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Why is it so important.....

“Player payments are currently a blight on our game”
(Review of football in country Victoria – local league representative)

The significant movement of players between community clubs, which contributes to the current inflationary nature of player payments across football in Victoria, has been identified as a key issue effecting community football over the past 5-10 years. At the AFL Victoria Community League’s Conference in December 2013, a commitment was made to take action.

Concerns were aired that the burden currently being placed on clubs to raise money to pay players in order to be competitive within their competition was unreasonable, and was effecting the long term sustainability of community clubs. Club administrators and volunteers through numerous reviews (including the Review of football in Country Victoria and the North West Future Directions review in the north/west suburbs of Melbourne), plus other projects relating to club sustainability have highlighted the need for a state wide solution.

With this in mind, a ‘Player payments working party’ was established. The members of the party consisted of -

- Community Football Board Representatives - Nicholas Rolfe, Tony Mitchell
- AFL Victoria - Steven Reaper, Brett Connell, Mick Daniher, Darryl Collings, Jim Cail
- Metropolitan League Representatives - Phil Murton (Eastern FL) & Marc Turri (Essendon and District FL)
The aim and guiding principles for the working party were....

Aim - To investigate the issue of community football player payments and develop a mechanism to curb the escalating nature of these payments at community level.

Guiding Principles –

✓ Identify the volunteer stress caused by raising the required finances to meet player payments
✓ A focus on the promotion of player loyalty and the retention of players
✓ Address the mindset that all players ought to get paid
✓ Focus on player development within the club including junior structures for a club and developing a suitable pathway from juniors to seniors
✓ Working toward ensuring an evenness of competitions – allowing clubs to play at a level they can compete
✓ The need for a state wide solution but with regional strategies
✓ Retain sustainable community clubs
✓ The need for developing a simple solution that will avoid an additional burden on volunteers
✓ Focus on demographics /circumstances in providing solutions
✓ Leagues and clubs need to be part of the solution
One of the first tasks undertaken by the working party was to survey senior community clubs. 369 clubs responded to the survey.

<table>
<thead>
<tr>
<th>2014 Player Payment Survey</th>
<th>Club Responses</th>
<th>2014 Player Payment Survey</th>
<th>Club Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alberton Football Netball League</td>
<td>8</td>
<td>Mid Gippsland Football League</td>
<td>7</td>
</tr>
<tr>
<td>Ballarat Football League</td>
<td>10</td>
<td>Millewa Football League</td>
<td>4</td>
</tr>
<tr>
<td>Bellarine Football Netball League</td>
<td>9</td>
<td>Mininera and District Football League</td>
<td>5</td>
</tr>
<tr>
<td>Bendigo Football League</td>
<td>13</td>
<td>Murray Football League</td>
<td>5</td>
</tr>
<tr>
<td>Casey Cardinia Football Netball League</td>
<td>0</td>
<td>Nepean Football League</td>
<td>0</td>
</tr>
<tr>
<td>Central Highlands Football League</td>
<td>12</td>
<td>North Central Football League</td>
<td>4</td>
</tr>
<tr>
<td>Central Murray Football Netball League</td>
<td>6</td>
<td>Northern Football League</td>
<td>19</td>
</tr>
<tr>
<td>Colac District Football Netball League</td>
<td>9</td>
<td>North Gippsland Football Netball League</td>
<td>6</td>
</tr>
<tr>
<td>Eastern Football League</td>
<td>27</td>
<td>Omeo District Football League</td>
<td>0</td>
</tr>
<tr>
<td>East Gippsland Football Netball League</td>
<td>0</td>
<td>Owens &amp; King Football League</td>
<td>10</td>
</tr>
<tr>
<td>Elinbank &amp; District Football League</td>
<td>7</td>
<td>Owens &amp; Murray Football League</td>
<td>5</td>
</tr>
<tr>
<td>Essendon District Football League</td>
<td>15</td>
<td>Peninsula Football League</td>
<td>2</td>
</tr>
<tr>
<td>Geelong Football Netball League</td>
<td>9</td>
<td>Picola and District Football Netball League</td>
<td>12</td>
</tr>
<tr>
<td>Geelong and District Football League</td>
<td>10</td>
<td>Riddell District Football League</td>
<td>17</td>
</tr>
<tr>
<td>Gippsland Football League</td>
<td>10</td>
<td>Southern Football League</td>
<td>18</td>
</tr>
<tr>
<td>Golden Rivers Football League</td>
<td>4</td>
<td>South West District Football Netball League</td>
<td>2</td>
</tr>
<tr>
<td>Goulburn Valley Football League</td>
<td>3</td>
<td>Sunraysia Football and Netball League</td>
<td>6</td>
</tr>
<tr>
<td>Hampden Football Netball League</td>
<td>7</td>
<td>Tallangatta &amp; District Football League</td>
<td>6</td>
</tr>
<tr>
<td>Heathcote Football League</td>
<td>5</td>
<td>Upper Murray Football Netball League</td>
<td>1</td>
</tr>
<tr>
<td>Horsham District Football League</td>
<td>7</td>
<td>Victorian Amateur Football Association*</td>
<td>1</td>
</tr>
<tr>
<td>Kyabram District Football League</td>
<td>8</td>
<td>Warrnambool &amp; District Football Netball League</td>
<td>4</td>
</tr>
<tr>
<td>Lodden Valley Football League</td>
<td>5</td>
<td>Western Region Football League</td>
<td>19</td>
</tr>
<tr>
<td>Mallee Football League</td>
<td>2</td>
<td>Wimmera Football League</td>
<td>7</td>
</tr>
<tr>
<td>Maryborough Castlemaine District Football League</td>
<td>15</td>
<td>Yarra Valley Mountain District Football League</td>
<td>8</td>
</tr>
</tbody>
</table>

* In agreement with the VAFA, it was decided not to distribute the survey to their affiliated clubs, as player payments were not an issue. However, one club did go online and complete the survey at their own discretion.
The key message from clubs was that they needed something implemented, and that “having something in place was better than having nothing at all”…….

Survey Results Summary -

✓ 63% of clubs paid every senior team player
✓ 7% of clubs paid reserves players
✓ 20% of clubs paid players for finals
✓ 27% of clubs were aware that transfer fees were being paid – majority to have players break a contract
✓ 27% of clubs have previously paid a sign on fee for a player to sign a contract. Clubs indicated they did this – occasionally, however also reluctantly in order to gain the player. The sign on fee ranged from $1000-$4000.
✓ 83% of clubs would support a state wide contract being required to be used by all clubs when signing players
✓ **83% of clubs believe we need a system of regulation to manage escalating player payments**

“The rising cost of running a football club……each season is becoming more and more difficult, and if the trend continues my club will cease to exist”

Northern Football League - Club Representative
Clubs indicated a system was required given total player payments continue to rise, forcing clubs to raise more and more money just to be competitive.

<table>
<thead>
<tr>
<th>Clubs 2011 Player Payments</th>
<th>Clubs 2014 Player Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $50K</td>
<td>Under $50K</td>
</tr>
<tr>
<td>37%</td>
<td>22%</td>
</tr>
<tr>
<td>$50-$100K</td>
<td>$50-$100K</td>
</tr>
<tr>
<td>42%</td>
<td>44%</td>
</tr>
<tr>
<td>$100-$150K</td>
<td>$100-$150K</td>
</tr>
<tr>
<td>13%</td>
<td>22%</td>
</tr>
<tr>
<td>$150-$200K</td>
<td>$150-$200K</td>
</tr>
<tr>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>$200-$250K</td>
<td>$200-$250K</td>
</tr>
<tr>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>$250-$300K</td>
<td>$250-$300K</td>
</tr>
<tr>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>$300-$350K</td>
<td>$300-$350K</td>
</tr>
<tr>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>$350K+</td>
<td>$350K</td>
</tr>
<tr>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Findings -

- Only 22% of clubs paid less than 50K in player payments in 2014, compared with 37% back in 2011
- 34% of clubs now pay above 100K to players, which is up from 21% in 2011

“Increasing player payments is currently placing a great amount of pressure on the club and volunteers to constantly fundraise, even through the off-season”

Alberton FNL - Club Representative
Survey results also indicated we need a holistic approach to club sustainability, a points system on its own is not enough.....

The following graph indicates responses from clubs who already operate within a competition that has a points system.

Key finding: of the 51 clubs that responded – only 8% indicated their current points system on its own had a positive impact on reducing player payments.

Note: Research from South Australia indicates that a points system on its own isn’t having an impact on player payments, hence they are now considering re-introducing a salary cap to run in conjunction with a state wide points system.
Following the survey results, other potential equalisation models, and existing club sustainability programs were also assessed.....

✓ **Player Premium Cap** – this model would limit the number of “premium” players that a club can recruit each season. The principles from this model have now been incorporated in the draft state wide points system framework.

✓ **Community Football Award** – this model values a player based on their playing history and achievements, the administration of this model was considered to be too onerous on club volunteers, however some elements have been incorporated into the draft state wide points system framework.

✓ **South Australian Community Football State wide points model** – this model was reviewed and monitored by the working party with elements from their points system incorporated into this draft state wide points system framework. The working party will continue to monitor community football in South Australia as they look to re-introduce a proposed salary cap.

✓ **Some current points systems operating in competitions throughout Victoria** – the working party has reviewed eight competitions, with elements from each of these incorporated into the draft state wide points system framework. The competitions reviewed included Yarra Valley MDFNL, former MPNFL, Sunraysia FL, Gippsland FL, North Gippsland FNL, Ellinbank DFL, East Gippsland FNL and Central Murray FL.

✓ **VAFA model** – discussions were held with the Victorian Amateur Football Association regarding an enforcement approach to addressing player payments.

✓ **VFL salary Cap** - discussions were held with the AFL Victoria State League Manager – John Hook regarding salary cap principles and their approach to enforcement issues.
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Part Three – Future Process
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The general philosophy behind this program is based on four major elements;

- Assist in the equalisation of competitions
- Stop the inflationary nature of player payments by discouraging the movement of players
- Promote player loyalty and junior development
- Support the role volunteers undertake in managing their clubs by;
  - Capping the need to fundraise money for player payments
  - Providing a more competitive environment on field, that encourages more volunteers to support at club level
  - Providing resources and education

“The strain on club volunteers is a real problem, this has caused trouble in their private lives, and effected peoples jobs”
Northern Football League - Club Representative

Note: For those leagues and clubs engaged in netball activities, this program does not take into consideration netball given netball player payments and player movement issues are matters for Netball Victoria to work with leagues and clubs on possible solutions if needed.
One of the objectives of a player points system and a salary cap is to assist in the equalisation of competitions, an outcome the working party believes is vital for community football.

Competition leads to interest, which leads to bigger crowds, which leads to stronger clubs and competitions. Even competitions allow supporters and club volunteers the chance to turn up on any given Saturday or Sunday with the knowledge that the outcome of the game is uncertain, and that their team is a chance of winning. This mindset motivates people to become engaged with their community club and provides rewards and recognition to all those that assist in putting a team out on the field.

The philosophy of competition equalisation is accepted in sports all around the world. Professional sporting bodies have accepted practices such as drafts, salary caps, FIFA Fair Play, and the like, in order to help competitions be exactly that, competitive, and to ensure club sustainability.

It is not unreasonable to think that in community football, with many leagues operating in what is a semi-professional environment, that we shouldn’t embrace strategies which could achieve this outcome also, and given the feedback from the club survey responses, clubs and volunteers are eager to see a more even playing field.

“The club may have a limited life span if player payments continue to increase for two reasons, the club will run out of money or if it doesn’t pay the payments it will not be competitive”

Millewa FL - Club Representative
This program will require a whole of industry approach....brief summary of responsibilities includes.....

<table>
<thead>
<tr>
<th>Program Segment</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Club Competitiveness</strong></td>
<td></td>
</tr>
<tr>
<td>AFL Victoria</td>
<td>Develop state wide points system framework and work with commissions and leagues to implement.</td>
</tr>
<tr>
<td>Region Commission and Metro League Boards</td>
<td></td>
</tr>
<tr>
<td>Country leagues</td>
<td></td>
</tr>
<tr>
<td>All clubs</td>
<td></td>
</tr>
<tr>
<td>All players</td>
<td></td>
</tr>
<tr>
<td><strong>Club Sustainability</strong></td>
<td></td>
</tr>
<tr>
<td>Develop state wide salary cap system and work with commissions and leagues to implement.</td>
<td>Adopt the salary cap system and oversee league caps.</td>
</tr>
<tr>
<td>Club Development</td>
<td>Provide tools around financial management, player education and volunteer education.</td>
</tr>
<tr>
<td>Club Integrity</td>
<td>Provide education to clubs around this program only being as good as they make it.</td>
</tr>
<tr>
<td>Club Enforcement / Penalties</td>
<td>Develop a framework for all region commissions and leagues to enforce and provide training to integrity officers to conduct audits / reviews.</td>
</tr>
</tbody>
</table>
The player points system is designed to assist in the equalisation of competitions ...

The proposed player points system was identified by the working party as a potential method to reduce the continuing rise of player transfers between clubs. The working party identified that the ease of transfers, the willingness of players to move between clubs and some clubs recruiting philosophies were adding to the imbalance of talent from one club to the next.

These elements, which lead to the mass movement of players between clubs, was also identified as a significant cause for the inflationary nature of player payments. Given the potential ability of some clubs to ‘buy’ success, and others ‘overstretching’ to remain competitive, the proposed points system is designed to;

✓ Better manage player movement
✓ Reward player loyalty
✓ Encourage the development of junior players at an existing club

This proposed points system is also designed to differentiate between certain levels of community football. We understand community football is made up of players at different levels and we have endeavoured to categorise these community footballers based upon their playing history and achievements.

The overall aim of the points system is to assist clubs in managing their recruitment strategies and to provide them with a tool that encourages player retention and also minimises the freedom of movement currently enjoyed by players, which is often at the expense of even competitions and sustainable clubs.

**Note:** The points system was designed to provide a consistent approach across all competitions within the state and at the same time recognise and accommodate the varying demographics and local conditions that exist. While the system could initially be considered complex, the working party believes that once implemented it will provide a strong framework to capture the variations in player histories, but also provide a level of local flexibility to ensure it meets the demands of each competition.
The player points system looks to allocate recruited and existing players a certain amount of points based upon their playing history and achievements....

<table>
<thead>
<tr>
<th>Category 6</th>
<th>6 points</th>
<th>AFL Player</th>
<th>Minimum 1 AFL game in the previous 3 seasons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 5</td>
<td>5 points</td>
<td>State League Tier 1 - VFL, WAFL, SANFL</td>
<td>Minimum 5 senior games in the current or previous 3 seasons</td>
</tr>
<tr>
<td>Category 4</td>
<td>4 points</td>
<td>TAC Cup</td>
<td>Minimum 5 games in the current or previous 3 seasons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>State League Tier 2 - NEAFL, TASFL</td>
<td>Minimum 5 senior games in current or previous 3 seasons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Premium Community Player</td>
<td>Club Senior B&amp;F top 5 or Competition B &amp; F top 10 or Club Leading Goal kicker (minimum 40 goals in a season) in previous 3 seasons. Note: VAFA Senior representative team players also fall under this category</td>
</tr>
<tr>
<td>Category 3</td>
<td>3 points</td>
<td>Senior Community Player</td>
<td>Played the same or more senior than reserves games in any of the previous 3 seasons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transferred Junior</td>
<td>Player recruited from an U19’s or younger competition and does not meet the home club definition</td>
</tr>
<tr>
<td>Category 2</td>
<td>2 points</td>
<td>Development Community Player</td>
<td>Played more reserves than senior games in the previous season</td>
</tr>
<tr>
<td>Category 1</td>
<td>1 point</td>
<td>Home Player</td>
<td>Played 40 or more games at the aligned junior club up to and including U17 competition or younger</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Player who has only played at that club</td>
</tr>
</tbody>
</table>

For any player that does not meet any of the above categories will need to apply to the affiliated league / region commission who will determine the appropriate categories and points.
The player points system will also have additional point allocations to players based upon the model achieving it’s guiding principles......

<table>
<thead>
<tr>
<th>ADDITIONAL PENALTY PLAYER POINTS</th>
<th>Additional 1 point</th>
<th>If transferring from another community club in the same competition or division or is transferring from a club located in a premier competition to a club in a non premier competition * (maximum one point even if you meet both descriptions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Additional 1 point</td>
<td>If transferred to more than two clubs in past 36 months</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEDUCTIONS FOR PLAYER POINTS</th>
<th>Deduct 1 point</th>
<th>For each season of service to the club (minimum 5 senior or reserves games per season), even if not in consecutive years, until the player reaches 1 point. Note: if the player is eligible for underage football at that club, it must be 5 senior games to meet the criteria for a year of service.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revert to 1 point</td>
<td>Where player is returning to their home club</td>
</tr>
<tr>
<td></td>
<td>Revert to 1 point</td>
<td>Where player has not played in the previous 36 months</td>
</tr>
</tbody>
</table>
The player points system continued.....

<table>
<thead>
<tr>
<th>Definition of Junior Aligned Club</th>
<th>Where seniors and juniors exist under the same constitution, or where there is a memorandum of understanding in place between standalone senior and junior clubs that is approved by a league or region commission. Senior clubs can have multiple MOU’s with junior clubs and junior clubs could have multiple MOU’s with senior clubs. All MOU’s must be approved by leagues or region commissions in country areas to ensure appropriate player pathways exist.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Premier Community Competitions *</th>
<th>Note: this includes players in the reserves of these competitions as well.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan</td>
<td>Country</td>
</tr>
<tr>
<td>Eastern F.L Division 1</td>
<td>Ballarat FNL</td>
</tr>
<tr>
<td>Essendon D.F.L Premier</td>
<td>Bendigo FNL</td>
</tr>
<tr>
<td>Northern F.L Division 1</td>
<td>Geelong FNL</td>
</tr>
<tr>
<td>Southern F.N.L Division 1</td>
<td>Gippsland FL</td>
</tr>
<tr>
<td>VAFA Premier Division</td>
<td>Goulburn Valley F.L</td>
</tr>
<tr>
<td>Western Region F.L Division 1</td>
<td>Hampden FNL</td>
</tr>
<tr>
<td></td>
<td>Murray FL</td>
</tr>
<tr>
<td></td>
<td>Ovens &amp; Murray FNL</td>
</tr>
<tr>
<td></td>
<td>Peninsula FNL</td>
</tr>
<tr>
<td></td>
<td>South East FNL</td>
</tr>
<tr>
<td></td>
<td>Yarra Valley MDFNL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Team Points</th>
<th>Will depend on the testing phase and if senior competitions allow 21 or 22 players. The allocation of total team points will be determined by the relevant league and or region commission, and be subject to AFL Victoria ratification.</th>
</tr>
</thead>
</table>
The total team points allocation will be at the League and Region Commissions discretion, and they will have flexibility to ensure it meets the demands of local conditions.

Leagues and region commissions may choose to adopt or adapt any of these types of clauses below based upon local conditions when allocating teams their overall points total:

<table>
<thead>
<tr>
<th>TOTAL TEAM POINTS ALLOWANCES / REDUCTIONS #</th>
<th>Small population base</th>
<th>Ladder Position</th>
<th>Junior Pathway</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Additional points to team allocation where the club is located in a region with low population base</td>
<td>Additional points to team allocation if team did not qualify for finals in previous season or has been promoted from previous season</td>
<td>Additional points to team allocation where a club has no U18/19 or younger underage sides aligned (MOU in place) to it, and not capable of developing a junior program due to reasons outside of its control, or if a club is aligned with a university and the team is based around players coming and going over a 3-4 year period.</td>
</tr>
</tbody>
</table>

League and region commission may reassess an individual player’s points classification where it is deemed inappropriate based on playing history.

Note: Where a player qualifies in more than one category based on their playing history in the previous 3 seasons, the category with the highest points will apply, hence the use of the flow chart. (Home players are excluded).
To assist in allocating points to players who are recruited to a community club to undertake their 1st year of service, the following flow chart has been developed for players who are recruited to a community club to undertake their 1st year of service.

### Stage One

<table>
<thead>
<tr>
<th>Categories</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFL Player</td>
<td>Played at least one game of AFL in the last 3 years</td>
</tr>
<tr>
<td>State League Player</td>
<td>Played at least 5 senior games of VFL, WAFL or SANFL in current or last 3 years</td>
</tr>
<tr>
<td>TAC Cup Player</td>
<td>Played at least 5 TAC Cup games in current or last 3 years</td>
</tr>
<tr>
<td>Tier 2 State League Player</td>
<td>Played at least 5 senior games of NEAFL, TASFL in current or last 3 years</td>
</tr>
<tr>
<td>Premium Community Player</td>
<td>Achieved either top 5 finish in club B&amp;F or top 10 finish in competition B&amp;F, or club leading goal kicker last season. (min 40 goals to be considered a leading goal kicker). Note: VAFA Senior representative team player also falls under this category</td>
</tr>
<tr>
<td>Senior Community Player</td>
<td>Played the same or more senior than reserves game in any of the past three individual seasons</td>
</tr>
<tr>
<td>Transferred Junior Player</td>
<td>Player recruited from a U19's or younger competition and does not meet home club definition</td>
</tr>
<tr>
<td>Development Community Player</td>
<td>Played more reserve than senior games in the previous season</td>
</tr>
</tbody>
</table>

### Stage Two

**ONCE STAGE ONE HAS BEEN COMPLETED, SHOULD A PLAYER MEET EITHER OF THE CONDITIONS BELOW, ONE ADDITIONAL POINT WILL BE ADDED TO THE PLAYERS POINTS ALLOCATION FOR EACH CONDITION MET**

1. If transferring from another community club in the same competition or division or is transferring from a club located in a premier competition to a club in a non premier competition * (maximum one point even if you meet both descriptions)
2. If transferred to more than 2 clubs in the past 36 months.

*Premier Community Football Competitions are* – Eastern FL Div1, EDFL Div1, NFL Div1, SFNL Div1, VAFA Premier Div, WRFL Div1, Ballarat FNL, Bendigo FNL, Geelong FNL, Gippsland FL, GVFL, Hampden FNL, Murray FL, OMFLN, Peninsula FNL, SEFNL, YVMDFNL

A player that does not meet any of the above categories will need to apply to the affiliated League / Region Commission who will determine the appropriate categories and points.
In order to determine the points allocation for a club’s current senior players (already existing players who will be going into at least their 2nd year of service for the club) for the upcoming season, you will need to assess all those players against the previous flow chart. This will allow you to determine what their points allocation would have been in the year they arrived. You will only need to do this for players who haven’t provided you with 5 years of service already, as they are guaranteed to now be a 1 point player based on the deduction system.

Once you have gone back to work out what their points allocation would have been when they first arrived at your club, **deduct one point off for every year of service they have provided to your club** until they are down to the minimum allocation of one point. (Note: the player must have played at least 5 senior or reserves games for the club in that season for a point to be deducted the following year, or if the player was eligible to play junior football, they must have played a min of 5 senior games).

While the allocation of points to existing players may be time consuming to begin with, once this process has been completed in preparation for the 2016 season, clubs will only have to allocate player points to any new recruits each year. **Note:** Most clubs only have approximately 30 players who come into contention to play seniors, and with hopefully many of these meeting the home club criteria immediately when assessed against the flow chart, hopefully you are only assessing 10-20 players in the first year, and 3-8 players every year after that.
Examples of points allocation for existing players of a community club include:

**Example:**
Lorne Football Club recruited a player in 2013 from East Perth in the WAFL, where he played 16 games the previous season and was therefore worth 5 points. (Note: he did not play at AFL level)

**Solution:** Having played at least 5 games in each of the following seasons for Lorne Football Club, he was eligible for the following deductions –
- 2013 – 5 points
- 2014 – 4 points (1 point deduction from 2013)
- 2015 – 3 points (1 point deduction from 2014)
- 2016 – 2 points (1 point deduction from 2015)

**Example:**
Montmorency FC recruited a player from Heidelberg FC (both in the NFL) in 2014. He was not classified as a premium player, but did play more seniors than reserves in the previous season (2013). (Note: he has not played at a higher level in the previous 3 seasons)

**Solution:** Given he was recruited as a senior community player he is worth 3 points. However given he is transferring from another club in the same competition, an additional penalty point will be applied.
- 2014 – 4 points (1 point deduction from 2013)
- 2015 – 3 points (1 point deduction from 2014)
- 2016 – 2 points (1 point deduction from 2015)

**Example:**
St Kilda City FC recruit a player in 2015 who played 9 games with the Geelong Falcons in the TAC Cup in 2014. He also played 10 senior games for Ocean Grove in the seniors that same season.

**Solution:** Given a TAC Cup player is worth 4 points and a senior community player is worth 3 points, he must be allocated the highest possible points which is 4.
- 2015 – 4 points (1 point deduction from 2014)
- 2016 – 3 points (1 point deduction from 2015)
Examples of points allocation for existing players of a community club include....

**Example:**
A player who plays for North Footscray U16’s and then transfers to Spotswood FC U18’s in 2014 (although in the same league, these clubs do not play in the same senior competition). This player is then selected to play senior football for Spotswood in 2015.

**Solution:** Having not played any games in Spotswood’s junior teams (U17’s and lower), the player is not eligible to be classed as a ‘home player’. He also didn’t play any senior Spotswood FC games as an underage player, so can’t have been classed as providing a year of service. Given the player falls into the category of ‘transferred junior’ he was eligible for the following deductions – 2015 – 3 points
2016 – 2 points (1 point deduction from 2015)

**Example:**
A player who finished 3rd in the best and fairest at Golden Square in the Bendigo FNL in 2013, transfers to South Bendigo in the same competition in 2014. Given this player was also at Eaglehawk FC in 2012, this player, when they arrive at South Bendigo will be allocated 4 points because they are a premium community player, 1 extra point because they are transferring to another club in the same competition, and a further point because it is their 3rd club in 36 months. Total points allocation is therefore 6 points.

**Solution:**
2014 – 6 points
2015 – 5 points (1 point deduction from 2014)
2016 – 4 points (1 point deduction from 2015)

**Example:**
A player moves to Bell Post Hill FC in the Geelong and District Football League in 2014 from Colac FC in the Geelong Football League. He has played more reserves games than senior games in each of the 2 previous seasons at Colac FC since transitioning out of the Colac U18’s.

The player will be considered a development community player (2 points) and will incur a third point given they are leaving a premier competition.

**Solution:**
2014 – 3 points
2015 – 2 points (1 point deduction from 2014)
2016 – 1 points (1 point deduction from 2015)
The allocation of total points for a community club team will be implemented by metro leagues, and/or region commission who will undertake this task in consultation with the leagues in country areas.

In considering the total points allocation for each team, the following may be taken into account:

- The location of a club and the size of the population within its region. This can impact the clubs ability to be competitive against other clubs located in areas of more population and resourcing.
- The level of success a team has achieved. e.g. (multiple premierships) including their ability to retain players and those retained players attracting a one point deduction each season.
- The clubs lack of success where more points may be allocated to those clubs having a sustained patch of poor results on a yearly basis (e.g. based on end of season ladder position).

Note: some of the above considerations may not come into play with competitions who have promotion/relegation.

- Additional points may be added to teams where a club has little hope of fielding a strong U18 or U19 side due to geographic and demographic elements. Clubs who are capable of fielding juniors but chose not to invest the time and effort into a well coordinated junior program may not be considered for more points.

Each metro league, and/or region commission will implement their own process in relation to considering team allocation requests, as well as any unique player points allocation (e.g. where a player’s points allocation is deemed inappropriate given their playing history).

Note: The establishment of total team points allocations will be determined following the outcomes of the testing period conducted during the 2015 season. All team points allocations proposed by metro leagues, and or region commission for 2016 will be subject to ratification by AFL Victoria to ensure there is consistency from region to region and league to league.
As identified in the club survey, a points system on its own won’t cap player payments, hence the introduction of a salary cap is required.

Salary Cap Introduction -

The proposed salary cap is designed to place a ceiling on player payments. The working party has endeavoured to limit the continuing upward spiral of player payments within community football. The cap is designed to narrow the gap over time, between high spending clubs and low spending clubs, by limiting growth at the top end.

It will look at providing tools for clubs to “not be allowed” to meet player demands, while also trying to be not overly onerous on club volunteers to administer. To ensure a cap meets the local conditions metro leagues and region commissions will recommend the parameters for the salary cap for the competition under its administration. AFL Victoria will ratify the parameters recommended in order to address any significant discrepancies between neighbouring competitions.

Compliance of the salary cap is a challenge that is raised within every forum. The salary cap is no different to good budgeting practice, just as clubs set a limit to operate their own club budget, they will need to set a limit for their salary cap and be expected to operate within that limit.

Just as all compliance frameworks have their own enforcement challenges, there is always an element of risk to those individuals and clubs who may wish to breach the rules to which they subscribe too. As detailed in the enforcement provisions, clubs will be subject to detailed audits of their finances including player contracts, with breaches attracting the heaviest of penalties, capable of severely damaging a club’s reputation and standing within the community.

“We anticipate that we need to increase our player budget by 20% each year for the next 3 years to remain competitive and we are unsure how we will do that”

Bellarine FL - Club Representative
The key implementation principles of a proposed salary cap puts the onus on players to ensure they only receive payments as detailed within their playing contract......

Key implementation principles of a proposed salary cap;

- The salary cap would apply to all player payments allocated to senior players throughout each season.

- Player payments are to be detailed in standard state wide player contracts. This contract would be accompanied by a statutory declaration signed by the player which outlines that all payments to play for the club are confined to the detail contained within the standard player contract.

- Payments made by either the club or a third party to a player based upon their participation that is not contained within the player’s contract is illegal.

- In relation to employment, clubs are able to assist with employment opportunities for a player, provided the terms and conditions are consistent with current commercial practices. Employment cannot be linked to the operations of the club e.g. bar manager, canteen, fitness coordinator etc. (Any payment linked to the club will fall under the salary cap).

- In relation to community club playing coaches, the coaching element of their remuneration must be specifically identified in their contract. This coaching element amount must not exceed 50% of their total remuneration, or to a maximum of $20,000 with the remaining remuneration to be included within the club’s salary cap. (Only one senior playing coach is allowed to have a component of their payment sit outside the cap, all other playing or assistant coaches who play, will have their full payments included in the cap).

- The accumulated total payments made to players (as detailed in player contracts) must not exceed the league or region commission salary cap for that particular season. Clubs will need to recognise that just like their normal budgeting process, payments to players will need to be managed throughout the season as to not to exceed the cap given a normal senior side throughout the year will field 30 plus players, all on different contracts.
Further implementation principles of a proposed salary cap;

- To ensure a cap meets the local conditions metro leagues and region commissions will recommend the parameters for the salary cap for the competition under its administration. AFL Victoria will ratify the parameters recommended by Metro leagues and region commissions in order to address any significant discrepancies between neighbouring competitions.

NOTE: The above salary cap figure will be determined throughout the testing period (May – July 2015) in consultation with clubs and from feedback via the survey. Unlike the points system, the salary cap figure should be consistent across all clubs within the same competition.

- All player contracts must be lodged electronically to a secure portal where they may be audited by an independent integrity officer engaged by a particular metro league or region commission and accredited by AFL Victoria. Time frames around the lodgement of player contracts will be determined over the testing period. (Penalties will apply for contracts not lodged in the pre-determined time frame).

- Player incentives e.g. match awards, need to be included in the overall club’s salary cap, with budgeting tools to be provided to club administrators to ensure total player payments and the incentive ‘pool’ of money falls under the cap. Clubs will need to provide a breakdown of payments and incentive ‘pool’ via a document to also be lodged within the player contract portal.

“There is now a percentage of the local population that are disenchanted with the football club, and won’t participate in fundraising efforts because they assume funds raised are going to paid players”
Mininera DFL - Club Representative
The introduction of a standard state wide playing contract will compliment a salary cap.....

**Standard state wide playing contract**

- AFL Victoria will develop a standard state wide playing contract for all clubs to use when contracting players
- Standard state wide contracts will include consistent terms and conditions, and spell out the following illegal elements such as:
  - No sign on fees when a player signs a contract;
  - No match payments to players for finals appearances (to assist consistent application of salary cap);
  - No payments allowed to players whilst injured (no play, no pay);
  - Coaching element identified in contract for playing coaches (coaching element not included in salary cap);
  - A tick box outlining previous best and fairest accomplishments, and other relevant playing achievements to ensure any potential new clubs are aware of an increased points allocation;

All player contracts must be lodged electronically in line with salary cap requirements.

**National player transfer regulations**;

- Reinforce transfer fees between clubs are Illegal. (This will be outlined in the standard player contract)
- Allow player transfers to take place – 1\textsuperscript{st} November – 15\textsuperscript{th} December, then 1\textsuperscript{st} February – 30\textsuperscript{th} June. This will allow clubs to transfer new players when the contract is actually signed.
A critical element to this program will be the development clubs from the inside.....

Given a guiding principle of the Community Club Sustainability Program was to; **promote player loyalty and junior development.**

It is hoped that those clubs capable of reducing their time and money recruiting players, will be able to then direct those efforts into developing their own playing lists and creating an environment in which people are engaged and commit long term.

The implementation of programs and strategies to create an outstanding club environment will be critical, some of these may include:

- Increased development coaching for younger players;
- Improved training facilities and off field services for players;
- Closer links between senior and junior clubs to improve pathway – e.g. senior players coaching junior teams;
- A commitment from all club people to ensure their NAB AFL Auskick Program is supported by all levels of the club;
- Club health checks – a new program being released soon by the AFL aimed at ensuring clubs can measure their off field performance and identify areas of focus;
- A change in the philosophy around club administrators always being voluntary. Clubs may need to start supporting and even rewarding club administrators with small levels of remuneration if needed given the role they play in a club, as opposed to spending another $400 per week on a player. That same money allocated to engaging an administrator on a casual basis could relieve significant strain on a host of club volunteers and make compliance issues much more manageable.
Ensuring clubs invest in the development of juniors is a fantastic by-product of this program, those without junior alignments will need to work with their Leagues and Commissions closely…

In establishing the player points system, the key focus was on player loyalty and retention, developing a suitable pathway from junior to senior clubs, and an investment by senior clubs into junior football.

Clubs that exist as one incorporated association, would be strongly encouraged to create a junior pathway document. This document will focus on a club’s investment into its junior program/teams from NAB AFL Auskick right through to the highest underage teams within the club.

For those clubs that have a separate junior body or may not have an aligned junior club/body, they will be encouraged to create a pathway program, via an official AFL Victoria drafted Memorandum of Understanding (MoU) that will need to be implemented between the selected clubs. The memorandum of understanding will:

- Formalise an alignment between a senior and junior club
- Identify arrangement of mutual benefit
- Focus on promoting the transition of players from junior to senior football

All MoU’s between senior and junior clubs that are separately incorporated need to be approved by the metro league or region commission before a player can be deemed a home player from an aligned junior club.
Club administrators and volunteers will be provided with the tools and education to support them in compliance activities around the points system..

Footyweb

It is envisaged that club volunteers will be able to enter the players points allocation against each player at the commencement of each season, similar to the manner in which a jumper number is allocated to each player.

Footyweb will then automatically calculate the total points for that selected side as part of the team selection and team sheet process. As always these team sheets will need to be printed by each competing club, and provided as part of the normal match day paper work.

Footyweb will not allow a team to be selected if the total points allocation exceeds the allowable total permitted for that team. All team sheets may be subject to audits consistent with the enforcement provisions of the program. In addition, the points that are allocated to each player will be displayed in the fixtures/results section of the league’s websites to further enhance the transparency of the program.
Tools will also be developed over time to support club administrators and volunteers with the application of the salary cap.....

Salary Cap support

It is envisaged the working party will provide clubs access to tools and resources that will assist them in both managing the salary cap, and supporting the clubs normal budgeting practices.

Some of this documentation will also need to be lodged electronically with player contacts, however it is designed to support club volunteers in their efforts to manage overall player payments and adhere to responsible financial practices.

These tools will be further developed over the testing period in consultation with experienced club administrators and will be available in due course.

NOTE: The working party is also investigating online tools and apps that could assist administrators in managing any compliance requirements.
It won’t just be about volunteer education, player education will also be a critical component to this program…..

Player education will focus on the following areas, by ensuring players understand;

✓ Their responsibilities when signing a standard state wide player contract and statutory declaration

✓ Their responsibilities to not accept payments outside of their contract details

✓ The role they play within a club environment, especially around being role models for younger players, and supporting junior football programs

✓ The work volunteers undertake to put a team out on the field every week. We plan to educate players around the impact their payments have on a club and provide examples such as the one outlined below;

“When a player asks for an extra $50 per game, it needs to be considered that its $50 x 18 = $900. In order to see the impact this has on a club, we need to look at how they may raise this money. If we look at the BBQ that 2 people coordinate at every home game from 11 til 4pm (5 hours) and makes a profit of between $450 - $500 per home game. This means that the $50 pay increase is paid for from the profits of 2 home games of the BBQ, which equates to over 20 hours of volunteer labour”.
Leaders within a football club need to ensure there is integrity with how the salary cap and points system is implemented.....

"Would you be prepared to stand up in front of your members and openly say we consciously broke the rules"

As leaders within your club, you will need to play a significant role in the implementation of both the salary cap and the player points system. With clubs continuing to request action on player payments, this is your chance to play a role in the solution.

In addition to any enforcement provisions applied, club leaders will need to consider if they would ever like to answer the following questions:

- Would you be comfortable explaining to club members as to why you broke the rules?

- If the values and culture at your club is set by the leaders of the club, what sort of culture are you really creating if you cheat the system?

- As president, you agree to abide by the rules of the competition when entering, but knowingly you would breach the rules – what sort of leader does that make you?
Clubs will be audited...not all will every year, but just like the tax office, when your time comes you will need to demonstrate full compliance.....

In relation to the implementation of this program, in particular the points system and the salary cap, AFL Victoria will develop a policy based upon the feedback to this draft proposal, which will be required to be adopted into the by-laws of all leagues and region commissions.

Under the policy, AFL Victoria accredited Integrity Officers engaged by the leagues and region commissions will have the authority to undertake audits of clubs.

While impossible to audit all clubs every year, audits will be undertaken on an ad-hoc basis, or as a targeted approach if required.

The AFL Integrity Unit will provide support and guidance in further developing the enforcement policy over the coming months.

What a Salary Cap audit could look like;

- Undertaken by an AFL Victoria accredited Integrity Officer, engaged by the local league or region commission.
- Examination of lodged standard state wide player contracts and cross examine total player payment documentation/ spreadsheet.
- Interviews with club administrators, coaches, players and volunteers.
- Comparisons to club budgets and year to date financials.
- Assessment of clubs annual financial statements as lodged with Consumer Affairs Victoria.
Penalties will reflect the seriousness of a salary cap breach.....

Following a club audit undertaken by an independent AFL Victoria accredited Integrity Officer (engaged by a league or region commission), the following penalties could be applied should a breach be found:

- Club fines
- Relegation (when in a divisional competition)
- Loss of points – current season and in the future
- Suspended from finals – current season and in the future
- Player suspensions – for those players knowingly taking money outside of their standard playing contract.

As part of the enforcement provisions, immunity to whistle blowers and leniency to self reporting will also be included.

NOTE: Breaches within the points system should really be confined to the specific allocation of points to a certain player, and therefore a possible total points breach. Breaches regarding this activity and subsequent penalties will be managed by the local league and region commission.
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- Philosophy
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Part Three – Future Process
- Feedback process
- Time frame
Feedback from all parts of the industry will be critical.....

The feedback process will be as follows –

Affiliated clubs will need to provide feedback to their governing body regarding:

- If any further clarity is required with regards to any components of the Community Club Sustainability Program, specifically relating to player points categories.
- If they believe the initial salary cap figure proposed (which was developed via the surveys) needs to be adjusted.
- If they would like to recommend a preferred total team points allocation for clubs within their competition.

Region Commissions and Metro Leagues will need to provide the following to the working party:

- A consolidated view on whether any further clarity is required with regards to any components of the sustainable club program.
- What they believe their first year salary cap figure needs to be.
- What the points allocation for each club within their competition will be in 2016.
Testing the framework.....

Points System

It is envisaged the framework for the Club Sustainability Program will be tested in different ways, depending on the league and region commission. However, in order to determine a total points figure for each club within your competition, you may like to undertake something similar to the below;

- Look at what the total points that each current 2015 senior team in your competition would have attracted under the current model across rounds 1, 3, 5, 7, 9 this year. (Note: the points system is only applied to senior teams within a competition).

- Work out what the average was for each club, and than what the average is across the whole competition.

- Look at the total points that each current senior team in your competition would attract under the current model in 2016. Look at how much lower the points would be in 2016 compared to 2015 for each club if they kept all their players and didn’t recruit anyone. (It won’t be a matter of just deducting 22 points from one year to the next as some players will already be on 1 point and can’t go any lower). This figure will provide you with information around what your lowest possible figure could be moving forward.

- In determining your final total points figure for each team in 2016, a league and region commission will need to look at all the information available and make an informed decision based upon reducing player movements.

- Leagues and region commissions may involve clubs in determining these figures, or may have the resources to undertake the work themselves. From a club’s perspective, it would be a good exercise to go through anyway, so you get a feel for what your points allocation could look like prior to recruiting anyone. This will allow you to be ready for when the final total team figure is developed and therefore determining how much room you have to move.
**Salary Cap**

In determining a salary cap, leagues and region commissions will use data already collected from the state wide survey. However, in some cases leagues and region commissions will no doubt undertake further consultation with clubs to see what they are currently paying players in 2015.

**Throughout this testing period it is critical clubs are open and transparent.**

Given the introduction of a salary cap is a significant change in the community football landscape, total cap figures may be introduced through a phasing down approach where the figure is slightly higher in 2016, than what the league would like to set in 2017 and beyond.

This phasing approach will also allow clubs some breathing room for players on 2 year contracts, and allow clubs to phase down their player contracts should they be well in excess of the preferred cap figure.
Key dates.....

- May 8th – May 30th Leagues/Commissions meet with clubs and league representatives –
  - Standard state wide presentation to be provided to all leagues and clubs across Victoria.
  - Working party member(s) to also attend club forums where possible

- June 1st – July 31st – ‘Testing Period’ - Feedback sought from leagues and region commissions

- July 31st – August 30th - Working party to finalise framework following feedback for implementation in 2016

- August 30th - Final ‘Community Club Sustainability Framework’ and policy documentation to be released for implementation in 2016