

STOCKPORT COUNTY TRUST BOARD

Minutes of Meeting

Date: Wednesday 12th July 2006

Time 7.15pm

On Wednesday 12th July, I met the Trust Board to present various questions that had been sent to me regarding the Trust to the Trust Board. Present from the Trust Board were: Stuart Cree, George Hudson, Steve Johnson, David Hoyle, Rob Donaldson, Alan Walkinshaw, Norman Beverley and David James. Below are the answers of the Trust Board to the questions I put to them:

1. Stockport County expressly defines itself these days as a ‘community club’ under Trust ownership. What do the Trust Board, as the elected officials of the owners of the club, understand by this, and what steps have been taken over the past year to translate this theory into practice?

A. The Aims of the Trust oblige us to reach out to all the people of Stockport, and rightly so. This involves not just Trust members, not even just County fans, but everyone who lives in Stockport. Our ambition is to make the community part of the football club and the football club part of the community. We can't do this, though, without having a vibrant, healthy Trust from which to operate. This is at the moment what we're trying to achieve and maintain.

In terms of the past year, there have been numerous meetings with Stockport Council with regards to outreach into the community, the results of which will be evident in good time. We have also spent time examining and taking advice from other football clubs like Charlton and Brentford who have successfully managed to increase their fanbases by being pro-active within their local communities. In addition, we have looked at other sports, in particular Rugby League, where Warrington Wolves have had some very interesting community-based ideas that we have taken on board. Supporters' Direct have also been a valuable source of ideas for us. In addition, Supporters' Direct oversee every Trust to make sure it is running according to the rules. We do look at every other Trust-run club in the country in every area of their operation – good and bad. This gives us valuable advice on how and how not to run our club. All this helps us in our sole aim – to make County the best club it can possibly be.

This has allowed us to implement effective schemes in our own club. One, for example, called Fit To Read, is run via the Trust and is designed to help children at the start of secondary school who have difficulty reading improve, whilst at the same time hopefully getting them involved in County, thereby helping both us (potential to get new fans) and them (they learn to read). This programme has been introduced at 3 local schools at present, and next year will be rolled out to be on the curriculum of every secondary school in Stockport. Such outreach schemes can be funded through grants that the Trust can access, and the Trust Board is currently in the process of sifting through to find out what's available to us.

2. The Trust explained the thorough process by which Jim Gannon was appointed as Team Manager in January. When a vacancy for a similar position of responsibility off the field – CEO – came about, however, it seemed that Keith Agar was appointed almost immediately. Why wasn't it felt necessary to open up this position to allcomers and go through a proper selection process with the CEO like occurred with the Team Manager?

A. It was not our intention to bring Keith Agar in as an employee of the football club when we appointed him as our 'football consultant' back at the start of the year. At the time, our thinking was this: After having owned the club for six months and observed how things were being run, we decided the time was right to bring someone in to examine the club from top to bottom and report back to us on the changes that needed to be made. Keith spent the second half of last season doing this, and uncovered problems that we hadn't noticed as well as things we already believed required action. What is more, Keith suggested solutions to these problems that agreed with our way of thinking. It became obvious through the course of time that Keith was someone we could work with. It seemed a logical decision to appoint someone with knowledge of the problems that the football club was facing both internally and externally and an idea of what the solutions might be. It was considered by the Trust Board not worth spending the money or the time advertising for an applicant for CEO and then interviewing everyone when we had someone we already knew who we felt perfect for the job. It was therefore decided unanimously by the Trust Board that Keith should be appointed as CEO.

3. Having appointed Keith as CEO, what qualities does he bring to Stockport County that make him a particularly attractive option for the post? What will he add that was perhaps previously missing?

A. Firstly, we want to state that whatever we say about Keith is no reflection on the previous CEO, Kevan Taylor. Kevan gave good service to the club and goes with all our best wishes. Moving onto Keith – Keith has various qualities that make him ideal for this post. He has vast experience with various football clubs at our level, and over the six months we spent working with him prior to his appointment we found him to be a man of integrity and honesty. The staff at County respect him enormously and he shares the philosophy of the Trust. Therefore, once we decided that we wanted a new CEO, Keith was the obvious choice for us.

4. Why do you think there has been such a drop in Trust membership over the last year? What steps will you as a board be taking to increase membership, and why have no serious membership drives been undertaken since the takeover?

A. Historically Trust membership drops when there is no fire to be fought, so to speak. It should be noted, though, that other Trust-run clubs, like Chesterfield for example, have had a larger percentage drop in membership than us. Over the past year, we've had to spend so much time working on the club that, frankly, there's been no time to move the Trust forward. When new board members are elected, it's hard to know what capabilities they have at the outset, and therefore there is inevitably going to be a 'bedding-in period', whilst the new board 'gel' so to speak. It was inevitable that Trust membership fell last year to a certain degree given how badly the County were performing on the field in December when Trust memberships were up for renewal. As a Trust board it was inevitable we'd take some of the flack for that, and so from this point of view the fact many did not renew was more a disappointment than a surprise. Now we feel as a Trust Board that we're in a stronger position to move forward as a football club, we can concentrate more on the Trust side of things. As such, there will be a membership drive taking place within the next month.

5. Why was the decision taken to change the club badge? What was wrong with the old one?

A. Put simply, the town crest is more recognisable. It's easier to attract sponsors to the club by re-branding with the town crest. There was nothing wrong with the old crest, but the new crest gives us new revenue opportunities that are important for the growth of the club off the field allowing us to be more successful on the field in the long term.

6. Was any consideration given to the idea of including the fans in the design/choosing of the new badge decision?

A. There was no time. The idea of conformity with the town crest would have been lost, and with it would have gone the new revenue opportunities which was the point of this change.

7. Are there any reasons why fan participation was encouraged for the design of this year's home kit, but seemingly not encouraged for the design of the badge?

A. The kit impacts on supporters, not sponsors. Supporters buy it, so supporters should choose it. The crest impacts on advertising and sponsorship, however, and that's why a much more hard-headed business approach was necessary. Whilst this does not sound too appealing in the short term, it is what is necessary for the long term growth and success of our club.

8. Looking at the club structure on the official website, I notice that Brendan Elwood and Michael Raines are still on the club board. Are they active members of the board; do they take an active role in the running of the club?

Michael Raines has resigned from the board of Stockport County. Brendan Elwood has attended one board meeting this year and receives the minutes from all the meetings.

9. Under the structure of the board, what influence does Elwood have if he's merely a sitting member? Do issues such as the appointment of a new First Team Manager, for example, have to be confirmed by them, as part of their role on the board?

A. This is what happened with the appointment of the new manager: The board of the football club made a decision. The Trust board then ratified the decision unanimously after a presentation to them by the football club board explaining their reasons for taking the decision they did.

10. Are the club committed (ie. contracted) to training at Timperley for a certain period of time?

A. Yes. We have a lease for which we pay rent and cover the cost of any repairs, for a certain length of time. We have a tenancy agreement to cover us – it's a normal commercial arrangement. We profit from the bar at the training ground that is open at Youth Team games. Overall, we look at Timperley to generate more income than it costs us to use it.

11. What is the role of the Trust with regards to the football club? We own it, but what does this mean – what responsibilities, if any, do Trust Board members have vis a vis Stockport County FC? How do these responsibilities differ practically from people like Norman Beverley, Dan Levy, Mark Maguire and Dave James who are on both boards?

A. There is no difference between those with club duties and those without them on the Trust Board in terms of voting and such like. Those on the Trust Board without club responsibilities are given specific responsibilities on the Trust Board – for example, Rob Donaldson is Membership Secretary, Dave Hoyle is Treasurer and George Hudson is Vice-Chair. Those Trust Board members with club responsibilities are not given specific roles on the Trust Board simply because they are too busy with club business. Football club directors have company director responsibilities – put simply, if the club were to go bust, they could be legally held responsible. Therefore the role that County directors have is a very serious and very important one, and that is why County directors on the Trust Board are largely left to get on with their roles at the football club.

In terms of holding the County Board to account, the Trust Board do not get involved in day to day decisions – that is entirely the job of club directors. The Trust Board's role is less specific than that – like a supervisory board, if you like.

12. Does being a Trust-run club allow us to access any extra grants and such like through the Trust that would not have been available to us under private ownership? Is this something the Trust Board have looked into?

A. The football club remains a limited company like it was before, so no. The Trust themselves can access grants for the community work we do, but that is specifically designated for this purpose.

13. As owners, where would the Trust Board, as the elected officials of the membership, like to see our club in a) a year and b) five years?

A. Stuart Cree has been tasked with coming up with a detailed 'vision for the future'. Generally, however, we would like to see us in a year's time in profit and not having faced a relegation battle again. By the end of the 2007/8 season we would like to see County challenging at the right end of the table and seriously looking at promotion. We feel that we now have stability for the long-term in that both Jim and the Trust are here for the long term, and now from that position of stability we can move on and progress both on and off the field.

14. How accountable do you think you as a Trust Board are to the membership?

A. Totally. We have annual elections and multiple lines of communication that any fan can access. There has to be a line somewhere between being open and getting the job done. In an ideal world we'd be open in every area but it just wouldn't be prudent to do so. There are two main areas that we can't discuss. The first of these is people, either in terms of their salaries or their reputations. In both cases it might be damaging to those concerned and might get us in considerable trouble. For this reason we couldn't disclose who the candidates were for the manager's position in January, for example. Secondly, we can't discuss commercial deals because they are private contracts that the disclosure of which could lose the club money.

15. Trust elections are coming up soon. Who is standing for re-election this time?

A. Rule 61 of the Trust states that the half of the board that has been serving the longest is up for re-election. As such there should be five places available. We are not stating names yet as some board members may or may not wish to stand down and we have not discussed this issue yet as a board because Trust elections will not be until September/October time.

16. Continuing on the theme of Trust elections, why do you think someone should stand for the Trust Board?

A. It's all a question of what you can bring to the Trust Board. The Trust Board consists of 10 elected members – enough scope for people with different skills to contribute. Being on the Trust Board gives the chance of people to get more involved with what is, after all, THEIR football club.

17. Looking back on the lessons of the Trust Elections last time, is there anything you feel you would want to do differently or to improve?

A. There are certainly areas to be improved, yes. The Supporters' Direct website – www.supporters-direct.org.uk gives lots of interesting information about Trust elections generally and is worth a look. This is something that we haven't yet discussed as a board yet and so it would be unwise for us to comment further at this stage. What we would say though is that hustings are unlikely to be introduced considering how much they would cost to arrange and the low percentage of the electorate that is likely to attend.

18. At the meeting of 08/07/06, George Hudson mentioned a ‘communications calendar.’ Communication by the Trust Board is something that has been discussed at length over the past year and something you yourselves have admitted needs looking at. What is this ‘communications calendar’ and how do you think it will improve communication between the Trust and its membership?

A. It will basically be a calendar with everything communications-related that takes place over the course of each year – so newsletters, memorandums, forums, socials, elections and such like. It will help in that it will clarify communication between the Trust Board and membership and hopefully streamline it so it is more effective going forward.

19. As a ‘fan owned club’, I’m sure you’ll agree it’s important for both the club and the Trust to communicate regularly and timely with its fanbase. Why, then, do we continue to find out news ‘second hand’ as it were from people like the Stockport Express instead of having a statement made by the relevant board? The Kevan Taylor ‘gardening leave’ story is one that springs to mind, for example.

A. Everyone is learning that things are different now, from both our point of view as officials and your point of view as people wanting to hear information. We are learning that we have to be careful what we say sometimes in order that we don’t suffer consequences either legal and/or financial. Hopefully over the course of time everyone will grow to understand that, when we don’t comment, it’s not because we want to hide stuff, but because it would be reckless or dangerous of us to comment immediately. There have been plenty occasions over the past year when we’ve been desperate to comment on some issue or other, especially when inaccurate information is written elsewhere, but it simply would not have been right for us to do so. Incredibly frustrating for everyone, but that is how it has to be because otherwise we will get taken to court and our recklessness would have cost the club money. We are not prepared to put this football club in that situation and, as such, we will always retain a strictly professional approach. To do otherwise would be both improper and damaging. The press may well release things prematurely, but their job is to sell papers, not to protect those involved. Our job, on the other hand, is to protect the reputations of those involved, because if we do anything that damages anyone’s reputation it will cost us. With the Kevan Taylor situation, we resisted the pressure to comment and time has proved us to be right, because we averted possible legal action and saved money. If we had spoken out earlier the end result in this sense would almost certainly have been different. Being the elected officials of the owners of a football club is a serious matter, and it’s something we take very seriously as a result. We have to be responsible, and that sometimes means resisting the pressure to speak out even when we would like to comment. With Kevan, we ensured we acted professionally with him at all times and as a result reached an agreement that suited both parties. If we had commented when the Express released their story we would put ourselves in a very uncomfortable position morally, legally and it could have had a financial impact. That was not something we were prepared to do and so, despite the mounting speculation, we kept quiet even though it would have been far easier to speak out. This is a position we will continue with going forward because we feel it is in the best interests of Stockport County Football Club and so in keeping with the Trust ethos of responsible ownership.