

Dons Trust Board (DTB)

Minutes of board meeting held at 7.30pm on 16 September, 2020

Meeting was held virtually and recorded via Microsoft Teams

DTB members

Mark Davis (Chair)
Tim Hillyer
Anna Kingsley
Hannah Kitcher
Jane Lonsdale
Luke Mackenzie
Graham Stacey
Anne Williams
Edward Leek
Alastair Brown

In attendance

Joe Palmer (Club CEO)
Tom Rawcliffe (Club FM)
Michele Little (DT Treasurer)
Conor Daly (Minutes)
Graeme Price (Observer)

1. Introduction and apologies

Apologies were noted from David Growsn.

PART 1 – WITH FCB REPRESENTATIVES

2. FCB Report

Joe presented the FCB report.

Questions and comments were invited and during a lengthy discussion, the key points that were raised were:

- Mark noted the documents that the FCB had provided to the DTB including an updated budget; cashflow statement and an update on the club's redundancy process. Joe outlined his recommendation that the playing budget be increased so that new players could be accommodated. It was noted that Glyn Hodges had provided his support for this and that the budget would be balanced by player loans. Alastair flagged the potential shortfall in the revised budget proposal if the club could not raise money via player loans.
- Joe updated the group that the EFL had been providing daily updates with regards to the impact of COVID-19 and that conversations had been ongoing with the DCMS.
- Jane asked Joe whether the club was in a position to apply to host a test event at QPR F.C. so that 1000 fans could be permitted to attend. Joe confirmed that discussions had occurred with QPR but that the 1000 fans cap presented a series of difficulties: whilst an order of preferences had been communicated, this had been designed based on

larger capacity. Mark concluded that around 850 seats would be used up by debenture holders with non-refundable season tickets with 150 to be distributed after that.

- Tim asked Joe whether it was financially worthwhile admitting 1000 fans. Joe acknowledged that the club would lose money but that this was not the only consideration as long as fans wanted to attend.
- Tom explained that with 1000 fans attending, the club would lose £20k per match with three matches to be played in October. However, it was noted that with attendances of between 2500 and 3000, the club would notionally break even, in terms of the money attributed to season ticket admissions and the costs of staging matches.
- Luke, Edward and Hannah all asserted that they believed fans would understand the financial predicament if the club explained it.
- Joe asked whether the club's stance needed to be consulted on and Hannah replied that she felt as though people just wanted to know one way or the other. Jane added that providing as much detail regarding how the decision had been arrived at would help fans empathise with whatever route was pursued.
- Mark asked for a commercial update on whether the club was on track with budget. Joe and Tom confirmed that the pipeline was ahead of budget but that a number of commitments were still unpaid.
- Joe asked the DTB to provide a position on what terms it would be willing to proceed with a proposal from a local business for the stadium naming rights.
- Mark asked Joe about hospitality sales. Joe highlighted that debentures sales had been outperforming in non-hospitality areas with fans expected to 'trade-up' to hospitality when full service provision resumed.
- Mark asked how long it would take for catering to resume. Joe stressed the myriad considerations involved but reassured the DTB that no hospitality ST holders would pay until catering resumed.
- Joe reflected on some of the challenges that the club had endured, with the necessity of close staging of hospitality sales to general admission. It was also noted that the current climate was likely persist as a challenging one to sell hospitality packages in.
- Mark asked Joe how much the club intended to charge for the new digital matchday programme. Joe confirmed that it would be £3.00 and that pricing was a case of trial and error with constant testing required.
- Luke and Jane asked whether provision of the programme had been put out to tender given Matchday Digital Ltd was part-owned by Ivor Heller and Damian Woodward. Joe confirmed that it had not but that no other companies had come forward to provide this product.
- Mark suggested that a £3.00 price tag would solicit negative feedback from members and asked how much physical printing had cost historically. Tom confirmed that the cost of constantly having 300 leftover programmes, as a result of a previous over-ambitious supply

contract, was £400 per match and acknowledged that he also felt that £3.00 was expensive.

- A poll of DTB members provided a range of answers between £1.00 and £2.00.

Graeme Price joined the meeting

- Alastair and Graham stated their preference for a subscription-based model with value-add content and Joe recognised that there was potential for this.
- Graham asked whether a free product could yield consumer data insights that could be resold but Joe didn't believe that the necessary sales volume would be completed to do this.
- Graham followed up by asking whether Matchday Digital Ltd had presented research on the price point and Joe promised to check.
- Jane returned to the subject of how Matchday Digital Ltd was selected. Joe reiterated that this was the only option available and that the product was additive with costs already locked in given programme content would be generated either way.
- Mark proceeded to ask Joe for an update on other sales activity. Joe confirmed that debentures and non-refundable STs had yielded £1.305m with £84k from hospitality debentures ahead of Priority Group Four launching today; he expressed his confidence in hitting the £1.5m target. Tom reiterated that payments could not be taken online and that the two primary payment gateways confirmed that they would not be onboarding sports teams.
- Graeme asked when a cut-off date, for cashflow purposes, would need to be agreed to begin receiving payments. Tom confirmed that his preference would be for September. Mark asked Tom what checks would be required to be made of volunteers before the club could let them accept payments over the phone. It was agreed that Tom would discuss this with Mike Berry before replying to the DTB. Joe offered the possibility of outsourcing the work to a call centre that could complete the process quickly. Michele raised the fact that the recent bond issue had been paid by individuals via bank transfer. Luke asked what percentage of fans pay the club via direct debit and Tom confirmed that it was around 50%. The group noted the risks attached to a process whereby individuals had to add specific information to bank transfers for reconciliation processes. It was agreed that Joe would return to the DTB with a proposal. Tom and Graeme agreed that the SGM would be a good time to make a communication regarding this.
- Tim asked whether ahead of the game on Saturday, iFollow voucher codes could be issued to ST holders and Tom confirmed that they would be issued by Friday morning at the latest.
- Graham asked what the plan was for having cut-outs of fans that had bought debentures in the audience at home games. Joe confirmed that Ivor owned this task and that they would be present at Plough Lane.

- Mark noted that the club was ahead of budget after two months. Tom highlighted the reasons for this in the accounts and Mark noted the outperformance stemmed from savings on player, manager and groundsman wages. Tom added that the club would save an additional amount on not having to pay for access to the training ground in July and August.
- Alastair asked whether there was an indication on merchandise sales and Tom promised to deliver these to the group.
- Mark asked whether there were any further changes to the budget. Tom responded that central payments from the EFL would be higher but this would need to be reinvested into the travel budget which was too light. It was also confirmed that the club intended to hire a Marketing Assistant to assist Klaudia Wieczorek.
- Tim noted that the budget for merchandise was likely to be challenging and that two-year cycles meant that kit sales were disproportionately weighted away from third-kit release years.
- Edward raised the point of whether the phasing element of the management accounts was relevant and stated his preference for a revised end of season forecast instead, which Mark agreed with. Tom noted that the existing process had been agreed previously but that he could accommodate either.
- Luke raised a question from a fan via ProBoards interested in the 2018 accounts where zero cost of sales had subsequently risen to £30k in 2019. Michele confirmed that this was attributable to the Dons Draw prize money.

The DTB voted to approve Joe's request to raise the playing budget.

- Mark noted that an update on diversity and inclusion had been provided.
- Hannah asked Joe who the best person was to work with on edits to the club's website in order to ensure the appropriate prominence for the DTB. Joe requested that Hannah provide details on what the DTB wanted.

Discussion moved on to the stadium update:

- Mark updated the group that the latest monthly report had been sent and that no imminent decisions were required to be taken before he flagged the ongoing discussion with Galliard Homes regarding the East Wall.
- Mark noted that various cost increases had meant that the stadium's contingency fund was being rapidly used up.
- It was observed that the current funding plan assumed an additional £500k of equity which was, as yet, not fully funded.

- Mark added that not everything would be in place by the end of October, with rail seating to be added later and a potential issue with gas supply that might necessitate heating the players' showers with electricity temporarily.

At this point, the discussion broadened again to other club matters:

- Mark raised the subject of the next steps that would need to be taken with WiSH. It was noted that comments had been sought and incorporated where possible. Mark stressed that whatever arrangement was arrived at must be fully credible, given the proposed 10 year length of the engagement. Tim declared his interest as a trustee of WiSH and allayed Mark's concerns that the emergency clause might not work for WiSH. Jane asked where the 'break glass in emergency' clause would appear and for Tim to confirm that the answers to a relevant recent fan's consultation had been taken on board. Luke confirmed that he had forwarded the results of this to John Lynch a week ago. Mark suggested that a formal resolution could be put forward at the AGM on 16 December.
- Graham asked what the club intended to do with the results of the fans' survey on hospitality and catering.
- Mark asked for an update on the planned scheduling of future 'Meet the Manager' events. Joe confirmed that Glyn Hodges was happy to do one and proposed the week commencing Monday 15 October. Hannah added that the events were normally midweek at 19.30 before Graham suggested a Sunday event so that more children could get involved. Graham and Hannah agreed to help facilitate.
- Jane noted that Merton Council's Hate Crime Unit had been impressed by the work of the club and were interested in whether the club would consider establishing itself as a third-party reporting place. Jane said that it would be discussed at the next DT Diversity & Inclusion group meeting.
- Jane highlighted an initiative (Lonely not Alone) in October that was designed to address the issue of loneliness among teenagers with Academy teams intending to wear yellow socks to raise awareness.
- Jane raised the issue of ProBoards noting the number of questions and those that were mainly operational should be directed to the Club. Jane noted that some questions were going unanswered and asked whether there was a better way that these could be directed to the club. Mark outlined that the DTB shared a responsibility to engage with the resource but that at times, this could involve pushing back on questions that were nothing more than interest-level. Graham added that the club's high level of fan engagement was also a USP that ensured fans could be relied upon at times of need. Alastair suggested the idea of a FAQ page, which Joe supported, with a preference for it existing on the DTB website.
- Tom highlighted how hard club staff had been working recently.

Joe and Tom left the meeting.

Actions: DTB to agree position on naming rights proposal. Joe to confirm whether Matchday Digital Ltd presented any price discovery research on the programme. Tom to discuss what background checks that volunteers would need to complete before taking payments on behalf of the club. Tom to provide update on merchandise sales. Hannah to provide Joe with suggested amendments to the club's website. Mark to provide update on WiSH project at SGM and to work with Joe to return comments on the Heads of Terms to John Lynch, with a view to proposing this at the AGM. Mark added an agenda item for next month to discuss how the FAQ could work.

PART 2 – DTB & SECRETARIAT ONLY

3. Minutes

- Mark asked for views on what should be published on the recent governance meetings. Graeme, Graham, Jane, Anna and Hannah all agreed that the DTB should publish wherever possible and recalled no sensitivities. Jane volunteered to review the minutes, with DTB members' comments requested before the weekend.

4. Membership Paper

- Discussion on this item was deferred in lieu of other items.

Actions: Mark to find time for Anna to present at next meeting.

5. 2020 Election Rules

- Jane noted that paragraph 17 could put people off standing if there was any inference that they would need to spend money on campaigning electronically. Jane went on to object to paragraph 18 which could see candidates use distribution lists other than the membership list (explicitly proscribed) which were not intended for electioneering, to campaign. On the former, Mark suggested setting a hard limit if there was an issue with spending money but pointed out that the Election Steering Group would not be in a position to audit this anyway. Alastair suggested that a trust exercise was run with candidates having to declare expenditure over a certain amount and Jane said that she was happy with this.
- Jane raised a point on paragraph 20 where use of social media not in control of the club was encouraged. Jane suggested that some groups could promote candidates on their own social media. Mark highlighted that it would be difficult to legislate for external groups

not to do this. Mark suggested adding language that would suggest that external organs not delivering equal access would not be favoured by the club or DTB if it made approaches for media privileges or content in the future. Graeme made clear his concerns on overreach and stressed the importance of approaching the subject from a legal point of view.

- All agreed that the rules could be finalised subject to the feedback being passed on to the Election Steering Group.
- Mark noted that it was the Secretary's responsibility to liaise with the Election Steering Group but that, in David's absence, he would step in temporarily. Edward promised to assist if the work become burdensome.

Actions: Mark to pass on Jane's feedback to Alex Folkes

6. 2020 Board Priorities

- Mark listed a number of items that had been under-addressed in 2020 or had not really worked, the main items being strategy, governance and Milton Keynes mediation.
- Hannah proposed also adding work on volunteering roles at the new stadium, where there were questions outstanding.
- Mark to develop some quick wins for reform on governance proposals.
- Alastair said that a group had been formed to implement next steps on a strategy reform before asking for help getting the necessary stakeholders together; Hannah and Graham volunteered to help.
- Mark raised the subject of the constitution. Tim noted that work had been put on pause until agreement on the future club structure had been made. Mark asked Tim to produce a one-page summary on what work needed to be completed in 2020 and what could be done in 2021.
- Mark raised the subject of the Volunteer Liaison Officer (VLO). Jane noted she was the rep for her two working groups on the matchday leads meeting that the VLO organised. The last meeting had been , last season. Luke added that he had attended a meeting with Joe, Xavier Wiggins and Lee Willett about launching a volunteering scheme linked to the DLAG.

Actions: Jane, Edward and Graeme to produce details on suggested governance proposals. Tim to produce one-page summaries of outstanding work on constitution in 2020 and 2021. Jane to contact Rick Thomas (VLO) and ensure one coordinated meeting.

7. AOB

There was a discussion on the sale of the naming rights to the stadium.

Michele noted that the new DT+ option for membership together with new members had yielded an additional income of £27k between July and September

Actions: Mark to follow-up with Joe on the naming rights on the stadium.

The meeting concluded at 11.48pm.