**EXPERT WORKING GROUP PROGRESS REPORT - February 2017**

**Government reports good progress with implementing the recommendations of the Expert Working Group on football supporter ownership and engagement.**

A year on from the publication of the [report of the Government Expert Working Group on Football Supporter Ownership and Engagement](https://www.gov.uk/government/publications/government-expert-working-group-on-football-supporter-ownership-and-engagement) the football authorities in this country, supporter representative groups and government have been working hard to implement its recommendations.  Below is a summary of the achievements made so far.

**Structured dialogue/engagement with supporters**

The recommendation that club leaders (owners/senior executives) from every one of the 92 professional clubs meet with a representative group of supporters (including the Supporters’ Trust) from their club at least twice a season has been agreed by the Premier League and English Football League (EFL), with those meetings taking place from this 2016/17 season.

The EFL has codified this as a requirement in their Rulebook and has issued a guidance note to its clubs on how these meetings should work, including suggestions on information that should be provided by clubs to supporters to inform those discussions. The EFL will be asking clubs to confirm how they complied with the new regulations at the season’s end.

The Premier League has also updated its Rulebook to confirm that their clubs should engage in regular and structured dialogue with fans, conducted at an appropriately senior level. The League will also request feedback from its clubs at the end of this current season and consider issuing “best practice” guidance to their clubs as to the interpretation and implementation of the revised Rules if necessary.

Some good examples where club leader/supporter engagement is improving include at Stoke City FC, where the established supporters Council meets about four times per season as a full Council, with smaller groups established to look at specific topics. The Chief Executive attends all meetings. The minutes are placed on the club website.

Similarly, at Doncaster Rovers FC, where following the Expert Working Group’s recommendation, the supporters group has now evolved to become the Supporters Board. Representatives from all sections of the supporter base (including the Supporters’ Trust) now attend once a month with the Chief Executive chairing the meeting, accompanied by senior staff members. Supporter representatives now cover a broader base than before, including more women, disabled and young members. The minutes of these meetings are also published on the club’s website.

At Fulham FC, the Fulham Supporters' Trust sends a delegation from the Trust Board to a monthly meeting with the Chief Executive (and other club officials as appropriate). The club recognises the suitability of the Trust for structured dialogue with the clubs supporters, with the Trust able to raise any items of significance and the notes published and widely distributed. This structured relationship has greatly increased communication and trust between the club and Fulham supporters.<http://fulhamsupporterstrust.com/>

While we have pointed to examples of positive steps taken by many clubs, the Government is aware that there are still examples where dialogue between clubs and fans is a significant challenge to overcome.  We therefore urge owners, clubs and fan groups to work together, pointing to the examples of how strong relationships off the field can support results on it.

With regards to clubs and fans in the National League, Supporters Direct is working to implement structured dialogue at a local level. The Football Supporters Federation has also recently employed ex-FC United of Manchester Chief Executive Officer, Andy Walsh as National Game Officer to coordinate fan activity and engagement outside the Premier League and EFL.

**Structured dialogue between fans and the football authorities**

In relation to improving dialogue between the football authorities and supporters, the first meeting between the Premier League and supporter representatives from its 20 clubs took place on the 21st July 2016.  Matters covered included the Expert Working Group report, ticket prices, the implications from TV match scheduling on fixture changes, the all-seated policy, the role of the Independent Football Ombudsman, Premier League team's participation in the EFL Trophy and the prospect of clubs paying the Living Wage. For further detail on this please see <http://www.fsf.org.uk/assets/Downloads/Misc/2016/structured-dialogue/20160721-Supporters-Meeting-Minutes.pdf>.

The Premier League has subsequently committed to bi-annual meetings with all club representatives present; between those sessions sub-groups will be organised to look at issues in greater detail.

The EFL held their first meeting with the Football Supporters Federation, Supporters Direct and 9 fan representatives from EFL clubs on the 2nd November 2016. The topics under discussion included supporter engagement between owners and clubs, the football all-seated policy, the Whole Game Solution, home grown players, club relations and away fans. The minutes from that meeting are available here<http://www.fsf.org.uk/assets/Downloads/News/2016/EFL-Supporter-Engagement-Meeting-FINAL.pdf>, with further meetings being planned.

Collectively, the football authorities have in place regulations relating to ground changes and name changes and have agreed to keep these regulations under constant review.  It is agreed that the new supporter engagement sessions provide the right opportunity for such matters to be discussed with supporters.

The football authorities also keep the Owners and Directors Test under constant review and will take into account any feedback received from supporter groups to ensure it achieves its intended purpose.

The FA’s Professional Game Board has agreed to receive a joint presentation from Supporters Direct and the Football Supporters Federation once per year that will detail current fan concerns. This is a similar arrangement to the input that other stakeholders such as the League Manager’s Association has.  The FA will further review its engagement with supporter representatives as part of its overall governance review, and in line with the new code of good governance published by Sport England and UK Sport on the 31 October 2016.

**Supporters on club boards**

Supporter Direct will shortly publish guidance on the role that supporters can play on club boards.

**Insolvency and assistance to supporters’ trusts to bid for club ownership**

During the course of the group’s deliberations, and having taken into account its discussions on the matter, The EFL amended its Insolvency Policy to ensure that in the event of any of its clubs falling into insolvency that the insolvency practitioner assigned will be required to meet with that club's supporters’ trust, and the trust given the opportunity to bid for the club.  The FA and EFL have met with R3: The Association of Business Recovery Professionals, to discuss developing best practice guidance for the insolvency profession.

The Premier League is also supportive of the recommendation to ensure trusts are consulted if there is an insolvency event, but with the financial regulations it has in place effectively preventing any of its clubs falling into this predicament, it is not minded to specifically alter its Rulebook at this stage.  These regulations continue to be adapted to reduce the risk of insolvency events occurring in the Premier League.

The FA has introduced new licensing requirements from the start of the 2016/17 season for clubs at Steps 1 to 4 (i.e. those from the Football Conference Premier Division through to clubs in the Isthmian League North and South) of the National League. The aim is to build on existing requirements and promote sustainability in clubs at this level of the game. The respective League of which a club is a member issues the licences. Each club is required to hold a licence in order to be a member of a competition in those steps. The licence criteria cover the areas of legal; ownership and control; integrity; finance; and grounds and security of tenure.

In the event of an insolvency, or more preferably, should the owners of any football club give consent to sell the club to its supporters, then the supporters’ trust of clubs from the Premier League, the EFL and the National League can apply, via Supporters Direct, to the Fans Fund Panel for help with professional fees needed to put together a credible bid. The Fans Fund is administered by the Football Foundation Charity, and receives its funding from the Premier League.

Supporters Direct (SD) and the Football Supporters Federation (FSF) are continuing to build on existing networks to develop the database of suitable professional experts willing to provide pro-bono advice to supporters’ bids.  The database is expected to be in place later in 2017.  It is hoped that the database will also be a useful tool for clubs looking to recruit additional skills and expertise onto club boards.

SD are also continuing to work on a proposal for the FA to consider on giving supporters the first option on reforming the club in the unfortunate event of a club being liquidated.

**Funding for supporter organisations**

The Premier League has confirmed that an extra £1 million in funding will be allocated between 2016-2019, via the Fans Fund (administered at arms-length from the Premier League by the Football Foundation), for organisations that provide a voice for football fans on ownership and other important issues. Organisations that have already benefitted from funding include the FSF, SD, Kick It Out and Level Playing Field. The Fans Fund also awards ‘one-off’ grants to smaller fans’ groups who want to strengthen a relationship with their professional football club. Tranmere Supporters Trust and the Millwall Community Trust are recent recipients of these awards.

**Government to review tax relief schemes**

While the government is keen to explore potential social investment funding models, including in more detail the merits of the Community Owned Sports Club (COSC) proposal as outlined in the Expert Working Group report, the general principle remains that tax relief should predominantly be used to support amateur, non-profit making sports clubs whose primary objective is to facilitate and promote participation in sport.

In relation to Social Investment Tax Relief (SITR), the Chancellor announced in his Autumn Statement that the government is to enlarge the scheme that encourages individuals to support social enterprises and helps them access new sources of finance.  From 6 April 2017, social enterprises aged up to 7 years old can raise up to £1.5 million using SITR.  It is hoped that the enlargement of SITR will encourage further investors in community owned football clubs to make use of the scheme, as FC United of Manchester did in 2014 to raise funds for their new stadia at Broadhurst Park, Moston. The government will undertake a further review of SITR within two years of its enlargement.

Also, as announced at Autumn Statement, the government will be expanding the circumstances in which companies can get Corporation Tax deductions for contributions to grassroots sports from 1 April 2017. See here

[www.gov.uk/government/publications/corporation-tax-deductions-for-contributions-to-grassroots-sport](http://www.gov.uk/government/publications/corporation-tax-deductions-for-contributions-to-grassroots-sport)

The Chancellor further announced in his statement that the Individual Savings Account (ISA) subscription limit increase from £15,240 to £20,000, which was previously announced at Budget 2016 will be effective ‎from 6 April 2017.  While the government is not minded to recommend a specific ISA savings model for football supporters looking to invest in potential ownership bids, football supporters can of course take advantage to save tax free in existing individual ISAs.

**Next steps**

The Minister for Sport, Tracey Crouch MP will be requesting a report from both the football authorities and SD/FSF on the engagement between clubs and their supporters by summer 2017.

The Minister will also continue to receive regular progress being made with implementation of the recommendations in the EWG report, with a further update to appear here later this summer.