

Supporters Direct

the supporters' trusts initiative

FREQUENTLY-ASKED-QUESTIONS

WHAT IS A SUPPORTERS' TRUST?

The basic definition of a Trust is a democratic, not-for-profit organisation of supporters, committed to strengthening the voice for supporters in the decision making process at a club, and strengthening the links between the club and the community it serves.

WHAT'S THE ROLE OF SUPPORTERS DIRECT?

Supporters Direct help fans form Trusts by offering advice on what form it should take and how to get it off the ground. We ensure that as many people get involved as possible. Having worked with fans setting up over 100 trusts since 2001, we advise fans on what works and what doesn't and give examples of good ideas from other places. As the fans who get involved are volunteers, it's important that they don't get disheartened or feel they wasted time on something that hasn't delivered, we help them avoid going up blind alleys and instead spend their time on things that will be positive and make a difference. We also take some of the load off their hands having full-time staff dedicated to a group of clubs who are at the end of a phone to advise, if needed.

We also pay for all the legal costs of setting up a Trust and provide small grants, to cover things like advertising, printing, and room hire etc

WHY FORM A TRUST? HOW DOES IT DIFFER FROM AN INDEPENDENT SUPPORTERS' ASSOCIATION?

We'd categorise the main difference between a Trust and an ISA as being twofold - attitudinal and organisational.

The organisational one is easy - it's our belief that an Industrial and Provident Society (IPS) offers the best way forward for fans groups - its legal assets can be owned 'corporately' in a group rather than being vested in individuals. Members also get the benefit of limited liability (and so do the elected officers in most cases) - members are only liable for £1 if anything goes wrong - for example, if the Trust is sued.

As a corporate body, the full force of the law can be brought to bear on anyone who misappropriates the funds. It's also democratic and not-for-profit and states clearly and boldly that a key aim is the securing of representation and strengthening the links between club and community. It's got the 'big idea' that helps get an organisation off the ground - the idea at the heart is "why always be criticising, when we can be running and participating - we think we can bring huge benefits to the club, so give us a chance - to own the club we love (or a part of it)".

As an IPS can own shares or property, it is a vehicle that can ultimately own the football club, and at the very least, own a significant shareholding. It can sign contracts with the club for shares received and set the terms of the deal - an ISA or supporters club, which is unincorporated is on much shakier ground in that regard. So an IPS is robust and can grow with you. The powers exist to employ staff, contract pensions and manage people within a democratic structure. There are businesses that are an IPS that are much bigger than fan groups and football clubs. The Co-op Group for example has a turnover of approximately £9Billion each year.

The fans at Chesterfield were able to take advantage of their situation by being an IPS, as were supporters at Lincoln City. An ISA would have been equally concerned about the situation at all of those clubs, but might have struggled to actually buy the club - just **who** would have bought it exactly? They would have raised money and campaigned and wanted to secure the future of the club, but would they have seen it as something they could and should do? That's not to disparage those sorts of groups, just to indicate that instead of it being something they might do, it's something a Trust is explicitly there to do.

Finally, the people who get involved in a Trust as members know that their money is protected - it can't be spent on anything other than what the constitution says, if it is anyone who does this can be taken to court.

However, an ISA could still be a Trust in the sense that it could convert to be an IPS and want a place on the board - this is where the attitudinal side comes in - it's about putting a professional face to the club and saying 'we're capable, skilled people with something to offer the club.' That doesn't mean that you're unable to criticise or beholden to the club - as a democratic organisation, the members determine your policy and stance towards the club.

An IPS imposes certain disciplines on a group that we think can only be a good thing - democracy, accountability and transparency - and this can only reinforce the points you make. Basically, it comes down to what you want a body to do. In our view, an ISA, whilst a perfectly legitimate form of organisation, often becomes identified with a small band of individuals and might always seem to be criticising (even if it isn't in reality!). It is also limited in what it can do in terms of growth, and how secure that growth is. A

Trust, constituted as an IPS stays in existence until its members decide to dissolve it, and so they have greater ability to stay around - often ISAs go into a lull when key individuals become inactive. All these are of course applicable to a Trust, but the disciplines we mention above make it more likely that weaknesses are identified and rectified. For starters, the act of becoming an IPS is a collaborative effort so you need a good team from the off.

WHAT ABOUT THE RESPONSIBILITY OF COMMITTEE MEMBERS?

Responsibility is limited to obeying the constitution and the will of the members. If you do what the rules state and obey the members, and end up in strife, it's the Trust that gets sued, not you individually as committee members. If however committee members break the rules and things go wrong, they can be personally liable for any damages - the claim comes from the members who will say 'we're not covering your back when you broke the rules in the first place'. In terms of responsibility, they are merely to observe the constitution and run a well ordered ship - which we can't see as any different from what any well-run organisation should be doing. The 'statutory responsibility' is to get the rule changes approved by the Registrar of Friendly Societies and doing annual accounts and elections - again, something we'd hope every good organisation would be doing.

DO YOU HAVE TO BE A SHAREHOLDER TO JOIN A TRUST?

No. The beauty of a Trust is that you get the best of both worlds. Fans who have a small number of shares can proxy them to the trust so they are voted *en bloc* and make a bigger difference. But fans who aren't shareholders can just join, and any shares the Trust buys or gets are owned collectively by all the members. This is a way for people to become shareholders, along with other fans. You bring together the fans with shares and the fans without shares, and pool the power of both groups to everyone's benefit.

WHAT IF A SHAREHOLDING IS NOT AN IMMEDIATE POSSIBILITY?

Things change quickly in football and a Trust covers all the bases. Chesterfield thought they were going to have a long hard slog to get a small shareholding, and 6 days later they owned the club. Now, whilst not everybody will have the circumstances that they had (and Amen to that!), they were able to act quickly and respond as the situation changed. A Trust means that should the position regarding shares change, you're in place to respond. It also helps build the argument - to force that change - by saying that you are a constructive body, run by serious people who've got something to offer. In effect, a Trust without shares might look a lot like an ISA - it will be representing fans to the club, asking for changes here and there about bread and butter issues - ticketing, catering, away travel etc - but it can also be much more than that. If the 'much more' isn't there yet, then there's still no problem. There's also more than one-way to be involved. You can own property for example, so the Trust could own the land of the club. As it's not for profit and can only do things to benefit the club and its relationship to the community, it can't be sold, unless the members - the fans - agree to it. Since many clubs repeatedly state that they never want to move away from a ground unless there's a better option for the future of the club that retains the club's link with its community, why not make sure that the decision as to what's in the best interests of the club lie with the people who have it closest to heart - the fans.

CAN MEMBERS GET THEIR OWN SHARE CERTIFICATES?

Different clubs have done different things. Some have printed share certificates for members of the Trust for them to frame - AFC Wimbledon have done this and at Chesterfield life members of the Trust got a certificate saying that they were a permanent shareholder in the Trust, and as the Trust owned the club, they were an owner of the club. If you are a shareholder in the club itself it's up to the club to provide a certificate.

HOW MANY TRUSTS HAVE SIGNIFICANT SHAREHOLDINGS AND HOW MANY HAVE FANS REPS ON THE BOARD?

That depends on how you define significant. A 2% shareholding can be the crucial casting vote in some cases. However, there are over 50 clubs where supporters have a shareholding that makes them significant. At Leyton Orient for example, they have 3000 shares - whilst dwarfed by many other shareholders at the club, they are the largest shareholder outside the Boardroom, which is something to be going on with and means that they have arguments ready to deploy in their favour. As for Board representation, it depends on what criteria. There are places where the Chairman has invited the Chairman of the Supporters Club onto the Board - but they aren't elected onto it to represent fans as such, for example at Northampton or Lincoln. It could be seen as splitting hairs, since after all, a fan is a fan and it's better than nothing, there are nearly 40 Clubs where there is someone on the board who is there either due to their connection with fans or because of the level of investment they have in the club.

It is growing, and as more happens, the more common it will be for visiting Directors to meet a Director at another club who is a fan's rep rather than a local businessman. It's noticeable that even at places where fans own the club, you still get people criticising on message boards and muttering on the terraces. The crucial point though is that you can get rid of them at the next elections - with a normal owner, you're stuck with them until they decide to sell-up.

WHY DO SOME TRUSTS AIM TO INFLUENCE THE BOARD WHILST OTHERS SEEK TO OWN SHARES OR GET FAN DIRECTORS?

Each Trust has to look at what the situation is at their club and act in the way most likely to produce results. At some clubs, the owner might not be up for selling shares, so the Trust might look to get hold of the share register and try and find other sources. At other places, the value of the club is so much that fans are unlikely to ever have the wherewithal to get 10s of millions together, so they look to be the bridge between the club and community and get credit for that.

As you don't have to own any shareholding to be on the Board, it's not necessary to own a stake in the club (though it usually helps). All of them are united in a desire to make the mechanisms for dialogue between club and fans as solid as possible, and as entrenched as possible, so it can't be undone should ownership or personnel change and a different group of people come in who want to end that dialogue. And, although every club's situation is different, we can help advise in the light of what might have worked at other clubs in similar situations.

DO THE FANS WHO ARE DIRECTORS MAKE A DIFFERENCE?

Well, a lot of that would be up to the skills of the Director elected, and the respect they command from fellow board members. You can imagine a 'Twelve Angry Men' situation where a Fan director makes a superb case and changes a lot of people's minds. The key is to make sure the Director is seen as a constructive player in the life of the club, and not someone who is simply there to object. The Director should always have their feet on the ground and be aware of fans' views - be in touch with Officers of the Trust, fanzine editors, fan websites and so on, so they know what the prevailing view is. If there was uproar about an issue, the ability to represent that view forcefully and articulately could be a big factor in the Board's decision. But even if there was, the Director is unlikely to carry people with them if they simply sit at the end of the table and say 'the fans won't like it'. They have to explain why they won't like it, what the consequences will be, and how the objectives the Board are trying to achieve could be achieved in a way the fans would like. Equally, the Director also has the job of explaining the Board's views to the fans.

Some people say that the fans aren't able to do this, that some random big mouth could be elected. That's always a possibility but we believe in democracy, and if it's good enough to elect the Government, it's certainly good enough to elect someone to the board of a football club. A lot of the arguments have a familiar ring to them if you look at when people were fighting for the vote - some said that the people couldn't be trusted, they'd elect people who were irresponsible and so on. The truth then, as it is now, is that people treat elections with respect. Most fans look at candidates and decide to vote for the one who'll represent them best - who's got the experience and the skills to do the best job, rather than the biggest voice. It's a truism that the abilities and experiences you find amongst the fans are wider and more varied than any Board of Directors. In any group of supporters, you'll find lawyers, accountants, media people, managers, company directors, councillors and so on, so the people able to do the job are out there already and a Trust can get those skills put to work for the good of the club.

ARE TRUSTS USUALLY FORMED WHEN A CLUB'S IN CRISIS OR FACING CLOSURE?

Many are, and the most spectacular successes and growth are usually at a club in crisis, where people fear their club could become extinct. That acts as a rallying call, and people make sacrifices that they might normally not make. However, plenty of clubs aren't in dire crisis, or even in any crisis at all at the moment. The crisis is the 'future' - who knows what tomorrow might bring - new owners, massive debts.

Football is an eventful sport, and clubs rarely have a period of settled calm where nothing serious happens to them. At these types of clubs, the Trust is an insurance policy against that day, should it ever come. If owners change, it's there to remind the new people that the fans love and care for the club and their interests need to be protected and their voice listened to. They're also there to be a vehicle to save the club should things go badly wrong, though of course no-one ever wants to see that happening.

WHY ARE TRUSTS CONCERNED ABOUT LINKS WITH THE LOCAL COMMUNITY, EVEN IN CASES WHERE THE CLUB IS IN CRISIS?

A lot of people look at how football has gone over the past 10 years and feel that the community roots of a club in some places have been lost - the clubs seems to care more about money, or sponsors, than fans who live in the area. The classic example is a Premiership club that doesn't allow a supporters club to be based in the area where it plays, as they assume everyone there supports them anyway. The club represents the very best of the community it plays in, and can act as a symbol of that community for everyone to support. Trusts are about making that really happen. It's usually the fans who care most about these things as they often live in the community or used to, and they want to see the kids in the town centre on a Saturday wearing the local club shirt rather than a club 250 miles away.

MUST MEMBERS BE OVER 16 TO VOTE IN ELECTIONS OR MEETINGS?

As a Trust is a legal entity (under company law, it's classed as a company, but it's a company that only allows one share per person and is not-for-profit), minors aren't allowed to be full, voting members. However you can have a young fans' section, which has a representative on the Trust committee, and young fans can join. You can create a category called 'associate membership' for example, which is cheaper, which means young fans can do everything except vote at the AGM and in the elections. But your youth section can have votes itself, and the Trust can take that on board in its own decisions. At Chesterfield for example, their young fans' section was set up expressly to bring out the next generation of leaders of the club - the people who would be running it in 10-20 years' time.

HOW MUCH DOES IT COST TO BECOME A MEMBER?

That's something for each Trust to decide. We won't work with a group that sets a subscription rate that we think is too high and will stop some fans joining. But ultimately, you have to set a subscription rate that at least covers the admin costs. As a basic rule of thumb, we recommend that it should cost no more than the average price to attend a home match, but with prices as they are at some clubs, that could be as high as £30, so we'd recommend a smaller sum to get as many members as possible, as that can bring strength in itself, by virtue of having a lot of supporters represented. The majority of Trusts charge £10. Those who can afford to contribute more still can through fundraising, but anyone should be able to afford to join.

WHAT LESSONS HAVE BEEN LEARNT FROM TRUSTS YOU'VE BEEN INVOLVED IN SO FAR?

It's important to be realistic, to be professional in your dealings, to be committed to the democratic nature of the Trust. It's hard work for the people involved, but Trusts always bring new people forward who might not have been involved in anything like this before. Instead of criticising, it's about rolling up your sleeves and becoming a part of the process and ultimately, about owning the club and safeguarding it forever.

There's so much goodwill between fans involved at Trusts. Everyone shares the same dream for their club, and is only too willing to assist fans at other clubs if they can help. What divides us as fans is far less than what unites us. Supporters' Trusts, and the help they give each other, is a testament to that.