

# **Newport County AFC Supporters' Trust Open Meeting**

## **Frequently Asked Questions**

Please find below several FAQs that will hopefully answer many of the questions you may have.

### **OWNERSHIP MODEL**

#### **What did the supporter survey tell us?**

In headline terms:

- That communication and having a say, along with supporting the club financially, are the highest priorities for Trust members
- Of 474 respondents paying £10 or less a year, approximately 75% of you could increase this
- Free prize draws and discounts aren't crucial to you
- The club needs investment for us to be sustainable

#### **Why has it taken so long to share the outcome?**

While the results are relatively simple in terms of what they relay, they need to be set in context with a clear view of how they will now inform the next steps. This takes time and needs to be considered carefully.

#### **Where can I find the detailed results?**

The material will be posted on the Trust website.

#### **What will the survey results be used for?**

The results now provide the Trust Board with a mandate to investigate how the future ownership model could shape. The information from this work will be shared with the members for debate and ultimately a decision.

#### **What is the process of changing the ownership model?**

The Trust has adopted the model rules for a community-owned sports club and these will guide us through any change process. Ultimately, any change in the model will need to be decided by the members through a vote.

#### **What is a hybrid model?**

In its simplistic form, this is where the ownership is shared between parties.

### **What would a hybrid model look like for Newport County AFC?**

This is what needs to be explored now we have a mandate. The detail will be shared with members once this is known and it will be for them to decide if a change to the current model is what they would like to see.

### **What ownership share would be offered to potential investors under a hybrid model?**

Again, this is for the members to decide. It also needs to be considered whether such a model is attractive enough to interest other parties. It is why the process needs to be considered carefully to ensure any change is the correct one for all parties.

### **Under a hybrid model how many investors would be needed?**

This is an unknown factor today and again it will be a decision for the owners. Information will be gathered throughout the process and form part of a package that will be shared with the owners to allow a decision.

### **In addition, under a hybrid model what would any Trust Board look like?**

This will need to be considered but it is likely the constitution of the Trust Board will be similar to its current form.

### **What would be the governance for a hybrid model?**

This is likely to be agreed as part of any hybrid model although it is likely to be similar to current governance.

### **How would a hybrid model prevent the club from incurring debt?**

Any decision on future borrowing, or indeed any financial decision, will be the responsibility of the Board at that time.

### **Have hybrid models worked elsewhere?**

While this has changed of late, the most notable one is at Swansea City and we intend to engage with them as part of this process.

### **Do the Board think potential investors will be attracted under a hybrid model?**

It is a difficult one to answer as there are many factors to consider. On the one hand you could ask why they would want to invest, but on the other they may have a love for the club and be willing to do so. It is important in any event that Trust members continue to support the Club financially. Firstly, because the Club is dependent upon it but, secondly, it shows

potential investors there is an existing responsible owner willing to provide financial support.

**Are the Board currently engaging any potential investors?**

No, we are not speaking directly to anyone but now we have the mandate we will be looking to do so.

**Who makes any decision on what model is to be adopted?**

Ultimately, the Trust members will make the decision. The Trust will provide the information to facilitate a decision.

**What are the timeframes for any proposed changes?**

We have outlined a timetable in the material. Any vote will not occur until after the end of this season. There will be a series of activities up until that point. We are trying to minimise the impact on the field by planning to have a vote in the close season.

**In any future ownership model would supporters still own part of the club?**

Again, that is for Trust members to decide but given the feedback to date the answer is likely to be yes.

**Why don't the Board recommend the club is sold?**

While the Board can recommend a course of action, it is a decision for the members. The survey has suggested that a hybrid model is the favoured model, and this will now be investigated further.

**What is the recommendation of the Board to its members?**

The Board intends to make a recommendation to its members when it has all the information available. It will then be for the members to decide. It will now work to engage relevant stakeholders and package up all the information to allow a decision to be made, in line with the timetable.

**Why are we even discussing the ownership model?**

As outlined at the May open meeting, the contribution by the owners (Trust members) does not reflect the shareholding and thus to create a financially sustainable club requires a debate on the current ownership model.

**To remain under the current model what would the owners need to do?**

Ultimately, any change from the current model is the decision of the owners so if they don't agree with any change being proposed they can vote accordingly.

Whatever the model the club needs its supporters to continue to provide financial assistance.

### **What is the current split of shareholding?**

The current shareholding position is as follows:

- Supporters Trust 78.8%
- M Southall 4.9%
- S Salter 2.1%
- W S Brown 1.9%
- Other 12.3%

### **How much is the club worth?**

This is an interesting question as in effect we are in an unusual situation where the club has very little debt (Les Scadding money aside) and yet it does not have any tangible assets. However, being in the Football League could be considered an asset. So, in terms of putting a value on it is a difficult challenge.

### **Advice**

#### **Has the Trust taken any advice on the ownership model?**

There has been dialogue with several different entities, from other clubs to Supporters Direct. This dialogue is expected to continue throughout the process.

There may well also be a need to engage specialist external advice as we progress through the process.

### **General**

#### **What is the Trust doing to increase revenue streams?**

There has been a lot of hard work to try and increase the revenue streams away from the match day.

These are:

- **Bar Amber @ the Ivy Bush:** This is a much-welcomed revenue stream near the ground where supporters can enjoy a drink with all profits coming back to the Club.
- **Club Shop in Kingsway:** Having a shop in the centre that is open all week has proved a great addition, as it is attracting increased footfall due to its location.
- **Easy Fundraising:** FREE donations to Supporters' Trust for online purchases from 3,300 retailers. This is a supporter-led initiative.

- **Proposed New Trust Membership:** This is being undertaken to increase the revenue and make the membership a little easier to understand.
- **County Lottery Re-launch:** The prize fund has been reconfigured to increase the contribution to the Club.
- **Clwb Spytty:** Replaces Junior Trust Membership with a small membership fee.

### **What does the new membership scheme look like?**

There is a separate factsheet outlining the detail but in essence it is trying to simplify it for members while at the same time increasing the revenue for the club.

### **When will it be implemented?**

It will be effective from 1<sup>st</sup> November 2018 for new members and as memberships renew for existing members the intention will be for those to move across on to the Bronze package as a minimum.

### **I want to change to the new membership now. Can I do that?**

Yes, and you are strongly encouraged to do so as it provides increased revenue for the club.

### **What is the likely revenue target the new membership will attract?**

If all the members renew today and move to the Bronze package minimum, then that would provide an income of £100k. This is against a contribution of £32k at present. So, a significant increase.

### **Why bother changing the membership if there is to be a vote on the ownership model?**

The membership needed a review to simplify it in several areas.

The new membership also increases the revenue for the Club today.

### **What are the Board doing to improve communication?**

The Board has recognised and listened to feedback from members in this area. Those that purchase match day programmes will have read a new Trust feature. The redacted board meetings notes are now a firm monthly feature. In addition, and as part of the new membership, we intend to have a regular monthly communication issued to Trust members first.

### **Have the club parted company with the Commercial Manager and who is now handling?**

The Club has parted company with the Commercial Manager. The duties are being covered by Guy Price (COO) and the Directors. This will continue for the foreseeable future.

**Who do I now contact to book hospitality?**

Best way is to email the commercial email box which is [commercial@newport-county.co.uk](mailto:commercial@newport-county.co.uk)  
The team will then come back to you. This is a great way to support the club and enjoy a different experience.

**Are the office staff moving to new offices?**

They will be moving to offices in Langstone from 1<sup>st</sup> October. It is important that they have a comfortable environment. While the offices at Spytty have served us well, the new offices are more appropriate for a professional football club.

There will be a separate communication on this matter.