



12th September 2016

PST Strategic Plan 2016-2021



Today, Tomorrow, Together

Registered Address

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PST Secretary

Today, Tomorrow, Together

PST Strategic Plan 2016-2021

The core part of PST business is and always will be its significant shareholding in PFC. In the three years and five months since PST became a major shareholder in Portsmouth Football Club; PST investment in the Club, financial year ending 2015 stands at £2,750,000. The recent acquisition of shares was at the existing price and funded by a combination of our direct debit shareholders maturing and the tidying up and subsequent closure of our investment account held by Verisona. The level of investment achieved by members remains an incredible feat, one that is admired not just nationally, but internationally in the world of football. There has been some discussion of a revaluation of PCFC shares and although the PCFC board did carry out a revaluation exercise it is yet to adopt a new valuation and is not likely to do so until such time as it might be required.

PST devoted a considerable amount of time and effort last year [16th January 2014 to 9th March 2015] devising a new 'fit for purpose' constitution and six side policies commensurate with a Society (Trust) with a substantial stake in the ownership of a professional football club. To that end, the PST Board did set up a Governance Working Group to review governance in a democratic and consultative way with the assistance of officers, volunteers and Supporters' Direct. PST formally registered the new constitution and side policies with the Financial Conduct Authority [FCA] on the 9th March 2015; and marked the transition of PST from being a vehicle for purchasing a football club to a major shareholder in PCFC.

Hence, it is anticipated that the new constitution and the new PST Board intake from the 2015 PST Board elections will impact upon the performance of the Trust in a positive way; and will provide a platform for growth and development. Indeed, new Board members will bring new energy and ideas, and we must work hard to encourage and develop the positive recommendations made by the Audit Group 2015; and to incorporate them into the 2016-2021 Strategic Plan.

Indeed, the newly elected PST Board met for the first time on the 12th October 2015 and made clear, subsequent to members motions at the 2015 AGM, what the key projects [strategic priorities] were for 2016 and going forward to 2020. These included, amongst others: (1) Devise and implement a strategy for increasing membership of the Society beyond the current 3,665 members. (2) Consider and then implement the operational recommendations made by the Audit Group 2015. (3) Continue and further develop the work already undertaken by the PST Youth Group (*Next Generations*) to encourage and improve young fans involvement at PST and PCFC. (4) Consider, by way of a report to members, options to fund future capital projects [Academy] and the benefits to PST of re-securing a majority shareholding in PCFC [golden share]; and (5) PST to work with PCFC and Presidents regarding a long-term strategy for the Club [future investment model] development of Fratton Park.

The 2016-2021 Strategic Plan will strive to improve on what has already been achieved by our membership; and will contribute in a significant way to the continued development of the Trust and Portsmouth Community Football Club. We intend to maintain our flagship status across the game by interacting and sharing our views across the National game. PST acknowledges that the strategy is ambitious, but it does, nevertheless, draw on our strengths and responds to what we know about the changing shape of football and the challenges facing supporter owned football clubs. The reward will be a PST and a football club that answers to the needs of its community; locally, nationally and internationally.



Ashley Brown
PST Chairman

Our Mission

FAIR PLAY, THE NEW POMPEY WAY

We promised seven core values and a change in how the Club operates:

- The club will aspire to play at the highest level of competition possible;
- The club will represent the City and the wider Pompey community with pride;
- Our supporters are the club. They will feel valued;
- The club will operate in an open and transparent way;
- The club will operate on sound financial principles;
- The club will be an active and integral member of the community;
- The Club believes in fair play on and off the pitch.

Our Vision

MEMBER CONTROL AND ACCOUNTABILITY

To evolve Pompey Supporters Trust (PST) to become the ideal ownership vehicle for the Club, because it is owned by its members, with membership open to all supporters of the Club. The majority of the PST Board are elected by the membership and all are accountable to the members. In turn the PST Board will hold the Club Board to account to ensure the smooth running of the operational side of the Club. Appointments to the Club Board will be ratified by the PST Board, and the 3 PST Club Directors are in attendance at every Club Board meeting to represent member's interests.



A FAIR DEAL FOR INVESTORS AND PARTNERS

In the initial period over 2,000 supporters paid a deposit of £100; and then subsequently converted those deposits into a minimum share purchase of £1,000. This incredible support raised over £2 million and helped rescue the Club. The shares in PST are now sufficient to hold a 48% share for supporters in Portsmouth Football Club; and we have recognised the individuals that purchased shares by introducing benefits at the Club. In addition, and in the interests of fairness, individuals who have committed financially by buying shares will be able to vote. PST is the principal shareholder in Portsmouth Football Club, but this principal shareholding is dependent on the total amount raised [purchasing community shares] by Pompey supporters, through PST; and must exceed the investment by the Presidents if PST is to re-secure a majority shareholding in PCFC.

PRESIDENTS

To enable ownership to be in the hands of the supporters we rely on the financial support of some wealthy Pompey supporters willing to invest in excess of £50,000, known as Presidents. There was a statutory limit of £20,000 that can be held by one individual in Community Shares in PST in 2013; and hence the Presidents had to invest directly into Portsmouth Community Football Club Ltd - the Private Limited Company that holds the membership with the Football Association and The Football League. The Presidents are also signatories to the shareholders agreement which gives them a right to representation on the Club Board.

TRANSPARENCY

The ONE MEMBER ONE VOTE ethos will remain within PST, aside from a few issues which only PST community shareholders who have invested £1,000 or more can vote on to protect their investment. All PST members will be provided with a detailed financial summary ahead of the Club and the PST's AGM and all members will be invited to attend the PST AGM. Throughout the year members will be updated on various items connected with the Club, including how we are performing in relation to the budget authorised by the PST Board.

SPENDING WHAT WE EARN

The benefactor model was ruinous for Portsmouth Football Club, and the health of the game; because we were living beyond our means. Quite simply football clubs cannot continue to spend more money than they generate. Although we had notable highs like the trips to Wembley and the F.A. Cup win in 2008; the accumulated losses we made in the recent ownerships left PCFC in League One; put Fratton Park at risk and tested the goodwill for the Club from the community to its limits. The only way that PCFC can survive in the long term is by becoming sustainable; and that means eliminating the tendency for converting capital into revenue. Hence, being a community-owned Club provides PFC with the model to widen ownership so that growth becomes a collective responsibility. However, it is recognised that the Club needs to aspire to a modern stadium, with a substantially increased capacity and improved facilities if we are to compete at the 'highest possible level' which is one of our seven core values. Hence, the 2016-2021 Strategic Plan will consolidate these successes by converting goodwill and performance into funding. This will strengthen the balance sheet of the Club and provide funding for the development of Fratton Park. It will also reinforce the ownership structure so that we all know where we stand, and put us in an enviable position compared to many of our rivals on the pitch.



**Our Aspiration - “putting Portsmouth Community Football Club at the heart of the community”
(PST Board 2016)**

Strategic Priorities 2016-2021

Our overarching funding and infrastructure strategy will be delivering innovative approaches to funding that will meet the needs of PCFC, PST and our stakeholders. The main focus of the 2016-2021 Strategic Plan, therefore, will be accountability, engagement, funding, governance and transparency - to enable the development of infrastructure and capacity [Club and Society], growth and community enterprise. To that end, PST will be drawing on the applied expertise of PST Board members and the membership. As a fundamental underpinning to the 2016-2021 strategic plan PST will strive to create new opportunities to enable stakeholder access and participation; inspire the next generation to care about PCFC; to put football and the sporting endeavour at the heart of the community; to champion diversity, inclusivity and tolerance; and to be an effective voice at local, national and international levels. Hence, the operational objectives for the Trust 2016-2021 will be to increase income [funding] and resources to ensure the Trust flourishes; to raise the profile of the Trust and become widely recognised and respected as a leading voice for supporter owned football clubs; to practice good governance and management to ensure that the Trust [Society] is effective and fit for purpose; and to enhance the reputation of PST across a wide range of stakeholders.

**FUNDING
AND
INFRASTRUCTURE
(ACADEMY)**

**GOVERNANCE
AND
ACCOUNTABILITY**

**YOUTH DEVELOPMENT
AND SUPPORTER
ENGAGEMENT**

**TRANSPARENCY
AND COMMUNITY
ENGAGEMENT**

RECRUITMENT AND MEMBERSHIP

REPUTATION AND COMMUNICATIONS



Funding and Infrastructure

‘The future funding of Portsmouth Football Club is the key to its long term success. The PST needs to be a full part of that to guarantee our role in shaping its future’

‘It is a core goal of the PST to see Portsmouth Football Club playing at Championship level as a minimum, and to do so in a sustainable manner. Central to this goal is the development of the stadium, improvement of income generating infrastructure and also the future performance of the Academy.’

Achieving this will require significant levels of investment in the club and the PST must be a full part of that process, else we risk being left behind by other investors. Our role in the club is intrinsically tied to our shareholding and our ability to safeguard the club’s heritage likewise’.

Presented by Simon Colebrook, Mike Saunders and Mark Trapani

FUNDING AND SUSTAINABILITY

Objectives

- Put in place safeguards that ensure that the club's heritage, culture and the stadium are protected from abuse;
- Re-examine the Shareholders Agreement and Articles of Association of the Club to offer further protection to all shareholders in the event of dilution of shareholding;
- Relaunch the Community Share scheme to enable the PST to raise the funds to buy additional shares in the Club;
- Work together with the Presidents, Club Board and the Club Executives to develop business plans to underpin a successful and sustainable funding model for the Club;
- Develop a vetting model for future new investors in conjunction with the Presidents;
- Operate multiple fundraising schemes to provide the club with funds across a number of initiatives.

Summary

It is no secret that the Football Club needs a very significant level of investment to build the kind of infrastructure that we all know is required to return to sustainable Championship level football.

The scale of that investment represents a challenge to the current status quo of ownership between all of the shareholders, PST included. And yet, if the PST adopts a dogmatic resistance to new investment or changes in the shareholders then we risk becoming a barrier to the very thing that we exist for - the future success of the club.

Therefore, we must prepare to play as big a part as possible in the future investment of the club, whilst putting in place agreements and processes to protect the club for future generations and ensure that we get the right kind of investment from the right kind of investor.

Community Shares

The first Community Share scheme that the PST ran is one of the most successful schemes run by any supporters' trust in the UK. It raised £2.75m and enabled us to save the club in partnership with the Presidents. It was not without its challenges, the timescales were very short and meant that the processes around it were not always as efficient as they could have been. However, we're able to learn from that experience.

The next scheme comes with its own challenges. The "message" attached to the fundraising is never going to be as strong as the last time. Last time it was literally "do or die", this time not so much. We have also got to communicate more clearly the difference between a share in the PST and the Club. Our aim in this round of Shares will be to find a partner that can help with the logistics of collecting money, keeping it safe and handling the regulatory requirements around raising money from the general public.

We also hope to offer a range of flexible payment options that will allow members to buy a share in an affordable way. This will be an early focus for the PST, and we hope to be able to offer this as a continuous ongoing programme so that we can top up our shareholding at regular intervals.

Safeguarding the Club's heritage and future

The current safeguards over the Club are the Article of Association, which governs the relationship between the Club and its shareholders, and the Shareholders Agreement; which governs the relationship of the Shareholders to each other, and also what decisions require Shareholder approval.

There are currently many strong safeguards in these documents, yet some areas are missing and in other some flexibility might be required to ensure the Club can attract the investment it needs to progress. A key activity will be liaising with the other stakeholders in the club to re-examine the Articles and Shareholders Agreement to make sure it is fit for the future. Also, that it is strong enough to protect the club from abuse, that it protects all shareholders, and yet is flexible enough to ensure that potential investors are not put off from funding the future development of the club, but in a safe, sustainable way.

This will take careful, detailed discussions between all of the shareholders of the club, examining the constitutional documents of the Club at a line-by-line level to come up with a new form of wording that is acceptable to everyone. It is only through this work that the PST can have the confidence that the future of the club, and our role within it is safeguarded even if our shareholding is diluted. It will always be our hope and ambition that our Community Share offer will attract sufficient numbers to maintain our stake in the club, but we must prepare ourselves for the possibility that it will not and ensure that the safeguards are in place.

Transparency for Members

Part of the process explained above will need to involve the PST Board determining the limits of its own executive authority. There are decisions that are of such importance that the members must be consulted. We have worked on this topic and will bring a proposal to the AGM.

Vetting of new investors

The addition of new investors into the Club is highly likely. Our mantra of the "Right Investment from the Right Investor" holds true and is perhaps the most vital protection from a repeat of past failures of the various owners of the Club. A rigorous vetting process will ensure that we attract people that want to invest for the right reasons, with the right motivations and want to continue the ethos that rebuilt the Club. This work will need to be carried out in conjunction with the Presidents and the Club Board so that all shareholders of the Club support its creation and operation.

Fundraising for other activities

We have, this year, dipped our toes in the merchandising water with our partnership with Brilens. This is something that we will pursue further and as it gains success we will be able to explore how to develop this further with additional lines of merchandise.

Looking further forward, as the Club renegotiates a supply contract for its own kit, merchandise and retail we will play a part in that process and look to establish whether the PST can access the retail channels operated by the club.

General fundraising for the PST and to support other areas of the Club is something that is often asked about and finding ways to enable members to donate to the Trust will

be explored and put in place. This will be looked at both as general funding for the Trust, and also specific nominated funding for specific purposes.

STADIUM AND INFRASTRUCTURE

Objectives

- PST to safeguard Fratton Park as the home of PCFC at all times unless a new stadium is completed elsewhere for the football club to move to;
- PST to advise the club of fan objectives and aspirations for any redevelopment of the stadium;
- PST to engage with fans regarding consultations for any redevelopment of the stadium;
- PST to continue to lobby for a change in legislation to allow Safe Standing in football grounds in England and to continue to push for PCFC to be a flag-bearer for Safe Standing and for it to be considered within any redevelopment plans of the stadium.

Summary

Whilst some look upon Fratton Park as a relic of a bygone age, in the post-Taylor Report age where we have seen many clubs lose their atmosphere due to bland, soulless new build design; Fratton Park has retained its atmosphere, its links to the club's history and its place within the urban fabric of the city. The PST's role as a guardian of Portsmouth FC should ensure that the stadium is safeguarded as the home of the football club until any such time another stadium would be ready to move into. The PST should act as a conduit between fans desires and any design team the football club engages with and become a design consultant to represent the aspirations of the fans that would ultimately use the facility. In doing so the PST can assist retaining those elements of Fratton Park which have enabled it to have retained its unique match day atmosphere, where other clubs have failed.



Governance and Accountability

‘Commons Committee on Football Governance - current and future generations of football supporters across the country are ill-served by current football club regulations.’

Governance and accountability will be indispensable to our future and vital for delivering the performance needed to execute our strategic priorities. Governance and accountability is therefore an overarching part of the 2016-2021 PST Strategic Plan.

Over the next five years the PST will continue to evolve a governance framework capable of adapting to changing circumstances [internal and external]; and to meet the compliance threshold set out in Financial Fair Play rules (FFP) and the Football Governance Act (2016).

Presented by Jo Collins and Mark Farwell

Objectives

- To consider the adequacy of governance and decision making arrangements at Portsmouth Community Football Club and to address the perceived weaknesses of the supporters' trust ownership model;
- Introduce a Performance Standards Framework and a Risk Management Policy in 2016;
- To implement the agreed recommendations contained in the Audit Group Report 2015.

Governance and Accountability

To undertake a programme of work that sets out proposals for modernising governance, management and the decision making arrangements at Portsmouth Community Football Club and PST subsequent to the Football Governance Bill (2014) receiving royal assent. PST will also consider the proposed organisational structure for football governance in England (Football Governance Report, 2011:198); and address the legal and bureaucratic issues facing supporter trusts when raising funding and exercising good governance' [no Instrument of Government]. PST will also consider recommending an amendment to the Financial Services and Markets Act 2000 (p.4) and the Companies (Audit, Investigations and Community Enterprise) Act (2004).

PST proposes, therefore, in the Strategic Plan 2016-2021 to embrace government proposals to reform governance in football [England]; and at the same time make PST more transparent and accountable. Hence, for the purposes of these proposals, PST will rely on the following sources: Companies Act (2004); Football Governance Bill (2014); the IAB [Inclusion Advisory Board]; PST Constitution (2015); and the Shareholders Agreement (2013) [Sections: 2, 3, 7-10, 15-20, 25-27, 28.2, 32, 34, and 36]

Performance Standards Framework

Over the past year many key changes have taken place at Portsmouth Supporters' Society Limited: (1) The adoption of a new constitution and six side policies; and (2) An Audit Group Report containing twenty recommendations. In response to the recommendations the PST Board decided, at a meeting held on the 23rd November 2015, to consider proposals for a PST Performance Standards Framework to improve and monitor performance of the PST Board and the Society. The eventual proposals contained in the report will provide both a measure and a framework for the PST Board to work in partnership with PCFC, and our community of internal and external stakeholders to drive forward improvements to performance. Hence, the purpose of the performance and improvement framework is to drive improvements forward and to ensure a consistent and robust approach to performance monitoring of the PST Board and the Society.

The introduction of the Performance Standards Framework is a partial response to the Audit Group Report 2015; and describes and monitors PST organisational performance. It is also the means by which elected PST Board Members and Officers identify personal and organisational objectives; and provides a framework for cascading objectives through [tracked] the organisation and informs the decision making process [adjustment of priorities and moving resources to meet objectives].

Furthermore, performance monitoring is important for every organisation; and will ensure that that the PST Board

will work towards the same objectives. It also ensures that PST Board Members understand what areas of the Society are successful and where further improvement is needed; and to take action to ensure that key objectives are achieved. The PST Performance Standards Framework will promote the following performance elements and principles:

Elements

- Monitoring Performance
- Performance Information
- Key Measures
- Benchmarking
- Outputs and Outcomes

Principles

- Honesty and Transparency
- Timeliness
- Working together
- Society-wide responsibility

Audit Group Recommendations

1. Revisit the Board Development Programme to ensure understanding and consensus on the Strategy and Board responsibilities.
2. Agree the strategy and the objectives herein for the next five years; and identify the risks to delivering the strategic objectives within an Assurance Framework.
3. Devise and monitor the PST Strategy 2016-2021.
4. To ensure that the roles and responsibilities of each member and officer be clearly defined in objectives that support the PST Strategic objectives.
5. Progress these objectives by monitoring the output of the PST Board and PST Board members; and hold Board members to account for delivery to plan.
6. The Board should clarify to PST Board and members the scope of control of the PST Board; the Board Agenda and business.
7. The Agenda to be informed by the strategic objectives and the risks to meeting those objectives.
8. All Board members to report in writing on progress against their objectives.
9. The Board monitor the frequency of Board meetings.
10. The Board to clarify the roles and responsibilities of non-elected non-voting Board members.
11. Chair to ensure that next steps on an agenda item are clear before moving on to the next item.
12. After each Board meeting a brief update is published on the website.
13. Communication to members by e-mail and on website before release of minutes into public domain [accuracy checked and approved by another Board member].
14. A more formal method of communicating issues from members to the Trust Board to be opened up.
15. To keep under review the Treasurer role - officer of the Board or an elected member.
16. To monitor vacancies on the Board; and hold elections if necessary.
17. Hold an annual seminar on the role of PST and Board members prior to election nomination process.
18. One Board member to have overall responsibility for recruiting and engaging with volunteers.
19. Annual review governance and all side policies.
20. To hold regular open meetings; and organised in accordance with good practice.



Youth Development and Supporter Engagement

'If you look around Fratton Park on a Saturday afternoon it generally is middle aged males that make up the support. We must encourage and enable younger fans to go to Fratton Park and become life-long Pompey Fans....'

In early 2016 the PST Next Generations group was launched comprising of 13 young people aged between 16 and 25. Having a youth group or arm of the PST was something that the late Ken Malley was very keen on seeing flourish.

Bradley Saunders was co-opted to the full board in order to provide the link between the group and the PST Board and to look to achieve the many tasks and challenges associated with attracting new blood to the Pompey Supporters' Trust and Portsmouth Community Football Club."

Presented by Scott McLachlan & Bradley Saunders

Objectives

- Maintain a co-opted Next Generation member on the PST Board;
- Look to implement and visualise ways that will attract young people under the age of 25 to become members of the PST;
- Encourage more young people to consider coming to more matches at Fratton Park;
- Engage and enthuse younger fans to take part in helping PST and PCFC achieve their goals;
- Help PCFC and PST gain links with local Universities and Colleges which can lead to more opportunities;
- Engage with young people to gain ideas to improve the match day experience throughout a match day;
- Develop an on-going dialogue with PCFC about ticket prices that are beneficial to younger people.

Co-opted Board Member

It is vital that the groups views are easily able to be heard so in 2016 one of the group was co-opted to represent the rest of the group and any other young people who have been encouraged to help the PST *Next Generations*. There are many challenges that face the PST and PCFC in the coming years and having the input of a previously unrepresented group may better allow the PST Board and the Club Board to understand the needs of a fanbase that is the future in allowing the business to survive.

Group Statement (Next Generations)

PST *Next Generations* is a Pompey Supporters' Trust sub-group which aims to come up with ideas and deliver solutions to encourage and support the next generations of Pompey fans and PST members, particularly under twenty fives. It aims to be a platform for young people to have their voice heard on the future of the club and will mainly focus on subjects such as youth ticket prices, university and student involvement, match day experience and the growth of young Pompey supporters and PST members. We are always looking for more people to be involved and encourage the help of the wider community. The group hope to offer fresh, fun and exciting ideas that will benefit the future of the club and the fans whilst working closely with the PST, the club and the community.

Strategic Goals

PST MEMBERSHIP - The group will strive to engage younger Pompey fans in supporting the PST and becoming members. Membership to the PST for under 16's is free, this is mainly because they do not have voting powers until the age of 16 so when the PST was setup it was decided that fans would not be charged until they became 16. For supporters over the age of 16 the group can inform them of the PST's aims and objectives and encourage them to join up. The group

will also work alongside Membership and Recruitment to increase membership of the PST.

MATCHDAY EXPERIENCE

Improving the Fratton Park atmosphere has always been a very hard task. Traditionally the youth have come through the generations and put their stamp on both vocal and visual support of Pompey, but with fewer young fans attending there are little or no new songs being given a platform. It is hoped the Next Gens can come up with ideas that will improve the experience for fans of all ages.

FAN ENGAGEMENT

The PST has always had a difficulty engaging with the younger generation throughout its short but productive life. Having the views and ideas of younger fans helping the PST connect with fans under the age of 30 will be vital and some of the *Next Generations* group have been tasked to do that through Social Media and other sources.

UNIVERSITY AND COLLEGE ENGAGEMENT

Portsmouth is increasingly a large University City these days and with many other colleges in the area it is vital that the PST and Portsmouth Football Club have better links with the local education centres. In creating a partnership with local education and training centres it is hoped that along with increased attendance from these areas the resources they provide might benefit students, the PST and Club.

TICKET PRICES

Ticket prices for Young fans has always been a source of debate, the PST *Next Generations* group will look to source innovative ways for PCFC to attract younger fans for season ticket sales or smaller deals for single or multiple matches.



Transparency and Community Engagement

**“Portsmouth Football Club
is the heartbeat of the
city so it’s vital that we
reach out to the whole
community”**

Pompey have a vast range of community activities provided by the different parts of the Pompey family and it’s vital over the coming years that we all work more closely to ensure that all members of the local community are recognised and valued. Despite all of the challenges over the past few years Pompey has a charitable arm to be proud of and together we can become a community club that embeds the many ways that football can positively impact a community into all that we do.

Presented by Ashley Brown and Clare Martin

Objectives

- To engage with the whole community to encourage more fans to come to Fratton Park on a match day;
- To work with the "PST - Next Generations" to support the next generations of Pompey fans and PST members, particularly under 25's;
- To support and promote the Junior Blues - the membership scheme for younger Pompey fans (17 and under);
- To work with local community and charitable groups to ensure that we support and embed the ethos of our Community club;
- To ensure that the community ticket allocation in the Milton End continues and again helps build the Pompey fan base for the future.

Background and Current Context

Throughout the challenges of the past few years Pompey has had a real and positive presence in the local community through many and various Pompey organisations, inclusive teams and supporters groups. With the historical pressures of administration these organisations had, to some extent, pulled away from each other to survive and it is now the role of the PST to help realign everyone through mutually beneficial goals and aspirations.

Our Ambition

Through our work in the local community and the involvement of our members we hope that Pompey Community Football Club, Pompey Supporters' Trust, Pompey in the Community, Pompey Academy, Pompey Ladies, Pompey Disabled Supporter's Association, and many more can all work together for the common good and that eventually we can get to the position where, as long as its "Pompey" we can all celebrate the achievements and successes of all with a mutual sense of ownership and belonging.

The PST will work with PCFC and PiTC to deliver a match day experience and community events that serve and include everyone; and together we can really put the Pompey community at the heart of what we do.



Recruitment and Membership

“Raising awareness about the Portsmouth Supporters’ Trust and successfully signing up members will be a key element for the upcoming years”

Our task over the next five years is to work hard to attract more members and keep them engaged; and to build on the success of this year by developing various initiatives to bring more fans into Trust membership.

Presented by Presented by Johnny Ertl,
Steve Hatton and Pam Wilkins

Objectives

- To raise awareness of our activities and initiatives through social media;
- To develop an unforgettable membership scheme for young Pompey fans;
- Promote and evolve the new Junior Blues membership package;
- Further develop the partnership with EA Sports to give supporter's young and old the chance to play FIFA 16;
- To capture and convert as many of our 10.5k *Twitter* followers into PST members;

Raising awareness

Our principal objective is to raise awareness about the Portsmouth Supporters' Trust; and to successfully sign up members. Hence, our task for the coming years is to work hard to attract more members and keep them engaged. Through various initiatives this year, for example, we increased our membership and rolled out an engagement strategy to bring more fans into Trust membership. To that end, we arranged a partnership with EA Sports to give supporters' young and old the chance to play FIFA 16 in the shadow of their favourite stadium; and with players from the 1st team. This was a very successful event; and we intend to put on more.

We have also successfully raised awareness of our activities and initiatives through social media this year. On Twitter we now have more than 10.5k followers; and as part of the launch of the *Next Generations* initiative a new Twitter account has just been launched to communicate with younger Pompey fans. This strong link between the supporters and the PST through social media is something we will continue to build on throughout the duration of the 2016-2021 Strategic Plan. The ultimate goal is to draw members to our social media channels and website where we can truly engage them and demonstrate membership value.

Laying the foundations - Next Generation

Together with *Pompey in the Community* and Portsmouth Football Club, the PST launched the 'Junior Blues' membership scheme for the 2016/2017 season. This membership scheme for younger fans (17 and under) was known as *Nelson's Crew* last season; and it is anticipated that membership will greatly benefit the next generation of young Pompey fans. In the next five years we want to develop this scheme to make it an unforgettable membership scheme for a young Pompey fans. We are aware that the Pompey fan base has been ageing over the last 20-30 years; and so it is even more important to engage with younger fans and attract younger supporters to Fratton Park. Supporters will always remember the first time they came to a game; and building on that first experience is crucial because we hope it will always be a special day in a young person's life. Hence, the new Junior Blues membership package (membership to PST) is free so that we can show just how important and valuable our next blue and white generation is to PST and PCFC in the upcoming years.

The PST will also continue to work closely with the Pompey Ticket office. We will look to improve this link even more because this is the doorstep of recruiting new members for the Pompey Supporters' Trust. We have arranged for membership information to be given out with each Match Ticket and Season Ticket sold. This continued effort is designed to reach a wide range of Pompey supporters; and to encourage them to join PST, not just to benefit themselves, but to benefit and assure the future of Portsmouth Football Club.



Reputation and Marketing Communications

Enhancement of PST reputation will come from success in delivering on the strategic priorities; and will subsequently change external and internal perceptions.

‘Achievement of our strategic priorities will enable positive communications internally and externally. Internal and external communication will be vital in building the confidence of our stakeholders. Hence, word-of-mouth and social media will become hugely important communication tools for the Trust’

Presented by Eric Coleborn and John Kimbell

REPUTATION

Objectives

- To create and project a positive image of the PST as a professional, forward thinking organisation;
- To increase awareness of the PST amongst interested parties;
- To educate people as to our role both now and in the future, thus increasing our membership;
- To enhance and deepen our relationship with all key stakeholders associated directly with PCFC (PCFC itself, Presidents, PiTC, Pompey Ladies, Supporters Groups);
- To be accessible to all of our members through Offline channels - face to face meetings, Radio, TV, Newspapers, matchday programme. Online channels - website, social media, newsletters;

How to improve and maintain our reputation

There is no greater value than a positive reputation - but it needs to be earned. Our objective is to succeed in delivering against our strategic priorities, which in turn will improve our reputation amongst our members and shareholders.

To facilitate this, we therefore aim to:-

- Act with integrity at all times - be credible;
- Do what we say and say what we mean - be consistent;
- Engage and listen - be accessible and inclusive;
- Have a sense of urgency - be prompt;
- Surpass people's expectations - be proactive;
- Investigate and resolve any complaints or issues quickly, professionally and discreetly;
- To position ourselves as leaders in our field.

MARKETING AND COMMUNICATIONS

The Marketing and Communications strategy continues to evolve; and PST news is primarily shared via our website, email and social media channels. Over the next five years our social media presence will grow significantly, with active accounts on Facebook, Twitter and Instagram. We believe these channels are the most cost effective and quickest way for us to disseminate information to and engage with our members. Hence, we will continue to build the database and would ask all members to ensure that they keep PST updated with latest email addresses to ensure they receive key updates. Additional information has also been added to each 'board member profile' on our website to give members a better idea of what each board member works on.

One significant improvement, post Audit Group report, has been the posting of the 'Meeting Summary' documents that are now supplied via our website as quickly as possible after each PST Board meeting; and available to all members.

We launched our own 'You Tube' channel in the last year, in response to members wanting more insight into what happens 'behind the scenes' at the PST. Interviews with Ashley Brown, Pam Wilkins, Mark Trapani, Scott McLachlan, Eric Coleborn, and other interesting pieces of content are available to view. We aim to update this monthly and are grateful to the club for helping us to record these interviews. We hope to be able to share a brand new PST video which is in the process of being filmed in conjunction with Millstream Productions currently which is aimed at improving the understanding of what the PST is and the role it plays in the club. We hope this will help clarify to both existing and prospective members (as well as the wider football community) exactly what fan ownership means.

All PST Members are now able to contact board members directly via our website; or by emailing PST at trustmatters@pompeytrust.com. The three (3) PST Board members who sit on the Club Board are easily accessible by email and also regularly attend fans meetings to meet fans face-to-face and appear as often as possible on local news channels to share PST news. Efforts have been made to increase response times to emails, with a 'chain of command' implemented recently to ensure that emails are acknowledged as quickly as possible before they are passed on to the most appropriate person who will in turn respond as quickly as possible.

Our e-newsletter 'Trust Matters' continues to be well received. Every effort is made to include new and engaging news articles including an exclusive, probing interview with a key figure at the club. PST member Kim Richardson is the editor. We also have a blog which is updated regularly by Johnny Moore.

However, PST recognises that not all members are 'online'; and will endeavour to share key information through offline channels, including post, radio stories, newspaper articles and updates in the PCFC match day programme in our 'Trust Matters' feature. Our most visible and physical presence at the club is at the 'Pompey Bus' which is staffed every match day behind the Fratton End. Members can ask questions about the PST, join the PST, renew memberships or just come a long for a chat with the PST representative(s) present. Face-to-face meetings are important and from this point onwards we will hold at least one Open Meeting a year; and an annual Shareholders meeting as well as election hustings events. Hence, we recognise that 1 or 2 more informal update meetings per annum will be beneficial as we look to improve engagement throughout the period of this strategic plan.

Furthermore, as a Board our 'internal' communications are good with regular meetings, email exchanges, conference calls and a well-used private internet forum where we all share views around key topics. Regular dialogue is also in place between PST Board members and key stakeholders at PCFC (Chairman, CEO, Finance Director, etc) to ensure greater association and understanding between PST and PCFC.



Future Opportunities

‘The external environment has provided an increasing level of uncertainty for football in the past few years.

PCFC has recently emerged from a near-death experience caused by a series of irresponsible owners who indulged in reckless spending and borrowing not justified by any conceivable return on outlay, neglected the commercial management of the club and failed to invest in its infrastructure. Having been rescued by a group of committed supporters (Presidents) together with the Trust; PCFC has been stabilised and is now debt-free and breaking even.

Presented by Ashley Brown

Objectives

- To propose a way forward for Portsmouth Community Football Club (PCFC) in the medium term while safeguarding the club against the problems that nearly led to its demise in 2013.
- Assess problems and ameliorate risks.
- Gain shareholders support for the approach proposed.

Background and Current Context

PCFC has recently emerged from a near-death experience caused by a series of irresponsible owners who indulged in reckless spending and borrowing not justified by any conceivable return on outlay, neglected the commercial management of the club and failed to invest in its infrastructure. Having been rescued by a group of committed supporters (Presidents) together with the Trust, PCFC has been stabilised and is now debt-free and breaking even.

Our Ambition

Throughout its history PCFC has played mainly in the first or second tiers of English football, and we believe that our rightful position is amongst the top 30 clubs in the country. This means that our immediate aim must be to achieve promotion to the Championship with a view to the possibility of eventually regaining our place in the Premier League. At the same time we wish to remain a truly "community" club, reflecting the aspirations and loyalties of our local fan base in SE Hampshire and W Sussex as well as our supporters throughout the world - and not beholden to wealthy foreign owners with no long term commitment.

Mindful of our recent experience we are determined that PCFC must continue to be managed prudently and operate on a "debt-free, break even" business model (the "DFBE model"). This should not preclude borrowing to finance major capital projects (such as refurbishing and extending Fratton Park stadium), provided that there is a sound business case, but it absolutely rules out borrowing to finance overspending on players' wages or registrations.

We recognise that new investment should and will happen, but we want it to be controlled investment, from the right places and for the right reasons. Alongside this the PST will aspire to maintain or even increase its own shareholding - albeit recognising that, if other "good" investment were to be offered, it should not be rejected purely on the basis of resisting the diluting of PST's own percentage.

The PST is generally opposed to the concept of raising funds through equity to fund player purchase and/or wages. However we recognise that there may come a point in time when the PCFC board may wish to consider this. We therefore believe that before any such proposal can be agreed, both the investor and PCFC board must show how this would be funded in total - that is for the life of the contracts - thereby protecting the club from being left to fund player contracts after year one. In the long term, depending on how the economic and regulatory environment evolves, it may be possible to consider the feasibility of relocating PCFC to a new site - perhaps as part of a major urban regeneration project. However, this should only be pursued if the shareholders and PCFC board agree that there is clear and valid financial benefit in doing so. At present we doubt this to be the case.

Problems and Risks

Trading Environment of the Championship

Although "excessive" trading losses are penalised by the Football League (under the "Financial Fair Play" (FFP)

rules), most clubs are heavily subsidised by owners seeking promotion to the Premier League. This has had the effect of inflating the costs of players' wages or registrations to a level that PCFC would struggle to meet. If as a result PCFC is unable to maintain its status in the Championship there is a danger that attendances will decline, leading to a downward spiral of reduced income, reduced playing budget, limited success on the pitch, falling attendances etc.

Ownership

In the medium and long term shares will inevitably pass to persons (or trusts) who may not share our commitment to the club. There is therefore a risk that future owners may be tempted to maximise the value of their holding by selling to a wealthy individual who might introduce undesirable changes (such as changing the name, badge or colours) and/or repeat the mistakes that nearly ruined the club.

Potential Investment Requirements and Funding Potential

Further to the DFBE model, we believe that investment should only be sought for capital infrastructure projects. Funding for operational costs such as wages or registrations should be met from working capital as this is the only sustainable model. Relying on loans or unpredictable equity investment to fund operational costs is what got Portsmouth FC and many other football clubs into difficulty and this should not be repeated.

The most obvious infrastructure project that is required is renovation or relocation of the stadium. This could help contribute to providing a sustainable solution to affording the costs of operating a stable Championship level club.

Lenders are likely to want significant guarantees and covenants, and therefore it would be very desirable for any secured debt to be less than 50% of the funding for a project. Otherwise it risks the quantity of debt eventually outweighing the total equity in the Club, with all the implications for ultimate control.

We recognise that the Trust must consider a future where there is no overall majority shareholder but where we aspire to be the single largest one. We need to put in place the safeguards over the future of the club to insure against the risks presented by such a scenario, thereby addressing our members' concerns and protecting the club in the long term.

Possible Solutions

1. It is essential that PCFC maximises its income (from all sources) and minimises its costs in order to give the team manager a competitive playing budget.
2. New share issues could be considered, together with crowdfunding, in order to finance specific projects (such as incremental stadium improvements) that could bring increased income and relieve pressure on the playing budget.
3. The Articles of Association (AoA) and/or the Shareholders' Agreement (SA) could be amended to give additional protection against developments that are not in the best interest of the club - such as mortgaging Fratton Park.
4. Alternatively, or additionally, any new shareholder could be asked to provide satisfactory assurances about transparency and communication.
5. Regarding the ground, all options should continue to be investigated, including the feasibility of relocating PCFC

from Fratton Park in the longer term compared with the benefits of making improvements on the existing site.

Proposal (Recommended by the PST Board)

The PST Board will seek to find way in which the following recommendations could be put in place:

- (a) Protection of the Club's heritage -
 - the official and the short form of the name (nickname) as it appears in fixture lists, league tables or any official merchandise etc - i.e. "Portsmouth", ("Pompey"),
 - the badge - the star and crescent,
 - the colours of the main playing strip (royal blue shirts, white shorts and red socks)
- (b) Fratton Park stadium to remain as the home of the club and not be sold unless and until an alternative stadium has been provided within or immediately adjacent to the City, and meeting certain minimum standards of capacity, facilities and tenure (all to be agreed). Nor should it be mortgaged without the consent of 90% of the shareholders, by percentage of total shares. This provision should also apply to any proposal to move the ground or other assets into the ownership of a holding company or other such separate entity to PCFC Ltd.
- (c) PCFC to use its Football League membership position to continue to campaign for stricter regulations around Financial Fair Play, in particularly addressing the present issues regarding the financial position of the Championship. The aim should be a more level playing field in which all clubs can compete.
- (d) The PCFC board commits to being selective over potential new investors. Only persons who share the values and ideals of those who originally invested to save the club should be allowed to invest. Before registration, any new shareholder should be required to provide satisfactory assurances as to his business plans, funding and financing commitments, business relationships and potential conflicts of interest.
- (e) The PST cannot be forced to sell its own shareholding but should have the legal option to maintain its shares should it wish to.
- (f) Investment that cannot be financed from current resources should be managed through new equity offerings open to all existing shareholders with specific numeric targets and proposed plans of how these funds should be used.
- (g) Where, exceptionally, the PCFC board feel it necessary to consider raising funds through equity to pay for player registrations and/or wages, then in order to protect the club from the danger of unfunded future liabilities, there must be a full financial appraisal showing how the transactions can be prudently financed within the lifetime of the relevant contracts.

