volunteer run. Peer clubs in this band have on average 35 members and typically rely on local government support.</p> <p>Peer clubs in this band include: Big River Sailing Club (NSW), Mission Beach Sailing Club (QLD), Gove Boat Club (NT), Port River Sailing Club (SA) and Colac Yacht Club (VIC)</p>	
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