

STATES OF JERSEY



FUNDING FOR THE JERSEY REDS (P.78/2023): ADDENDUM

Presented to the States on 3rd October 2023
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STATES GREFFE

JERSEY REDS

Reds benefits to Island





Set out here and in the attached spreadsheet is an analysis of the many benefits derived by the Island of Jersey from professional rugby activity.

Spreadsheet- Playing and Associated activity

- This illustrates the economic benefit of Jersey Reds professional rugby activity in 2022/23. This is one element of the contribution to the island, the others are illustrated below, and aggregated finally to show the overall hard economic benefit.
- You will see that each home game in Championship and Championship Cup has been analysed as to number of visiting playing squad, supporters, bed nights, flights and spend per night in the Island, plus airport revenues per customer. These figures are necessarily judgmental, but are based on discussion with most of the visiting teams' directors as a cross corroboration of visiting attendances etc. The games post-Christmas are always significantly more lucrative, and this year the games against Caldy (their first season in Championship, a major trip for them) Ealing (the Championship decider) and Ampthill (end of season, first proper trip to Jersey post COVID) were particularly positive, as you will see from the numbers included.
- Also included are the revenues associated with the pre-season matches against London Irish, Bath and Leicester, and the England training camp in October 2022, using similar and specific assumptions.



In total the sums included in the spreadsheet at rows headed A, B, C and D are the sum that playing and associated revenues produce, being £2,621,000 each year.

In addition, at row E, the revenues associated with amateur rugby in all its forms and administered by JRFC are arrived at using estimates from JRFC themselves and total a further £832,000. Whilst these revenues are not directly produced by Reds, the services that Reds provide to JRFC provide them with a first-class infrastructure and ensure the continuation of amateur rugby in a form that JRFC could not sustain themselves. Essentially Reds provide services valued at circa £250,000 to JRFC in lieu of rent, such services being currently beyond the JRFC infrastructure to provide themselves. **No Reds means JRFC will need to find circa £250,000 more each year, roughly twice their current income.**

Other sources of economic benefit to Jersey:

- Taxes to GOJ - ITIS and GST £520,000
- Excise duty on bar sales £200,000
- Salary of staff, net of tax £1,300,000, spent on Island.
- Other payments to on Island suppliers, rates, food, alcohol, utilities etc. £400,000
- Total other sources £2,420,000

Summary benefit to island from Reds professional activities:

- Playing and Associated Activity £2,621,000
- Total Other Sources £2,420,000

Grand total direct benefit £5,041,000



Applying a multiplier of 1.3x gives £6,553,000 aggregate benefit to Island in 2022/23 season.

An economic multiplier is a commonly used assumption to give effect to the fact that once one person spends a £1 there is a trickle-down effect from the recipient's subsequent expenditure. Standard procedure.

In addition, there is the £832,000 (£1,081,000 after 1.3x multiplier) contributed by JRFC amateurs, which are not included in the above numbers for Reds

Soft benefits

Jersey Reds are now an iconic Jersey brand.

The PR and reputational benefit for Jersey derived from Reds' success is material. We do not have analysis of this, but for reference the PR value to Jersey in equivalent media spend terms for the British and Irish Lions training camp in 2021 alone was publicly estimated by Visit Jersey at £6,000,000.

It is not suggested that Reds normal activities generate this amount, but nevertheless the benefit is in multiple millions of Pounds per annum. Further we have not estimated the social benefit and 'halo effect' for Mini and Junior participation in rugby in part due the Reds being involved in those activities and providing role models.

Jersey Reds Value from Visiting Teams and Outbound Travel

Team	Team No's	Visitors	Team Bed	Visitor bed	Flights	£ Bed etc at £200 all in	£ Flights at £90	£ A'port income £15	£ Total Spend
Championship 2022/23									
Coventry	35	125	70	250	320	64000	28800	2400	95200
Cornish Pirates	35	125	70	250	320	64000	28800	2400	95200
Doncaster	35	125	70	250	320	64000	28800	2400	95200
Richmond	35	125	70	300	320	74000	28800	2400	105200
Bedford	35	125	70	250	320	64000	28800	2400	95200
London Scottish	35	125	70	400	320	94000	28800	2400	125200
Caldy	35	400	70	800	870	174000	78300	6525	258825
Hartbury	35	125	70	250	320	64000	28800	2400	95200
Nottingham	35	125	70	250	320	64000	28800	2400	95200
Ealing	80	500	160	1000	1160	232000	104400	8700	345100
Ampthill	35	450	70	900	970	194000	87300	7275	288575
Sub Total Championship	430	2350	860	4900	5560	864000	500400	41700	1406100
Cup Competition 2022/23									
Hartbury	35	10	30	10	90	8000	8100	675	16775
Nottingham	35	50	35	100	170	27000	15300	1275	43575
Ealing	35	100	50	200	270	50000	24300	2025	76325
Sub Total Cup	105	160	115	310	530	85000	47700	3975	136675
A Total Regular Season 2022/23	535	2510	975	5210	6090	927750	548100	45675	1542775

Training Camps									
Premiership pre Season 2022									
	Team No's	Visitors	Team Bed	Visitor bed	Flights	Bed etc at £200 all in	Flights at £90	A'port income £15	Total Spend
Leicester									
Initial	5	0	10	0	10	2000	900	75	2975
Camp	80	200	400	1000	560	280000	50400	4200	334600
London Irish									
Initial	5	0	10	0	10	2000	900	75	2975
Camp	75	100	235	300	350	107000	31500	2625	141125
Bath									
Initial	5	0	10	0	10	2000	900	75	2975
Camp	75	75	235	300	300	107000	27000	2250	136250
B	Sub Total	245	375	900	1600	500000	111600	9300	620900
England October 2022									
	Team No's	Visitors	Team Bed	Visitor bed	Flights	Bed etc at £250 all in	Flights at £90	A'port income £15	Total Spend
Initial	10	0	30	0	20	7500	1800	150	9450
Camp	80	100	400	250	360	162500	32400	2700	197600
C	Sub Total	90	100	430	380	170000	34200	2850	207050
England June 2023									
Initial	10	0	30	0	20	4500	1800	150	6450
Camp	90	100	450	300	380	112500	34200	2850	149550
Sub Total	100	100	480	300	400	117000	36000	3000	156000
Total Training Camps	435	575	1810	2150	2020	787000	181800	15150	983950
Off Island Travel-Reds									
	Team No's	Visitors	Team Bed	Visitor bed	Flights	Bed etc at £200 all in	Flights at £90	A'port income £15	Total Spend
14 Championship and Cup matches 35 travel	490	490	0	0	1960	0	176400	14700	191100
Internationals at Twickenham 100 tickets per match		300			600		54000	4500	58500
D	Total Reds Off Island Travel	490	790	0	2560	0	230400	19200	249600

Season 2022/23 Totals	Team No's	Visitors	Team Bed	Visitor bed	Flights	Bed etc at £200 all in	Flights at £90	A'port income £15	Total Spend
Premiership pre Season	245	375	900	1600	1240	500000	111600	9300	620900
England October 2022	90	100	430	250	380	170000	34200	2850	207050
England June 2023	100	100	480	300	400	117000	36000	3000	156000
Total Regular Season	535	2510	975	5210	6090	927750	548100	45675	1542775
Reds Off Island Travel	490	790	0	0	2560	0	230400	19200	249600
Total Reds	1460	3875	2785	7360	10670	1714750	960300	80025	2776325
Amateur Teams	Team No's	Visitors	Team Bed	Visitor bed	Flights	Bed etc at £150 all in	Flights at £90	A'port income £15	Total Spend
Mini and Juniors- Off Island per M Clark	890	225	0	0	2230	0	200700	16725	217425
Visiting Teams 50x25 (50%/n stay) Per M Clark 2019- assume revert	1250	0	625	0	2500	93750	225000	18750	337500
Mens 11H, 11A- Visitors (50%/n) Home matches	275	110	138	55	770	28950	69300	5775	104025
Women 8H, 8A-Visitors (50%/n) Home matches	200	40	100	20	480	18000	43200	3600	64800
Off Island Travel (adult teams)-19 trips Away matches	475	85	0	0	1120	0	100800	8400	109200
Total Amateur Teams	3090	460	863	75	7100	140700	639000	53250	832950
Total Reds from Above	1460	3875	2785	7360	10670	1714750	960300	80025	2776325
Grand Total Reds plus Amateurs	4550	4335	3648	7435	17770	1855450	1599300	133275	3609275

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Visiting Training Camps 2021 FOR MEMO ONLY-NOT INCLUDED IN 2022/23 NUMBERS

Lions July 2021

Initial	15	0	23	0	30	4600	2700	225	7525
Camp	120	100	600	500	440	120000	39600	3300	162900
Return	100	50	500	250	300	100000	27000	2250	129250
Sub total	235	150	1123	750	770	224600	69300	5775	299675

England October 2021

Initial	10	0	30	0	20	4500	1800	150	6450
Camp	80	30	400	150	180	60000	16200	1350	77550
Sub Total	90	30	430	150	200	64500	18000	1500	84000

Premiership Pre Season 2021

Leicester

Initial	5	0	5	0	10	750	900	75	1725
Camp	80	200	320	800	560	48000	50400	4200	102600

Sale

Initial	5	0	5	0	10	750	900	75	1725
Camp	60	75	300	300	270	45000	24300	2025	71325

Sub Total	150	275	630	1100	850	94500	76500	6375	177375
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Total 2021/22 Training Camps	385	425	1753	1850	1620	319100	145800	12150	477050
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