1 November 2023

2024 Football NSW Community Registration Fees

Dear Associations,

2023 has been a banner year for football in NSW. The FIFA Women's World Cup 2023 saw eleven matches played here in NSW and the Matildas' success inspired a nation. This followed on from the stunning performance of our Socceroos in Qatar, where they qualified for the World Cup Round of 16 for only the second time and only a great save from Emiliano Martinez kept Australia from sending that match to extra time.

This incredible excitement around football in Australia has meant we have seen a boom in junior registrations, with junior boys' registrations in particular growing at a rate not seen for many years.

This last year also saw the first relatively uninterrupted season in years, with no COVID-19 interruptions and no repeat of 2022's disruption and destruction from rain and flooding.

There are clouds however – persistent inflation is driving costs up across the economy. We have also seen that boom times for football also mean boom times for insurance claims, with our claim data showing dramatic and unforeseen increases in claim numbers and values.

These two factors mean that, whilst regrettable, an increase in player Registration Fees for 2024 is unavoidable.

Continuing inflation:

Football NSW is subject to the same inflationary pressures as other businesses – inflation puts pressure on our direct and indirect costs. Without making an appropriate adjustment to our fees to account for rising business costs, Football NSW's capacity to serve its members can only go backwards.

Football NSW has already undertaken significant realignment of its capacities in response to the COVID-19 pandemic and the substantial reduction in recurrent funding from Football Australia by reducing permanent staffing levels by 23% over the last three years thereby ensuring that our priority remains providing an appropriate degree of service consistent with economic reality.

Rising insurance costs:

As has been outlined in previous correspondence, the underlying principle of the Football NSW Insurance Program is that it covers all players, and any other individuals formally involved in the game (except for spectators).

As insurance cover is one of the many benefits of being a registered participant with Football NSW, the cost of insurance is reflected within the Football NSW Registration Fee.

Whilst the Football NSW Registration Fee is a single fee, we are able to separate out the two primary components of that fee; namely the portion that we attribute to covering the cost of the Football NSW Insurance Program (the Insurance Component), and the portion that we attribute to funding Football NSW's operations (the Capitation Component).

The amount attributed to insurance per participant is adjusted to reflect data on the number and value of claims, and the number of players in each category of football.

In setting the Insurance Component of the Football NSW Registration Fees, our intent is always to ensure that the amount we collect is just enough to cover the cost of insurance, and that each segment of football pays its fair share. Insurance is not a profit centre – we set the Insurance Component to collect only what is required to cover the costs of the Football NSW Insurance Program.

Football NSW monitors insurance claim numbers and the value of claims paid to members and, in recent years, has focussed on ensuring equity in terms of share of premium paid versus claims made across the different segments of the game.

In reviewing claims lodged during the 2023 season, what has been striking has not been any particular imbalance of one segment or other of the game suddenly accounting for a vastly different proportion of claims, but rather that, across the game, there has been a significant increase in the number and particularly the value of claims. The number of claims received is approximately 20% higher than the previous year, and the value of claims incurred rose by more than $2 million, – more than 70% higher than last year.

There are a range of factors that may have led to this situation:

- In response to feedback that participants were unaware of the benefits provided under the Football NSW Insurance Program, we have been more deliberate in communicating the benefits available to participants and we have provided better education on how to claim. Further, with our insurance brokers, Gow-Gates, we have created a more efficient and streamlined claim lodgement process which includes the ability to electronically submit receipts for reimbursement. Therefore, not only have we increased awareness of the Football NSW Insurance Program but we have also (and rightly) made it easier for participants to claim.

- The 2020 and 2021 insurance years saw a decrease in claims as the 2020 and 2021 seasons were shortened by COVID-19. The 2022 season was then impacted by inclement weather. There has simply been much more football played in 2023, and so we have seen the number of claims increase with the amount of football that is being played.

- The Football NSW Insurance Program is more generous than it has been in the past and claimants are receiving more benefit per player than ever before (for example, we recently increased the cap on the reimbursement of physio expenses from $350 for claimants that had not had surgery, to allow physio claims with or without surgery to be claimed within the overall $5,000 cap on non-Medicare medical expenses). This is obviously good for those players who have been unfortunate enough to need to claim, but naturally it drives costs up for all participants.

The result is an unavoidable rise in the cost of insurance and our total insurance costs for players, clubs and officials for 2024 will be approximately $1.6 million higher than in 2023.

Given this expected increase in insurance costs, Football NSW worked very hard with Gow-Gates, to take all of its policies to market to ensure we obtained the best value premiums across the entire Football NSW Insurance Program. It is thanks to this work that we have been able to bring the expected increase in premiums down by approximately $500,000 from the initial indicated increase of $2.1 million, reducing the potential increase in the Registration Fee for a Senior Community player, for example, by $6.

Through 2024 we will be working with our brokers and the other State bodies to ensure that we are able to align our programs to continue to achieve the best possible balance between the benefits offered to members and community expectations whilst keeping the cost of insurance to participants at a reasonable level.

For any participant, a year in which they do not need to claim against the Football NSW Insurance Program is a good one, but the challenge is always to strike the best balance between the cost of the program to each participant while ensuring that the program still provides meaningful value to the participants who need it.

Composition of the Football NSW Registration Fee:

The Football NSW Registration Fee is comprised of the following two components:

Football NSW Insurance Component	+	Football NSW Capitation Component	=	Football NSW Registration Fee

The components are not separate fees, but rather two components of one fee.

The Insurance Component is the amount that we collect from each participant in order to cover the cost of the Football NSW Insurance Program while the Capitation Component goes towards covering all of the other costs incurred by Football NSW in delivering services to its membership.

In 2023, the Football NSW Registration Fees for participants in Community football were as follows:

REGISTRATION FEES (GST inclusive)			
Age (i.e., age turned during 2023)	**Insurance Component**	**Capitation Component**	**Football NSW Registration Fee**
Junior (5 – 12)	$4.43	$12.57	**$17.00**
Youth (13 – 18)	$4.43	$20.57	**$25.00**
Senior (19+)	$42.07	$47.93	**$90.00**

To set the Football NSW Registration Fee, we calculate the required Insurance Component per participant in the various sectors of the game to ensure that, across the game, we cover the costs of the Football NSW Insurance Program. We also calculate any adjustment to the Capitation Component and then round the resulting number to a whole number.

For 2024, to meet the rising cost of the Football NSW Insurance Program, we adjusted the Insurance Component for players in Community competitions by 39.45% while the corresponding increase for players in State League Competitions was 64.25%.

We then adjusted the Capitation Component by 6% to account for the rising cost base of Football NSW's operations, and then rounded the sum to the nearest whole number.

For the 2024 Football NSW Registration Fee, see below the amounts attributed to each component:

REGISTRATION FEES (GST inclusive)			
Age (i.e., age turned during 2024)	**Insurance Component**	**Capitation Component**	**Football NSW Registration Fee**
Junior (5 – 12)	$6.17	$12.83	**$19.00**
Youth (13 – 18)	$6.17	$21.83	**$28.00**
Senior (19+)	$58.67	$50.33	**$109.00**

As you are aware, through the registration process, Football NSW also collects Football Australia's National Registration Fee (**NRF**). We have recently received confirmation that the NRF will remain at 2023 levels for the 2024 Winter Season.

That means that the total Registration Fee for participants in Community football for the 2024 Winter Season will be as follows:

REGISTRATION FEES (GST inclusive)			
Age (i.e., age turned during 2024)	**Football Australia NRF**	**Football NSW Registration Fee**	**Total Registration Fee**
Junior (5 – 12)	$14.50	$19.00	**$33.50**
Youth (13 – 18)	$14.50	$28.00	**$42.50**
Senior (19+)	$34.00	$109.00	**$143.00**

Our purpose at Football NSW remains to facilitate the best experience for all. All of us here at Football NSW look forward to working with you in 2024 to ensure that we can fulfil this purpose, providing service to Associations, Clubs and their participants to ensure that we continue to support the game and put smiles on faces.

Thank you once more for your ongoing support.

Regards,

John Tsatsimas
Chief Executive Officer

PO Box 6146, Baulkham Hills BC NSW 2153
235-257 Meurants Lane, Glenwood NSW 2768
T (02) 8814 4400
F (02) 9629 3770
www.footballnsw.com.au
ABN 25 003 215 923