

## **Position – Southern Masters Cycling Club (SMCC) Motion**

23 November 2021

### **Proposed Amendment to the AusCycling Constitution:**

#### **Item 1.**

Remove the word ‘annual’ from clause 9.1 (a) (ii).

#### **Item 2.**

With commensurate renumbering of subsequent clauses, insert a new clause 9.1 (b) When determining the payment method and the due dates for payment of membership fees, subscription fees and any other amount to be paid by members renewing a license who have in the previous membership period been affected by relevant State or Federal Government directions restricting the enjoyment of those licenses, a discount commensurate with that loss of enjoyment shall be applied. (c) Each Member must pay to the Company the amounts determined under this clause 9 in accordance with clause 9.1(a)(iv).

### **Initial rationale for Amendment provided by SMCC:**

The intent of Item 1 is to ensure that there is no perceived or implied restriction that subscription fees must be based on a 12-month commitment.

The intent of Item 2 is to reduce member attrition caused by the loss of goodwill resulting from payment for a service that was only partially received.

### **Further rationale for Amendment provided by SMCC (23/11):**

SMCC requested that AusCycling circulate further information on behalf of the Club to provide more context for the Motion. Whilst the rationale for the Motion should normally be covered fully by the Club in the initial documentation, we have included in this instance.

#### **Item 1.**

- The constitution (s9.1 a (ii)) currently specifies that Directors must determine annual subscription fees.
- SMCC believe that this is, or may be perceived as, a constitutional impediment to offering more flexible memberships, such as monthly pay as you go subscriptions. Removing the word “annual” from this clause eliminates any doubt that memberships other than an annual subscription are constitutionally valid.

## Item 2.

- To different degrees, many AusCycling members have received reduced benefit from their membership subscription due to COVID-19.
- Whilst COVID-19 is clearly not of AusCycling's making, AusCycling has received significant COVID-19 financial support in the form of JobKeeper payments whilst no such concession has been reciprocated to members. Members are well aware that other organisations have provided concessions and, as a result, there is a loss of goodwill towards AusCycling that our members are telling us will impact their decision to renew their membership. Providing some form of compensation to impacted members at renewal is likely to result in an increased number of renewals and keep more people involved in the sport.

## AusCycling Position

### AusCycling Response to Motion:

AusCycling does not support the proposed amendments to the Constitution, on the basis that as drafted they are not feasible to implement and further these types of membership matters are better articulated and dealt with in a by-law.

This option was discussed with the President of SMCC on receipt of the Motion, at which time AusCycling committed to drafting a Membership by-law in consultation with Member Clubs by March 2022, including Southern Masters Cycling Club.

This timeframe proposed was not accepted by the Club and the Motion will be considered at the Annual General Meeting.

### AusCycling Membership – more affordable than pre AusCycling

Since its inception, AusCycling has been committed to finding proactive and creative solutions to grow Club membership. One of the most significant changes introduced from day one, was the One Licence across all disciplines and the various subsets of that offer.

This substantially simplified the membership landscape and enabled the rider to choose their membership, based upon their own preferences. Compared to the offerings of the three previous National Bodies, we now have simplified and more affordable licences for the majority of riders.

For comparison, see table below.

<b>Membership Type</b>	<b>Pre AusCycling</b>	<b>AusCycling</b>	<b>Saving</b>	<b>% Saving</b>
Race All Discipline ADULT	\$306	\$250	\$56	18.3%
U/15- U/19 All Discipline	\$198	\$120	\$78	40%

A more affordable membership is a good start, but we believe there is more to be done in partnership with Clubs, to make membership more appealing to the millions of people who ride bikes in Australia. This is a key focus for AusCycling Management and is being led by Ag Giramondo, EGM of Commercial, Clubs & Community.

We also acknowledge that ‘competitions and racing’ has been significantly challenged in several States and Territories across 2020 and 2021 as a result of COVID Health Orders. Whilst this was beyond our control, we are focused on supporting Clubs and Members and have returned to competition earlier than most other sports.

### **Item 1. Clause 9.1 (a) (ii) – removal of reference to annual**

The reference to “annual subscription fee” does not preclude AusCycling from offering different types of membership based on the rider preferences. As an example, in addition to the annual license, AusCycling already offers:

- Day Licenses – if riders are unsure about how many races, they’ll be able to attend in any given year.
- Monthly Payment Option – if riders want to spread the annual fee over 12 instalments.

AusCycling is investigating and modelling a range of alternatives with respect to the Membership offers, which will be based on the current membership experience and incorporate the insights of non-members.

These will be tested with pilot Clubs and targeted Member groups within the coming 12 months.

There is no impediment under the Constitution for AusCycling to do this.

### **Item 2. Proposed New Clause – adjustment membership fees based on ‘loss of enjoyment’**

It is unrealistic for AusCycling, or any sport, to provide a discount “commensurate with that loss of enjoyment” as there is no way to recognise or reasonably measure an individual’s enjoyment of a license.

This proposal would be a significant burden and have a damaging impact for AusCycling. Every member has their own definition of ‘enjoyment’ and reason for participating in racing and the organisation does not have the capacity to respond to requests that could result under the proposed change.

We believe this motion has been put forward as a result of the COVID impact to events and racing in a number of States and Territories. COVID has had a significant impact on many activities, and AusCycling, like many sports, has had to adjust and do things differently as the communities were locked down. Our focus has always been on keeping people racing and enjoying cycling and the fast-tracking of the eSport events for members and introduction of the Club National Esports Series demonstrates just one of the many ways we’ve kept delivering for members. Other examples include:

- Free Community Instructor Courses for 3 months (juniors), 50% off for all adults
- Junior National Development Camp
- BMX Skills and Competition
- Various new Member Rewards

Further, insurance is a key component of the AusCycling Membership Offer and our premiums are negotiated on an annual basis. Once they are locked in, they don’t change and there would be no corresponding reduction on the premium if memberships were discounted. Insurance benefits are provided to Members in and out of competition, all year round.

## **Financial Impact of COVID**

COVID has had a significant financial impact on AusCycling.

Cash and revenue management over the past 18 months has been a significant issue and we have had to work with substantially reduced income whilst merging 18 entities to establish AusCycling.

Sponsorship and event revenues have dropped due to lockdowns and uncertainty over the return to pre COVID-19 business operations.

With this uncertainty expected to continue into 2022, we need to set responsible revenue projections while maintaining or reducing our cost base.

Job Keeper played a positive role in assisting organisations to retain staff and maintain operations across 2020 and 2021. However, AusCycling was formed in November 2020 and Job Keeper ended in March 2021, so while it was useful, it only ensured that we could continue to support States and Territories that were operating while ensuring we were prepared for other markets to open.

## **Developing the AusCycling Membership By-law**

AusCycling remains committed to:

- drafting Membership By-laws in consultation with Member Clubs by March 2022; and
- progressing the Membership Review with the view to developing a suite of new membership and product offering that connect with more of the Australian cycling community.

Marne Fechner  
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AusCycling