

Being an effective club board member



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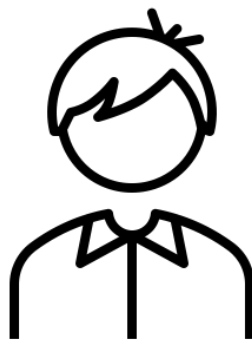
Welcome & introductions



My name is.....

I'm here representing...

The football match I'll always remember is...!



Welcome & introduction



Project Timeline



December 2019
Fans Matter!
selected for
Erasmus+ funding



February 2020
Fans Matter!
launches in Brussels



May-June 2021
Delivery of 'Train the
Trainers' workshops
at European level



June - October 2021
Delivery of
workshops at the
national level



November 2021 -
April 2022
Exchange visits



April - May 2022
Announcement of
action plans in cooperation
between fans and national
associations

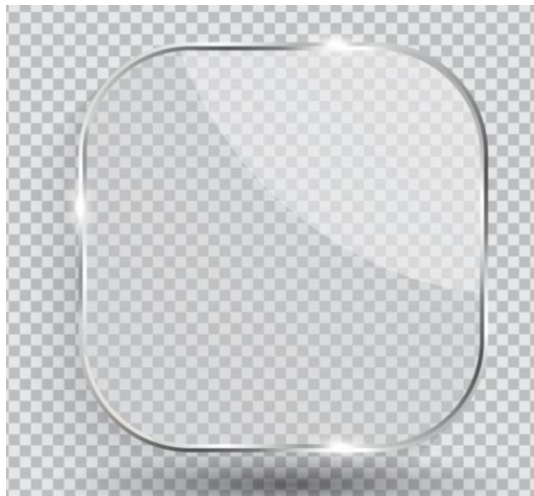
Welcome & introduction – group commitments



- Chatham house rules
- Try to stick to time with activities
- Respect opinions - let everyone be heard
- Try to stay present - use breaks to use phones, use your handbook to make notes but try not to jump ahead to the next topic!

Anything else?

Why this topic – What it means to me



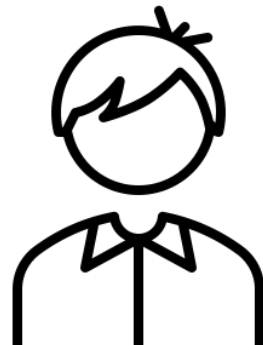
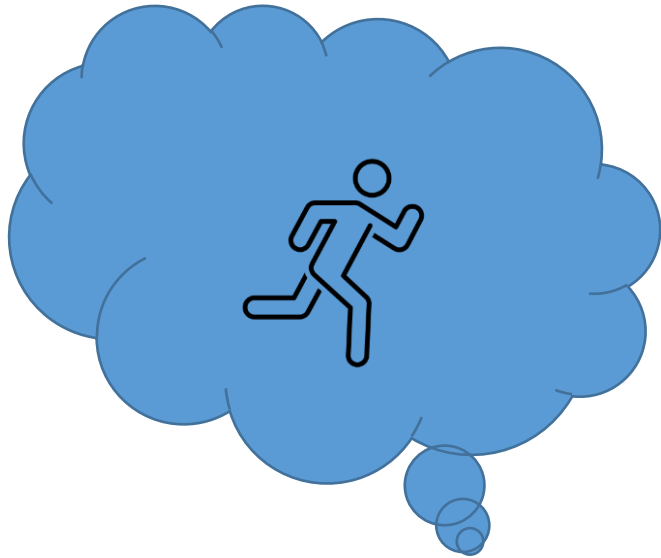
What we'll cover today



- Key purpose & functions of the board
- People
- Strategy
- Decision making
- Common board problems
- Finance
- Managing risk
- Competitive advantage
- Better board meetings

- The role of the board
- Statutory responsibilities
- Fiduciary duties
- Collective responsibility
- Members rights
- Professional advice

People – Activity: The dream board



People - options to help get you there



- Clear & fair election process
- A robust election policy
- Election management group and/or independent scrutineer
- Skills audit
- Co-option for specialisms
- Co-option for representation
- Use of sub-groups as a talent feeder
- Network analysis
- Independence
- Diversity

Strategy – key terminology



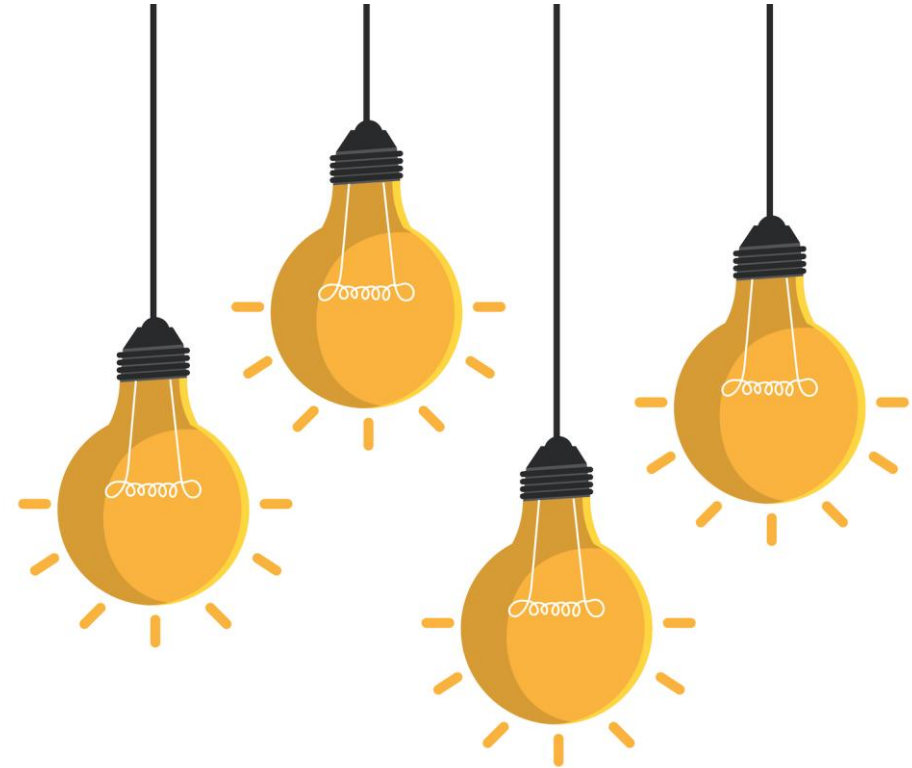
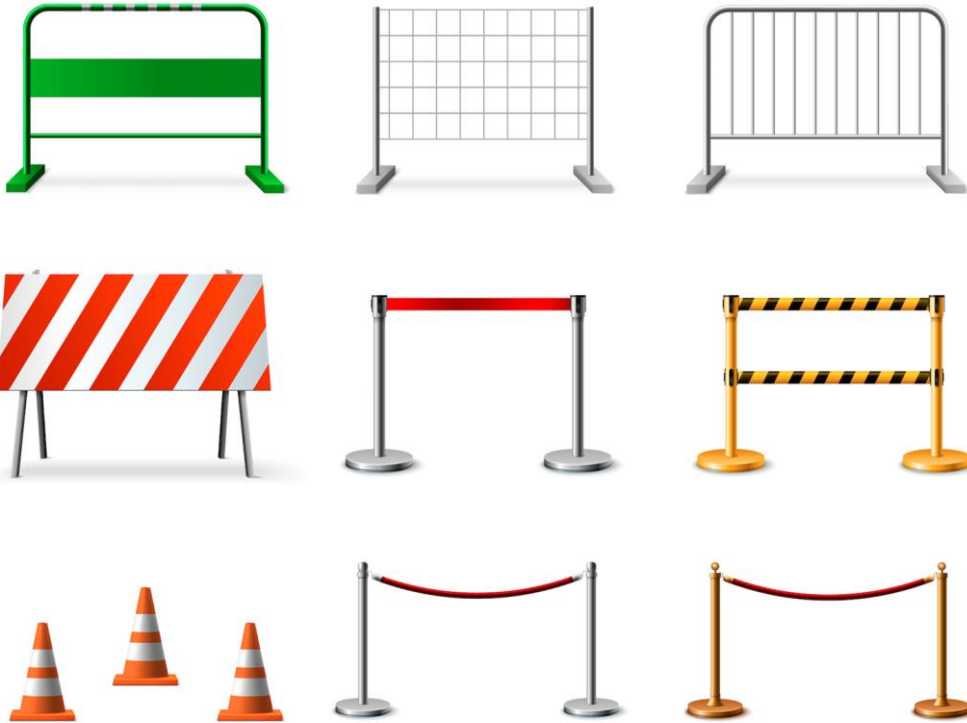
- **Vision:** the world we'd like to see
- **Purpose:** the reason you exist
- **Mission:** how you will get there
- **Aims or Goals:** quantified ambitions to realise the vision and mission
- **Objectives:** targeted and measurable intentions to fulfil our aims/goals
- **Values:** describe our core ethics and principles

Strategy - How to revisit or create your vision & objectives



- Identifying what already exists
- Who can you learn from?
- Consultation
 - Surveys
 - Focus groups
 - workshops

Strategy – Activity: Don't stop me now



Strategy – Activity: Don't stop me now



Action plan

Area	Objective	Where are we now?	Priority 1 - 10	When do we hope to achieve this objective?	What are the main barriers?	What are the solutions?	Owner	Review date
Vision & mission	To have a clear aspirational vision for the future, with clear objectives of how to reach that goal.	Meeting, but needs refreshing	7	Aug 21	Finding the time for proper consultation of supporters & stakeholders	Co-ordinate with match-day Use survey monkey Ask the local newspaper to help	BB	Apr 21
Workforce roles & responsibilities	To have clear roles and responsibilities for our workforce.	Not meeting	10					
Workforce Capability	To have sufficient staff / volunteers and financial resources to deliver current needs and future plans.							
Safeguarding	To have a fully embedded fit for purpose safeguarding system in place.							
Equality & Inclusion	To have appropriate policies, plans and processes in place to actively promote inclusion and equality and challenge discrimination and							

Strategy – how are you being judged



13	–	Milton Keynes Dons	46	18	11	17	64	62	2	65	W	W	W	D	L
14	–	Doncaster Rovers	46	19	7	20	63	67	-4	64	L	D	W	L	L
15	–	Fleetwood Town	46	16	12	18	49	46	3	60	L	W	L	D	L
16	–	Burton Albion	46	15	12	19	61	73	-12	57	L	D	W	D	L
17	–	Shrewsbury Town	46	13	15	18	50	57	-7	54	W	L	L	D	L
18	–	Plymouth Argyle	46	14	11	21	53	80	-27	53	D	L	L	L	L
19	–	AFC Wimbledon	46	12	15	19	54	70	-16	51	W	D	D	L	D
20	–	Wigan Athletic	46	13	9	24	54	77	-23	48	W	W	D	L	L
21	–	Rochdale	46	11	14	21	61	78	-17	47	W	D	D	L	W
22	–	Northampton Town	46	11	12	23	41	67	-26	45	L	W	D	L	D
23	–	Swindon Town	46	13	4	29	55	89	-34	43	L	W	L	L	W



Our vision statement remains:

‘To be an outstanding community club playing football at the highest sustainable level’



- Growing a Trust ownership model which underpins all aspects of the Vision
- Sporting excellence
- Developing homegrown academy talent
- Actively engaging with our members, supporters and the wider community
- Delivering viable financial performance within an integrated business strategy
- Developing first-class enabling capabilities: people, premises, pitches, pride

Our Committees

Clapton Community Football Club is not just owned by the fans, it is 100% run by the fans. It has no paid staff or players.

Everything about us exists due to the passion, skill and love of the people singing beside you in the stands.

Members team up into committees, to run the different aspects of the club and get stuff done. There are 14 committees, and being involved allows you to learn new skills, lead projects and work with people who share your values.

Ideally, every member would play an active part in running the club, so join us and help shape the Tons' third season.

General Organising Committee

+

Matchday

+

Decision making – Activity: Tackling the hot topics



**Setting the
playing budget**

**Significant
investment in a
new or existing
facility**

**Changing the club
badge**

**Deciding whether
to support a
national boycott**

**Whether to
discipline a board
member**

**Introduce pay
parity for the
women's team**

Decision making – where to seek help

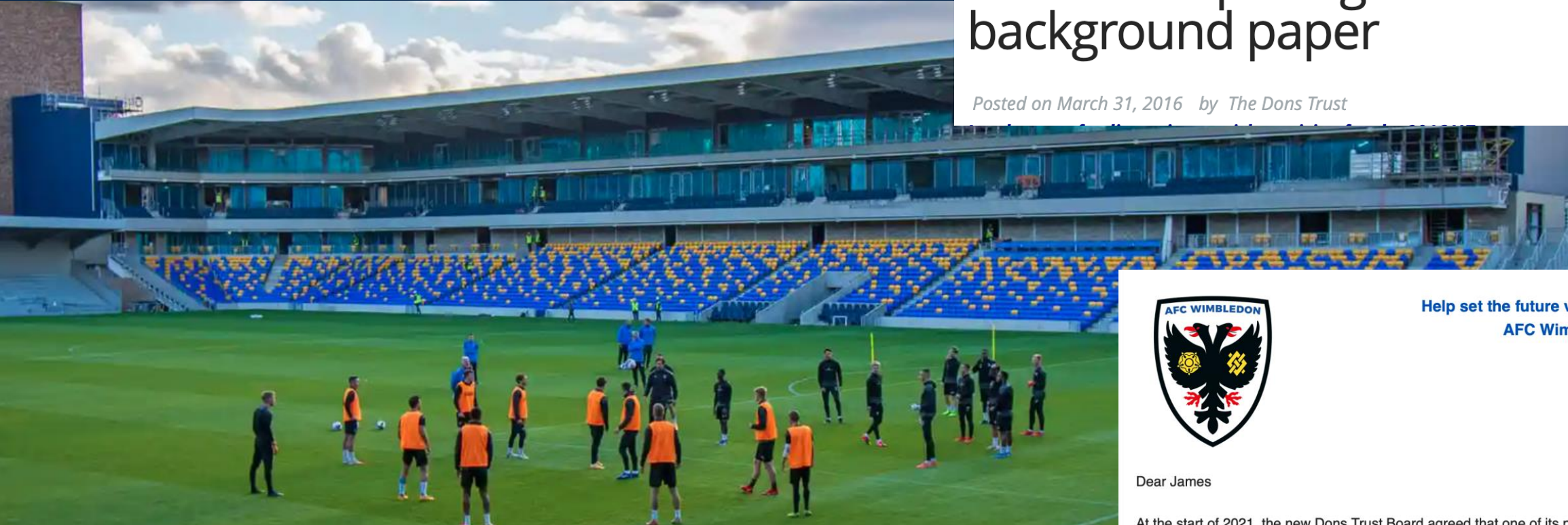
Tools & tips to aid (big) decision making

- Policies & procedures
- Rule changes
- Commitments
- Feasibility studies
- Independent reviews

Decision making – consultation case study: AFC Wimbledon

SGM ticket pricing discussion – background paper

Posted on March 31, 2016 by The Dons Trust



Members were asked to rank the scenarios in order of preference, and the results allowed the DT's survey team (under NEF guidance) to extract the key priorities in order. The headline results were that the two most important priorities for DT members were to **remain a fans-owned club** and to look to **move back to Wimbledon**.



Help set the future vision of
AFC Wimbledon.

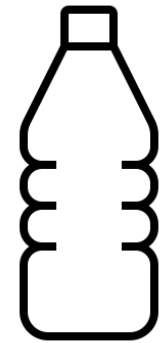
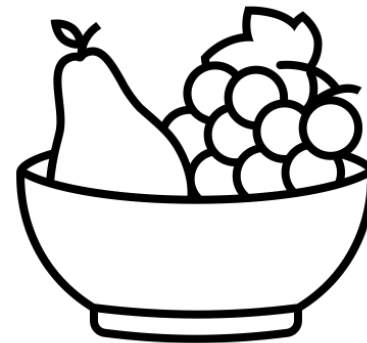
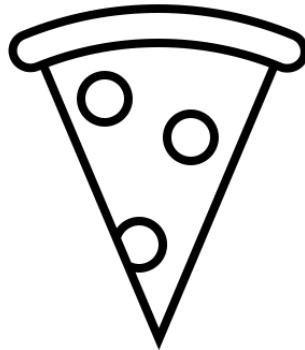
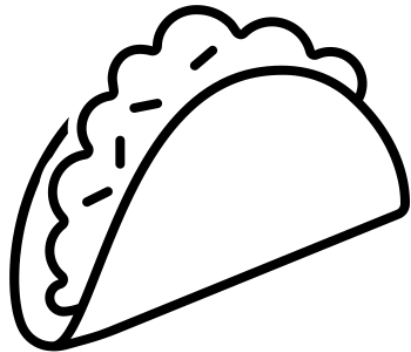
Dear James

At the start of 2021, the new Dons Trust Board agreed that one of its priorities was to review AFC Wimbledon's strategy, and set the future vision for the Trust and Club.

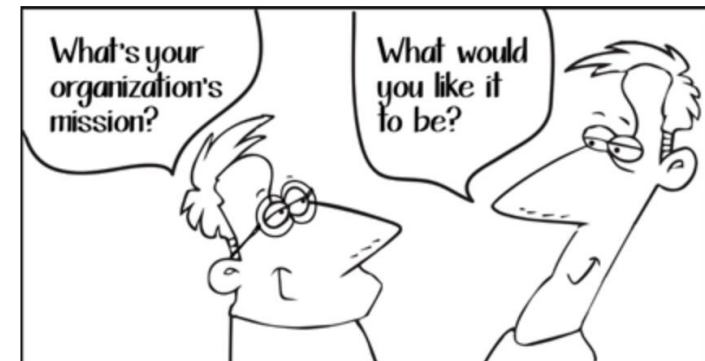
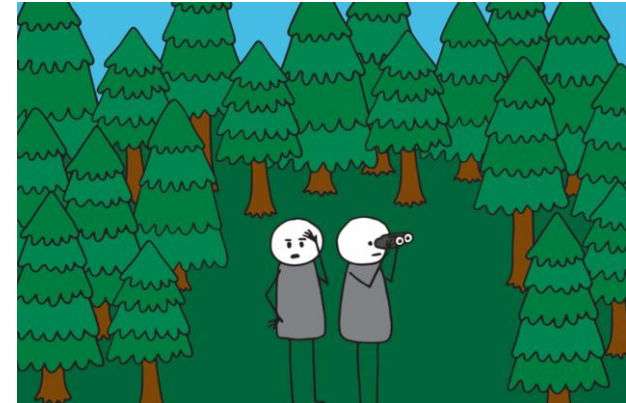
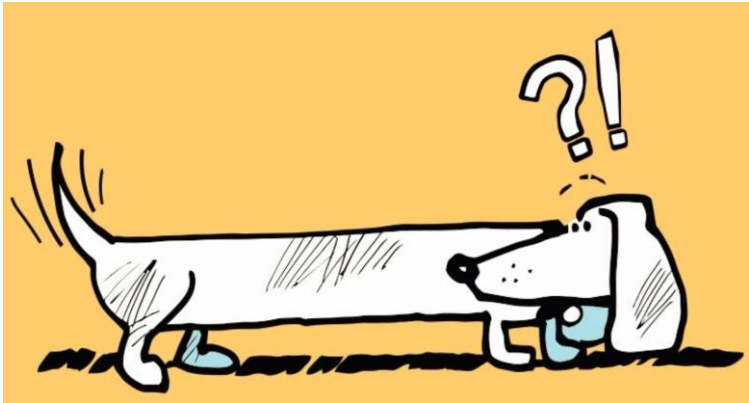
It is vital that through this process the owners of the club (our Trust members) help set the strategy, which will then allow our CEO (Joe Palmer) and boards to create, refine and meet objectives in line with the direction we set together.

This short survey is the first in a series of surveys we will be asking Dons Trust members and fans to complete in the coming months. It covers fan ownership, football ambition, funding options and club priorities for the next 5-10 years.

Lunch – Take a break!
See you back in 50 mins



When things go wrong – Activity: Say what you see



Finance – what's expected of the board



Actions	When
Review of budget	Annually before financial year starts
Review of management accounts	Monthly or quarterly
Review of statutory accounts	Annually, before statutory accounts are submitted
Review of internal controls	Annually, at any point
Ensure documents submitted	Annually

Finance – refresher on the terminology



Item	What used for
Budget	<ul style="list-style-type: none">➤ set before the start of the year➤ an estimate of expected income and expense for the year ahead➤ used to plan for the year ahead
Profit and Loss Account	<ul style="list-style-type: none">➤ measures your club's performance over a given period of time➤ typically compared against the budget set at the beginning of the year.
Cash flow forecasts	<ul style="list-style-type: none">➤ Predicts when money will be received and paid out over a given period➤ Enables you to predict peaks and troughs in your cash balance➤ Tells you how much available cash you're likely to have at a given time
Balance sheet	<ul style="list-style-type: none">➤ A snapshot of your club's assets (what you own or are owed) and your liabilities (what you owe) on a particular day.➤ Will show how much money you would be left with if you sold all your assets & paid all your debts

Finance – how to make a contribution



Item	Key Questions
Budget	<ul style="list-style-type: none">➤ How does it compare to the actual figures of the previous year?➤ What are any differences down to?➤ For any new income or expenditure, what are the underlying assumptions, and are they realistic?
Profit and Loss Account	<ul style="list-style-type: none">➤ What are the main changes year to year? Why?➤ Is there anything obvious missing or anything that looks wrong?
Cash flow forecasts	<ul style="list-style-type: none">➤ How does the cash flow for the next 12 months look?➤ Are there any potential shortfalls e.g. in the off season?➤ Can the club pay its debts as they fall due for payment?
Balance sheet	<ul style="list-style-type: none">➤ Are our total assets more than our total liabilities?➤ What is the overall financial health of the club?➤ Are our current assets more than our current liabilities?➤ Can the club pay its debts as they fall due?

What does this mean?

Solvency means that a club is:

- Able to pay its debts when they come due
- Able to continue in business

Solvency tests

Two of the key tests for solvency are:

- Cash Flow test – do you have the money to meet your commitments as they fall due? Can you pay the people you owe money to?
- Asset test – does what you own match what you owe? This requires realistic valuation of your assets

The law will:

- expect club directors to be proactive
- Not make contracts that Directors know the club may not be able to meet (wrongful trading)

Directors could be personally liable for club debts if they allow the club to trade while it is (or is likely to become) insolvent.

Finance – internal controls



Type	Example
Physical	<ul style="list-style-type: none">➤ Storing unbanked cash in a secure location such as a safe.
Authorisation & approval limits	<ul style="list-style-type: none">➤ Having a bank account which requires two independent signatories for payments➤ Payments above a certain limit (eg. £5,000) require three signatories.
Segregation of duties	<ul style="list-style-type: none">➤ The person who collects and records cash income from players is different from the person who checks it.➤ If cash payments are made by one person, then a different person reviews them.
Arithmetic and accounting	<ul style="list-style-type: none">➤ An appropriate accounting system is used, which enables reconciliations.➤ Bar receipts are cashed up daily.
Management controls	<ul style="list-style-type: none">➤ Set up a budget and monitor it for differences.➤ Directors receive and discuss financial information regularly.➤ Prepare annual accounts, have them reviewed independently of the person responsible for finance, make them available to members.

Finance – implementing internal controls



1. Review the types of assets, income and expenditure in the club.
2. Assess the risks related to each one. For example:
 - Assets: Cash could be stolen.
 - Income: Member subs could be collected and forgotten about, then lost.
 - Expenditure: A payment for pitch hire could be made for the wrong amount and nobody notices.
3. Assess and document controls which would mitigate these risks.
4. Communicate the controls with relevant staff.
5. Review at least annually.

Managing risk – the risk register



RISK DESCRIPTION	IMPACT DESCRIPTION	IMPACT LEVEL	PROBABILITY LEVEL	PRIORITY LEVEL	MITIGATION NOTES	OWNER
Give a brief summary of the risk.	What will happen if the risk is not mitigated or eliminated?	Rate 1 (LOW) to 5 (HIGH)	Rate 1 (LOW) to 5 (HIGH)	(IMPACT X PROBABILITY) Address the highest first.	What can be done to lower or eliminate the impact or probability?	Who's responsible?
Relegation for the senior mens team	Income will reduce - less central funding, matchday revenue etc Best players might leave Board will take more criticism Demotivating for volunteers....	5	2	10	Build up cash reserves to 10% turnover. Reinforce to players the benefits that you can bring to help their development. Ensure regular communication with supporters and volunteers continues	Chair/Manager
Main sponsor pulls out	Significant income deficit, resulting in a reduced budget for the season, capital projects on hold. Damaging to profile of the club, which could put other sponsors/partners at risk	3	3	9	Good relationship management, to ensure the sponsor is happy or at least gives adequate notice if their circumstances change. Ensure adequate reserves & cashflow forecasts are reviewed regularly by the board with expenditure cut if necessary Have alternative options identified e.g. replacement main sponsors, smaller lottery approach, charity partner etc	Commercial Director

RISK REGISTER SCALE

	5	5	10	15	20	25
5	5	10	15	20	25	
4	4	8	12	16	20	
3	3	6	9	12	15	
2	2	4	6	8	10	
1	1	2	3	4	5	
	1	2	3	4	5	

IMPACT

Managing risk - Activity



The lease for the stadium pitch runs out in 2 years time

Someone stealing the bar takings on matchday

The Manager leaving

A data breach with members info being hacked

A lack of new board members stepping forward

Games are postponed due to bad weather

Competitive advantage – Activity: Using your competitive advantage



Your club wants
to build a new
ground

Your club wants
to expand their
community
programme

Your club wants
to increase its
revenue

Better board meetings – Activity

Marvellous meetings



Meetings get dominated by operational matters

Meetings overrun

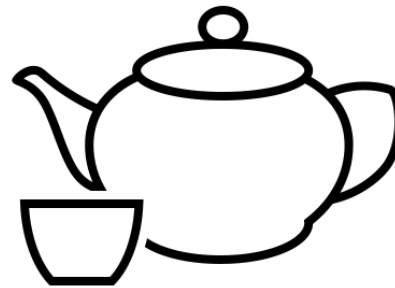
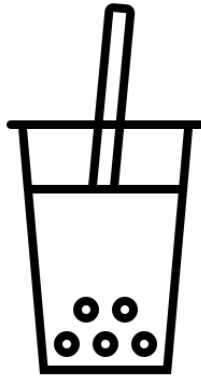
A new board member appears out of their depth

Nothing gets decided

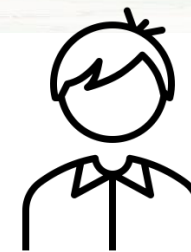
One person dominates discussion

Email exchanges between meetings get out of hand

Break – Grab a drink
Lets start back in 15 mins



Being an effective board member recap – Activity: BINGO!



BINGO!			
Turning up on time	Reviewing the budget		

Wrap up



- Materials to support today
- How we'll keep the conversations going
- Feedback
- Thank you!

See you at



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