

FRANK HEALEY

**SPORTS CLUBS
IN THE
MATAMATA PIAKO DISTRICT**

THERE MUST BE A BETTER WAY

**Project for Kellogg Rural Leadership
Programme**

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EXECUTIVE SUMMARY

“We are fooling ourselves if we hang on recklessly to our parents’ notion of community service and joint effort. This is not how other developed societies are now behaving and we have to accept that the decline in our society is probably an irreversible reality.”

Hillary Commission – Discussion Paper
“Sport and Active Leisure: The Future Marketing Environment”
January 2000

For sports clubs in the Matamata-Piako District to survive it is important that they consider if the methods of the past are in fact the ways of the future.

Clubs often have to bear the burden of spiralling maintenance costs for often under-utilised facilities and societal changes such as more punitive drink-driving laws have reduced traditional revenue gatherers such as the club bar.

It is important that they consider their futures before clubs limit their options for continued existence

- should they merge with another club or clubs?
- can they pool resources with other clubs, schools or active leisure providers to form multi-sports clubs or leisure centres?
- can clubs continue to rely on volunteers for their continued existence?

Hillary Commission lifestyle studies show that leisure is consumer and fashion driven as evidenced by the explosion of participation in “*new*” sports such as mountain-biking, snow boarding, sport climbing and touch rugby in the last decade. In addition the changing employment pattern is likely to contribute to an increased demand for flexibility in the timing and structure of leisure activities.

A survey taken in the Matamata-Piako District showed that although many sports clubs were having difficulty recruiting volunteers to run their organizations, few were prepared to consider amalgamation with another club/clubs in the District.

The traditional methods of funding individual sports clubs are under scrutiny and there is a preference for funding through one effective sports organization.

It is recommended that clubs need to evaluate themselves, using an organization such as Sport Waikato, and determine their future viability.

Some clubs will need to embark on a process of change where it is considered advantageous to themselves and their members.

Leisure trends indicate that there is a clear need to build flexible facilities with flexible management preferably with joint ventures and partnerships between sport, local authorities and the corporate community.

The Hillary Commission’s model “*Sportville*” is a viable future alternative for rural communities within the next ten years to consider having in place.

1.0 Introduction

The Matamata-Piako District, located in the eastern Waikato has a **population of approximately 30,000**. There is a **workforce of 15,000** and there are **10,000 – 11,000 households**. The **District** consists of the main towns of **Matamata** (population 5,500), **Morrinsville** (5,400) and **Te Aroha** (3,500), plus numerous rural settlements. Few inhabitants would live more than twenty minutes by car from one of the three main towns. There are **currently 165 sporting clubs and organisations** within the District, which require an **estimated volunteer administrative ‘army’ of 1,200 people**.

From my perspective as a District Councillor, and a supporter of sport, it is becoming more difficult to find people to join this ‘army’, which in turn increases the efforts of those remaining volunteers to source the appropriate finance needed to successfully guarantee their clubs’ future.

The purpose of this report is to demonstrate that leisure trends are changing and that in order for some clubs in Matamata-Piako to have a healthy future they need to consider those trends. In addition traditional sources of finance for sports clubs are reassessing their funding criteria, which will require further consideration by the clubs.

I will show that many clubs in our District are having difficulties, but as yet are unwilling to make decisions to engender change.

It has become apparent to me that some clubs are very defensive when questioned about themselves and how their organisations are managed. Our Annual Plan process where individuals, organisations and clubs make proposals for Council funding, often bring this to the fore. For that reason my survey of the clubs was done by a third party and the questions posed to them were as non-threatening as possible.

Donation-making organisations active in the greater Waikato region, fully endorses the approaches of sports clubs to reunite into one effectively run organisation. The benefit of the rationalisation of facilities, equipment and human resources, in our opinion, is critical if funding is to be well used.

I wish to acknowledge the assistance and support that Sport Waikato has given to me. Mike Maguire, Graeme (Olly) Olerenshaw and our local District Sports co-ordinator Ruth Stanley have given their time freely to discuss their views and enable me to clarify the issues.

The publishing of this report was completed with the assistance of the following people: -

Don McLeod, CEO, Matamata-Piako District Council.
Jennifer Kingsford and Cathy Gasquoine

2.0 Lifestyle and Leisure Trends

Although it is difficult to accurately predict the future it is important to identify and evaluate trends that will give a guide to the future that sports clubs may take.

The January 2000 Hillary Commission discussion paper “*Sport and Active Leisure - The Future Marketing Environment*”, identified trends that are likely to affect national lifestyles and the opportunities that may provide

- New Zealanders have increased expectations of service quality and expect high standards, added value and immediacy. Organizations need to give users a clear indication of value for money.
- Sports and active leisure groups are competing for people's discretionary time and they need to be branded as viable lifestyle choices.
- Time has become more precious, therefore access to leisure activities needs to be convenient.
- The traditional community structure has broken down. Internal migration has increased and there is less unsupervised recreation. People, however do tend to be more proud of their locality when they do put down roots and get more involved in community life. Clubs which offer family services will strike a chord with busy families.

- The discretionary income of many households are under stress and local authorities will look to invest in local quality of life in order to attract businesses and residents to their area. Clubs need to interact positively with their local authorities to attract support and become part of the quality of life.
- The concept of family is changing, but families, whatever their makeup, are looking for activities to enjoy together. Smart organisations will need to be family friendly.
- Smaller towns are losing talent and wealth to larger urban areas which authorities can offset by assisting and revitalising sports clubs so they can make better use of council facilities.
- There is a new generation coming through (Generation X) which is self-centered and acquisitional. They have relatively high disposable income, which they seek to spend on exciting leisure opportunities. The competitive instincts of this Generation X offer a real opportunity to position sport as an outlet – hence the emergence of extreme sports.

2.1 The Clubs

For these trends and opportunities to make a difference for sports clubs it is appropriate to ascertain if clubs are in fact thinking about their future.

In discussion with some clubs in our District there has been complaint of a lack of volunteers to fulfill the administrative roles required. Without these volunteers I believe clubs would face difficult futures.

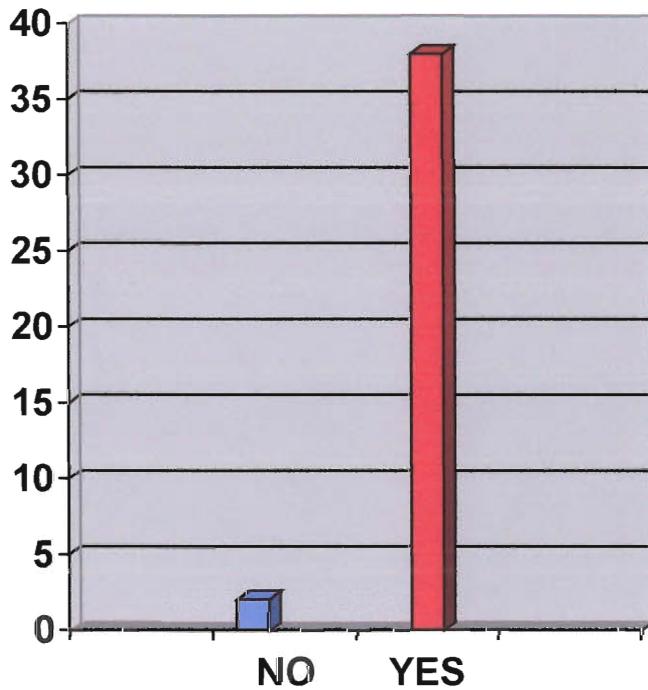
To confirm if these comments regarding volunteers is widespread I commissioned a telephone survey of a group of 40 sports clubs in our District. The clubs ranged from the traditional, (e.g. rugby, cricket and athletics) to the more 'modern' (e.g. in-line hockey). The survey was carried out during the third quarter of 2001 by an independent third party.

The information on the following two pages summarises the results of this survey: -

Question 1:

Do you have difficulty finding people to serve on your committee?

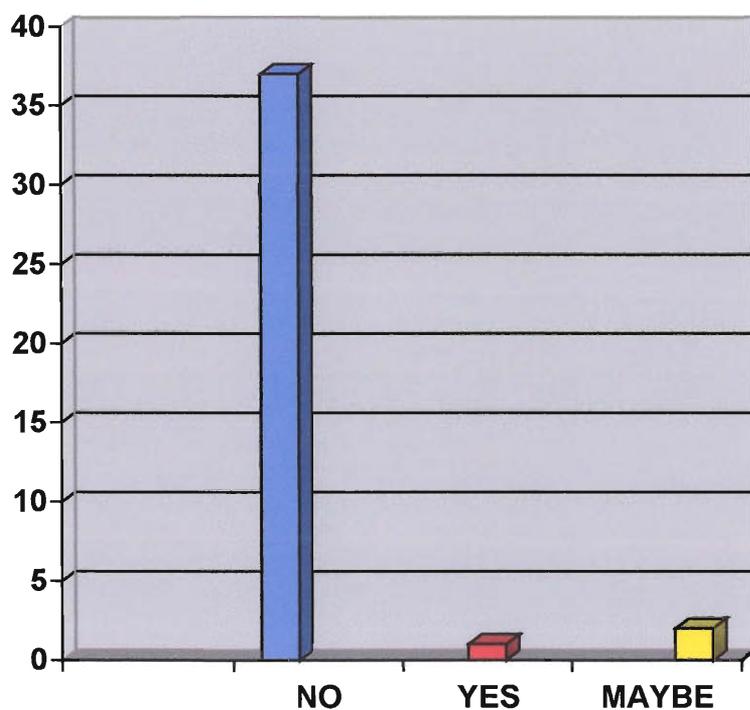
Response: No - 2 clubs
 Yes - 38 clubs



Question 2:

Would you consider merging your club with another similar club within the District?

Response	No	-	37 clubs
	Yes	-	1 club
	Maybe	-	2 clubs



2.2 The District Council

The Matamata-Piako District Council and its predecessor local body entities, have long been associated with supporting sports clubs. The approximate value of the land and buildings owned by our Council which are used, either exclusively or primarily, for sports use is \$10,000,000.

In addition the Council currently provide the following monies to sports clubs on an annual basis: -

Loans	\$ 23,000 per annum
Rates Remissions	\$ 12,500 per annum
Facility Grants	\$ 50,000 per annum
Operational Assistance (Indirect Grants)	\$ 61,500 per annum
Funding of Sport Waikato	\$ 53,000 per annum
<u>Net costs for pools and sports stadium</u>	\$ 855,000 per annum
TOTAL	\$1,055,000 per annum

As a Council we are continually looking at how we fund various organisations and the merits of doing so. We have a vision to 'encourage the maximum use of recreational facilities' and have decided that these will remain wholly or partially in community ownership.

(1998 Matamata-Piako District Council Strategic Plan)

However Local Government, since its major restructuring in 1989, has continued to redefine its role. The introduction of the public-private benefit economic framework is reforming what, where and how local Government contributes to facility provision for recreation and sport activities.

2.3 The Funding Agencies

The following quote is from a recently published statement sent to Sport Waikato from The Waikato Community Trust. This statement, from one of the most significant donation-making organisations in the Waikato region, is a strong indication of where they see their funding priorities.

Trust Waikato fully endorses the approaches of sports clubs to reunite into one effectively run organisation. The benefit of the rationalisation of facilities, equipment and human resources, in our opinion, is critical if funding is to be well used.

We feel rather more confident that a grant we make is going to add value to a community if it is a larger donation to a significant project managed by one effective organisation.

2.4 The Regional Sports Organisation

Sport Waikato's Chief Executive Officer Mike Maguire, in a recent interview, stated his organisation's opinion on the subject of the changing sport's club environment

"In the new environment of recreation and sport, sport's clubs face many threats: market forces, professional sport, commercial operators, a decrease of volunteers, changing lifestyles and demands of more passive pursuits."

He went on to say that *"Some of the choices clubs need to consider include merging, forming alliances and pooling of resources with other clubs, schools and active leisure providers to form multi sport clubs or leisure centers. This will help ensure greater services are offered to the consumer and changing needs are being provided for."*

2.5 Sportville

Sport Waikato is actively promoting the Hillary Commission model “Sportville” which encourages committees to rationalise their sporting facilities.

When promoting this concept Sport Waikato look at the **current scenario** with sports clubs which they call **Sportville 2001** and then project optimistically to a **future option Sportville 2010**.

Sportville 2001 and Sportville 2010 are summarised as follows:

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Sportville 2001

Sportville has 8,000 people. It has four primary schools, and a co-ed college, two maraes, seven churches, a memorial pool, a community hall. It has a Cosmopolitan Club, five service clubs, a library and a drop-in center.

The **adult population of Sportville is 5,700.** In line with the national averages, **36% are sport and physical activity club members.** That’s a total of more than **2,000** people. In line with the national average, they **belong to 1.6 clubs** each, so there are approximately **3,000 members of clubs.**

Therefore, in Sportville there are **at least 2,000 adults supporting 26 clubs.**

The capital value of land and buildings owned or leased by the clubs runs to many millions of dollars. Building maintenance costs become heavier as buildings age (many were built in the late 1960s).

These **26 clubs** require a **minimum of 250 volunteers.** This group of people is ageing.

Sportville 2010 – The Optimistic Scenario

The **population** of this town is **10,500**. There are now **five** primary schools and the **College** has a **larger roll**. There has been a growth in sports participation across the board. The characteristics of the club sport scene are now very different:

- There are around **30 sports** being played
- There are **4,000 members** of clubs
- There are **five sports clubs**. Two are wholly commercial.
- There is a single club service center employing two people which runs the daily business of the clubs, including newsletters, bookkeeping, draws etc.
They use smart software packages with an Internet interface so that all members of sports clubs can get and contribute information quickly.
This was assisted by a development grant from the local authority and regional sports trust.
- Several clubs have sold their premises and used the income to develop youth sport.
- All children in Sportville play for free, funded by the local authority and the community funding agency.
- There is an emphasis on coaching

By working together Sportville has more people playing sport, an emphasis on youth development, fewer time demands on volunteers, reduced facility overheads, and greater sporting success.

3.0 Conclusions

Leisure and lifestyle patterns **are** changing and the new generations of sport participants will not be contributing to sports clubs in the same way as previous generations.

The founding philosophy of the sport club system involved individual and community energy. This will be difficult to sustain in the future with changes in lifestyle, time and resources.

Many sports clubs in the Matamata-Piako District are facing problems recruiting the volunteer army but do not consider there were opportunities to be enjoyed by linking with other clubs.

When one of the major funders of sports clubs in our District, Trust Waikato, acknowledge that one effective sports organisation will make better use of their funding, clubs need to take notice of this more sustainable approach.

There will be further evolution in the way the Matamata-Piako District Council will consider the provision of sports facilities as the Council questions whether the communities receive value for money from their contributions to sport.

It is important that as many clubs as possible in our District become aware of the concept of Sportville and debate the value of it to them as individual clubs and also to the community as a whole.

4.0 Recommendations

It is important for the Matamata-Piako community that sports clubs continue to exist in an appropriate form and be preserved where they are viable.

To ensure this occurs the following is recommended: -

- Merges must occur where needed in order that clubs consolidate their assets while reducing their liabilities. Where single code clubs are not strong, multi-sport clubs are the way of the future.
- There must be open discussion between the various interested parties – Matamata-Piako District Council, The Waikato Community Trust and the sports clubs. The result of this discussion needs to be an agreed set of policy direction guidelines and funding criteria.
- Sport Waikato, with support from the Matamata-Piako District Council must continue to focus on clubs and develop strong club networks.

5.0 References

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