

**Wimbledon Football Club Supporters Society Limited**

**Minutes of the Special General Meeting held on 29<sup>th</sup> March, 2006 at 7.30pm**

The Fans' Stadium - Kingsmeadow, Jack Goodchild Way, Kingston Road, Kingston-upon-Thames, KT1 3PB

**0. Introduction and Apologies for Absence**

- 0.1 Tom Adam (TA) welcomed members to the SGM. He conveyed apologies from Steve Butterick, David Cox, Nigel Higgs, Marc Jones, Geraldine Messenbird, Chris Philips, Erik Samuelson, Ian Cooke, Iain McNay, Dave Boyle, Margaret Adams and Pam Davies.

**1. SGM Minutes**

- 1.1 Turning to matters arising from the previous SGM, TA informed those present that, following the announcement that Erik Samuelson would be resigning his position with the club, job specifications were being drawn up for his replacements and would be released shortly. However, Erik would remain in place until the accounts were finalised.
- 1.2 At TA's invitation, Kris Stewart (KS) reported on progress with securing bondholder agreement to defer repayment. Over 90% of bondholders by value had been spoken to. No pressure had been put on them but the vast majority had agreed to defer. Around £20K of bondholders had not yet been spoken to. Around £4K of bondholders wished to remain with the current repayment date. Some bondholders had asked for a higher interest rate in return for agreeing to defer; others had not. Some bondholders had volunteered that they would be willing to defer repayment again, if asked at a later date. The resulting repayment profile after taking account of the deferrals was satisfactory. Terms and conditions of the deferrals would be confirmed in writing as part of the annual audit exercise.
- 1.3 TA reported that Neil Messenbird had agreed to take over as Dons Draw manager. John Owen had been continuing to work on the Dons Draw to date but Neil would be taking over from now on. Sean McLaughlin had taken over from John Owen as Treasurer of the Dons Trust.
- 1.4 TA noted the success of the Family Fun Day and extended his thanks to Barrie Scott and those who had helped to organise the day.
- 1.5 TA asked whether any clarification was needed on the minutes. A member asked whether there would be one or two replacements for Erik Samuelson. KS said that there would be two appointments – a Finance Director and a Stadium & Safety role – as the workload was too great for a single person. Geoff Seel asked whether they would be paid roles. KS replied that it was currently assumed they would not be paid roles. However, he noted that there would be some cost implications as it would not be appropriate to expect a volunteer to perform some of the accounting work that Erik performed.
- 1.6 Ian Pollock asked about the status of the Barclays loan. KS replied that it was very nearly in place and the first drawdown was expected within a few weeks. There were a few legal technicalities to be sorted out but no major complications.
- 1.7 TA asked whether there were any further comments on the minutes of the AGM; there were none and they were taken as accepted.

**2. Quarterly Report**

- 2.1 TA asked whether there were any requests for clarification of the Quarterly Report. There were none.

**3. Discussion item: Structuring of the Board.**

- 3.1 TA invited the Secretary to give a summary of the discussion paper that had been circulated for the meeting. Mark Davis (MD) set out the background to the structure that was being piloted and described the proposed Strategic Review and Oversight Board (SROB) and Management Committee (ManComm). The Boards were not yet in a position to be certain that this structure would work – hence the role for a pilot. Depending on what was learned from the pilot, proposals would be brought to the subsequent SGM. Before turning to the questions set out in the discussion paper, members were invited to ask any points of clarification.
- 3.2 John Owen asked about the composition of the pilot SROB and ManComm. MD answered that Tom Adam, David Cox, Sean McLaughlin, Marc Jones, Steve Butterick, Kris Stewart, Ian Cooke and Iain McNay were on the pilot SROB. This meant that SROB had one more member than described in the paper sent to the membership. Kris Stewart, Ivor Heller, Erik Samuelson and Nigel Higgs were on the pilot ManComm.

- 3.3 Duncan Johnson asked how members to the two bodies would be appointed. MD explained that, based on the pilot, there would be five elected DT Board members, all of whom would automatically sit on SROB. The Chief Executive would also automatically sit on SROB. SROB would co-opt two additional members. The members of ManComm would be appointed with the approval of SROB.
- 3.4 Ray Downham asked how many votes ManComm would cast on SROB. KS responded that there would only be one ManComm member with a vote on SROB. Ray further asked whether ManComm members could also be elected members of SROB. MD replied that this had not been fully resolved but that there was a presumption against this.
- 3.5 Paul Jeater asked how ManComm would be accountable to the membership. KS replied that this was similar to the present arrangements, given that the DT Board currently appoints the Boards of the subsidiaries. SROB would monitor the performance of ManComm and would report to the membership on this.
- 3.6 John Owen agreed that structural changes were needed. However, he was unconvinced by the rationale set out in the discussion paper. He did not agree that decision-making was unwieldy, given the ease with which the issues put to members at the previous SGM were resolved by e-mail. He thought that the reason the DT Board was tactical in focus rather than exercising its overarching role was due to a lack of management information from AFCW. He thought that the appropriate mechanism for the DT Board to control the AFCW Board was via the budget and that, provided AFCW remained within budget, they should be left to get on with management. He was concerned that there was an apparent lack of clarity as to how responsibilities were allocated between the Boards and asked which Board members did not know what they should be doing. TA replied that the relationships were not completely clear and that some would like them to be clearer. MD added that decision making was considered unwieldy by a number of Board members, as reflected by the fact that the DT Board frequently failed to get through its agenda. JO replied that the reasons set out in the paper should be made clearer.
- 3.7 Duncan Johnson thought that the arrangements were presented in an overly complicated fashion. In effect, the paper was saying that the Board would appoint the management. KS replied that this was the intent but, because of the group structure, putting this in place involved some complexity. Stuart Pickover felt that the arrangements were over-complicated and that there should be a single Board.
- 3.8 TA then asked the Secretary to read out each of the questions presented in the paper in turn, for discussion with members.

*“Do you think that there are difficulties with the way the Boards are structured and operate? If so, how do these difficulties manifest themselves to members?”*

- 3.9 Ian Pollock said that he understood that Board members were ground down by the workload and paperwork associated with being on the DTB. He was in favour of a three month experiment. He questioned why the DTB did not delegate the day-to-day running of the stadium and football club and reserve for itself the big issues such as fundraising. He thought it might help to have a larger number of board members on the AFCW PLC and AFC Wimbledon boards but recognised that this would not address the issue of turnover of board members.
- 3.10 Ray Downham felt that there was evidently duplication between the boards, which reflected the legal situation of there being three different corporate levels. He thought the structure could resolve the situation of the “tail wagging the dog” in terms of the relationship between the DTB and AFCW PLC.
- 3.11 John Owen pointed out that there were three Dons Trust Board members who had no specific responsibilities on that Board and whose attendance at DTB meetings was therefore unnecessary.
- “What do you think of the criteria the Board has identified for judging structural options? Is anything missing?”*
- 3.12 Paul Jeater noted that democracy was listed as the last of the criteria and questioned whether this reflected it being a lower priority than all of the other criteria. In his view, democracy was paramount in a fans’ club. Ivor Heller (IH) replied that there had been a deficit of candidates at the previous DTB elections, which suggested that not everyone wanted to be involved – hence the need for organising things differently. KS acknowledged that democracy was sometimes taken for granted and given too little emphasis; however, the list of criteria was not intended to be presented in order of priority.
- 3.13 Paul Jeater suggested it was counter-intuitive to reduce the number of Board members if the intent was to increase participation. TA said that there could be more opportunities for involvement at an

operational level and this could provide a springboard for members to move on to seek representation on the Board.

- 3.14 Ray Downham noted that one of the criteria referred to members “feeling in control” rather than being in control. KS replied that if members did not feel in control, then clearly they were not in control.

“Do you agree that the DT Board should have the major role in the strategic oversight and review of the club, or are you happy for this to be delegated to another Board such as AFCW PLC?”

- 3.15 Ian Pollock considered that this depended on which responsibilities lay with which Board. If more were delegated to a larger AFCW Board, then this might address some of the issues. He felt that all members of the DT Board should be elected, so that they could be called to account by members.
- 3.16 Geoff Seel considered that the Dons Trust Board should be in charge of strategy whereas ManComm should be more tactical in focus.
- 3.17 Ray Downham felt that responsibility lies with the Dons Trust Board anyway. He felt that the DTB should be strategic in nature.
- 3.18 Responding to Ian Pollock’s point, MD noted that there was already provision for the DTB to co-opt additional Board members. Ian considered that the numbers set out in the paper represented a change in the overall balance of the Board.
- 3.19 John Owen considered that strategic oversight should remain with the AFCW PLC Board, given the relative input of hours between the two Boards. The purpose of the DT Board would then be to ensure that the policy and strategy of the AFCW PLC Board was the right one.
- 3.20 Duncan Johnson’s view was that democracy is about electing people to represent voters. Strategic direction should therefore come from the DT Board, with people appointed to the PLC Board to carry out operational matters. However, he did not see any issue with people being on both Boards. He thought this should be manageable as strategy did not need to be revised very often.

“As long as the DT Board approves members of the subsidiaries Boards, is it important for most of the members of the subsidiary Boards to be DT Board members?”

- 3.21 Ian Pollock asked whether this was a good or bad thing. KS replied that the burden on some individuals under the current structure was untenable. For example, Erik Samuelson served as a full-time volunteer for AFCW and was then expected to turn up to DTB meetings to discharge his duties as a member of that Board. KS also considered that it was problematic that some of those working for AFCW, who were supposed to be overseen by the DT Board, were doing the overseeing as part of that Board. He was uncomfortable, for example, that some of the people who reported to him were, in effect, his bosses.
- 3.22 John Owen noted that it was possible to be a Finance Director without being a statutory director of a company. It would be possible to have as few as one statutory director.

“What is the right size for the DT Board? Are you in favour of there being some co-opted, as well as elected, members?”

- 3.23 Paul Jeater considered that this was an important issue. Based on his own experience, mainly in local government and trades unions, it did not ring true that twelve was an unwieldy number. He was concerned with the proposal to have four elected plus three co-opted Board members as this was balanced too much in favour of unelected Board members. He also felt that, if a couple of the elected Board members drifted away, then this could cause instability and power would be concentrated in too few hands. He was therefore suspicious of this proposal.
- 3.24 Ray Downham thought that four elected members was too few. He thought that there should be a minimum number, with the flexibility to elect a larger number.
- 3.25 Geoff Seel thought that there might be a middle way. He thought, for example, that two-thirds elected, one-third co-opted might be workable.
- 3.26 As a matter of clarification, MD pointed out that for purposes of the pilot there were in fact eight members of SROB, rather than seven, as a proxy for a structure in which there would be five elected and three co-opted members.

"Assuming that the detailed legal and Constitutional issues can be resolved satisfactorily, does the structure being piloted look to be along the right lines?"

- 3.27 John Owen considered that there was very little about governance in the discussion paper. He added that there was a tax risk, to the extent that the tax authorities might seek to construe the Dons Trust and AFCW as a single operation if there were identical Boards, with the effect that the revenues of the Trust would attract the tax rate applicable to AFCW. Sean McLaughlin noted that this risk was already under consideration.
- 3.28 Paul Jeater asked in what way the current arrangements were unwieldy. MD replied that the DT Board frequently failed to get through its agenda, as there were lots of people involved in the discussion of lots of items. KS added that DTB members took their responsibilities seriously and therefore wanted to play a full part in the discussions of the Board.
- 3.29 John Owen asked how governance arrangements would work. MD replied that governance would be via the reporting arrangements between ManComm and SROB.
- 3.30 Geoff Seel asked how the various working groups would report and whether SROB would be able to ask them to look at things. MD replied that they would report via ManComm in the ordinary course. KS added that SROB could ask the working groups to look at particular matters, e.g. the Finance Working Group might take on specific tasks on behalf of SROB.
- 3.31 Ian Pollock thought that the answer to the question depended on how much work and responsibilities lay at each level. Some things could be devolved down from the upper Board, but which? KS replied that the DT Board tended to spend quite a lot of time discussing fundraising, stadium issues and Ladies. These were important issues, but were probably being discussed at the wrong level.

"If the above structure were adopted, would you be more willing or less willing to stand for election to the Board and/or step forward as a volunteer? Would you be keener or less keen to exercise your vote in DT Board elections?"

- 3.32 KS suggested that, in responding to this question, members should not take it as a given that the number of Board members would be as set out in the paper.
- 3.33 Paul Jeater said that he did not have a problem with the need for change. However, a democratic structure would need to be upheld. He would need to be convinced that the existing number of Board members was wrong and was the cause, or overriding cause, of any problems. He thought it was important to strike the right balance between the number of elected and co-opted members. He added that the reason people did not come forward to stand on the Board may be that they were not aware of the required level of involvement. More information should therefore be given before elections as to what was entailed and when meetings were held. He was optimistic as to what the membership could between them accomplish. He did not feel that reducing the size of the Board in response to a low turnout at elections was the way to go. In response, IH noted that only 33 people had turned up to the current meeting to discuss these important issues and wondered how many of those assembled would stand for the Board at the next elections.
- 3.34 John Owen thought that the proposed number was too small. If the four elected members were incompetent, then this would be a problem. He thought eight or nine would be a better number.
- 3.35 Ray Downham wondered whether the answer to this question mattered. Perhaps there were other reasons for people not standing for election.
- 3.36 Ian Pollock said that he knew people who would be interested in standing for the Board if it were not for the volume of paperwork and workload. TA noted that, from an early stage in the evolution of the Trust, each Board member had been given some operational role and did not merely serve as a Board member without portfolio. However, there was scope to handle things differently and free up DT Board members to focus more on their role as Board members.
- 3.37 Responding to a point made by Paul Jeater points, KS noted that giving members a clearer idea of what being a Board member entailed might be a deterrent rather than an incentive to stand for election. However, more fundamentally, he thought it was for each successive Board to make their own decisions as to how they would operate rather than have this mandated in a job description set out by an outgoing Board.
- 3.38 JO asked that, when a proposal was brought to members, any costs of changing the structure should be made transparent.

- 3.39 Ray Downham queried whether there was time to make the necessary changes to the Constitution in time for the next SGM. MD acknowledged that this was a valid point and felt that there was a chance that the DTB might not adhere rigidly to the timetable for the next SGM falling in the third quarter but, subject to working out the election timeline, might see if it could slip into the early part of the fourth quarter.
- 3.40 Concluding the discussion, TA thanked members for their valuable contributions to the debate. He reiterated that nothing was cast in stone at this stage.

#### 4. Questions and Answers

- 4.1 Colin Gales asked about the timescale for drawing on the Barclays loan. KS replied that there were minor legal technicalities to be resolved and that the AFCW relationship manager at Barclays was currently on holiday. However, he anticipated that this would be resolved in a matter of weeks and said that, as soon as it was completed, members would be informed.
- 4.2 Duncan Johnson asked whether the perimeter lease was part of the equation for concluding the loan arrangements. KS confirmed that this was not the case.
- 4.3 John Stembidge asked whether the Dons Trust would be guaranteeing the loan. KS replied that this had proved unnecessary.
- 4.4 Duncan Johnson noted that nine month accounts for AFCW had been published and showed an increase in the playing budget. He asked whether sprint training and an athletics coach was provided for the players. KS replied that specialist coaching was provided from time to time, for example for goalkeepers and also fitness training.
- 4.5 John Owen noted that the published accounts showed only net profit and loss figures on a line by line basis, i.e. revenues and costs were not shown separately. He asked whether SROB and the DT Board had seen more detail. KS confirmed that the Boards had seen more detail. He suggested that members wishing to see further detail come along to a meeting.
- 4.6 John Bridges reported that two clubs had turned down friendlies with Milton Keynes Dons. In light of this, he wondered whether there was scope to write to the FA to ask them to reconsider the decision to permit Wimbledon FC to relocate to Milton Keynes and to restore the Wimbledon FC honours to Wimbledon. IH noted that it was more than two clubs that had cancelled friendlies. However, he considered that it was too late for the FA to reverse its decision. Ross McLagan said that supporters writing to their clubs in protest at the fixture was the cause of clubs cancelling friendlies. He added that WISA was working with the Football Supporters Federation on the matter of the honours.

#### 5. Any Other Business

- 5.1 IH noted that the Masters event would be taking place on 16<sup>th</sup> July. It was an honour for Wimbledon to be represented in the competition. He encouraged members to pre-purchase tickets and to come along, to show the continuity of a football club in Wimbledon.
- 5.2 Concluding the meeting, TA noted that the quality of the discussion had been high even if the attendance had been low. The date of the next meeting would be advised in due course.
- 5.3 The meeting closed shortly after 9.00 pm.

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Tom Adam, Chairman