

# Pricing Policy

**Policy 8/2011**

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## 1 Introduction

- 1.1 As a membership organisation, Softball Western Australia (**SWA**) has an obligation to its Members to remain financially viable and to operate in a commercially responsible and sustainable manner. If we fail to do so, we run the risk of being unable to provide the programs and service our Members want and need, and we jeopardise the future health and development of our sport.

## 2 Purpose

- 2.1 The purpose of this policy is to:
- 2.1.1 Provide certainty for Members regarding the fees, levies and charges that apply to SWA products and services.
  - 2.1.2 Ensure SWA sets prices<sup>1</sup> in a commercially responsible manner that is consistent with its purpose and strategic objectives.
  - 2.1.3 Ensure a balance between the immediate and long term requirements of SWA and our Members.
  - 2.1.4 Minimise financial risk by enabling SWA to broaden its revenue base and reduce its dependence on government funding.
  - 2.1.5 Support growth in the sport through affordable and appropriate pricing.

## 3 Scope

- 3.1 This Policy covers all SWA fees, levies and charges including but not only:
- 3.1.1 Membership Fees and Levies.
  - 3.1.2 Team levies for state championships and other state events.
  - 3.1.3 Player levies for national representative teams.
  - 3.1.4 Accreditation fees for coaches, umpires and scorers, not covered by Softball Australia Ltd (SL).
  - 3.1.5 Ticket prices for events conducted and hosted by SWA.
  - 3.1.6 Fees for national programs developed by SAL and delivered by SWA or by Member Affiliates on behalf of SWA.
  - 3.1.7 Charges for centralised or shared services delivered by SWA, such as financial services and secretariat services.
  - 3.1.8 Prices for equipment, publications and merchandise sold by SWA.
  - 3.1.9 State sponsorship, advertising and endorsements.

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<sup>1</sup> Prices include fees, levies, charges, subscriptions



## **4 Pricing principles**

4.1 The principles that underpin SWA's pricing are:

- 4.1.1 Pricing must be consistent with SWA's objects, purpose, strategic objectives and priorities.
- 4.1.2 Prices must be set at a level that ensures SWA's and its Members' ongoing financial viability and enables the organization to achieve its financial objectives.
- 4.1.3 Consideration must be given to the impact of prices and the timing of price changes on Members.
- 4.1.4 Revenue generated through the delivery of some activities or the sale of some products and services might subsidise other activities, products and services.
- 4.1.5 Members who participate in SWA activities or use SWA products and services should pay for those activities, products or services unless SWA determines the price of the activity, product or service is covered by membership fees.
- 4.1.6 A pricing differential will apply to some market segments, including:
  - (a) Member and non-member
  - (b) Regional or metropolitan
  - (c) Adult and child
  - (d) Special need/disadvantage
  - (e) Other individuals or groups where deemed appropriate, in accordance with the SWA Authority and Delegation Policy
- 4.1.7 Prices should be fair, equitable and include flexibility to allow for changed circumstances.
- 4.1.8 Prices must reflect *value for money*.
- 4.1.9 Consideration should be given to pricing relativities with other sports.

## **5 Pricing methodology**

5.1 A cost-based pricing methodology will be used to set prices. Depending on the product or service this might equate to pricing to breakeven, to generate a surplus, to minimise a loss or to influence demand. Full cost recovery may not be achievable or desirable in all instances. For example, prices may be set to achieve a social justice objective.

## **6 Term and review**

- 6.1 All prices will be reviewed annually as part of the SWA budgeting process and will be approved by the SWA Directors.
- 6.2 Prices will operate for 12 months from 1 July to 30 June.
- 6.3 The price review will take into account the factors outlined in clause 4 above (Pricing principles).



- 6.4 Price lists will be issued as soon as practical following approval of the budget by the SWA Directors.
- 6.5 Prices for new products and services must be approved by the SWA Directors.
- 6.6 The CEO and Directors will use their best endeavours to consult with Members throughout the price setting and review process. If and when we do seek consultation we will allow sufficient time for due consideration and feedback.
- 6.7 Notwithstanding the annual price review:
  - 6.7.1 Membership fees and prices for all SWA products and services will automatically increase by CPI<sup>2</sup> from 1 July each year.
  - 6.7.2 SWA reserves the right to increase the price of a product or service (excluding Membership fees) during the term if the cost of that product or service increases by more than 10% during the term (1 July to 30 June).

## **7 Discounts**

- 7.1 Discounts can only be authorised in accordance with the SWA Authority and Delegation Policy.

## **8 Payment options**

- 8.1 Generally all fees, levies and charges must be paid in full on or before the due date.
- 8.2 Team fees for entry to competitions may be paid in more than one moiety, if approved by the Board.
- 8.3 Any other payment terms can only be authorised in accordance with the SWA Authority and Delegation Policy.

## **9 Authority and delegation**

- 9.1 All authorities and delegations in relation to pricing are set out in the SWA Authority & Delegation Policy.

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<sup>2</sup> **CPI** means the Consumer Price Index (All Groups) for all cities published by the Australian Bureau of Statistics or such replacement index as determined by the Directors, acting reasonably.