



## **Minutes of the Red and White Army Extraordinary General Meeting**

Thursday 23<sup>rd</sup> July, 2020

Hosted via video conference

### **Elected Committee Members present:**

Andrew Hird (Chair)  
Jane Hughes (Vice Chair)  
David Rose (Vice Chair)  
Jamie Bogle (Treasurer)  
Paul Nelson (Secretary)

Members registered for the EGM via the Red and White Army website. Members in attendance ranged from 96 at the very start of the meeting up to 115. Proxy voting was offered prior to the meeting.

### **1. Chairs Introduction**

AH welcomed members to the EGM and explained that the purpose of the EGM was to vote on the motions to convert RAWA to a supporters' trust and the associated governance steps to support the conversion. AH also went over some key housekeeping issues, including the format of the meeting, local internet problems and a back up plan should that impact the zoom platform, noting that the voting section of the EGM would be recorded for audit purposes, the process to ask questions and a request that the EGM should be conducted in a respectful manner both to all attendees and members of the club staff and board.

### **2. Converting to a Trust**

DR went over the supporting information that had previously been circulated to members on converting to a trust, covering;

- What is a Trust?
- Why convert to a Trust?
- Why now?
- What is expected from me as a member of a Trust?
- Next steps

Further information can be found here - <https://www.redandwhitearmy.co.uk/post/egm-to-vote-on-conversion-to-a-supporters-trust>

### 3. Voting on motions

AH invited questions from members before the voting on motions took place.

**Question:** What can a Trust influence? What positive changes can it make?

**Answer:** In many respects RAWA already acts like a trust, with regular dialogue with the club through the Supporter Collective meetings. Levels of influence can largely depend on the working relationship with the club and how much the club wants to listen to and act on concerns and ideas of supporters. But a good trust will ensure that the views of its members will be communicated to the club and will be brave and robust in its challenge to the club on key matters.

A Trust is also potentially a vehicle to purchase shares in the club and secure fan representation at board level.

**Question:** What number of Trust members would be representative for a club our size?

**Answer:** Currently RAWA has over 11,000 members and we naturally don't anticipate being able to maintain that level of membership within a Trust, when members are asked to pay an annual subscription. We will however ensure that we have a facility to retain and represent all existing members in something like a "friends of" group.

In terms of the number of members a Trust needs to be representative of a club with a fanbase such as ours, there isn't really any particular % or standard to aim for. But regardless of the number of Trust members, RAWA will always be able to fully gauge supporter feelings through its (current) membership and use of a co-opted representative system.

**Question:** Are there any trusts that are in conflict with their club and how does that work?

**Answer:** Good trusts should be a critical friend, so there will often be a sense of conflict and you would hope that the club will understand and respect the role of the trust. RAWA has experienced different relationships with different owners, and even different relationships with the same owner.

Spurs trust was in conflict over the pricing structure for the new stadium season tickets and previously the Liverpool trust led protests against previous owners.

**Question:** Why choose a Trust over a branch structure?

**Answer:** Two different things with different aims really. RAWA isn't a branch and doesn't exist to challenge or replace the BLC. A Trust is a legal entity and should be inclusive and representative while also being loud, visible and challenging.

**Question:** How long will it take to convert to a Trust?

**Answer:** Difficult to put an exact timeline on it because we need to submit paperwork for processing and approval to the Financial Conduct Authority (FCA). However, without second guessing the outcome of the voting process, we have already started work on the paperwork, we understand the model rules and the Football Supporters Association (FSA) is lined up and ready to help with our application to become a Trust.

RAWA is hopeful to have the Trust's first AGM within 3 months.

**Question:** Can a Trust challenge a takeover that fans have reservations over?

**Answer:** A Trust can do some macro level due diligence on interested parties and relay any concerns to the current owners. And of course, a Trust can canvass members and the wider fanbase on concerns. Once again it comes back to the kind of working relationship the Trust has with the club as to what the club then does with the feedback.

**Question:** How can a Trust help with matchday experience?

**Answer:** This is something that RAWA has already had an impact on through raising funds to bring some identity to the stadium through the flags, Roker Park style, the Latticework and mural. We've also canvassed fans on measures to improve the matchday atmosphere and renaming the South Stand to The Roker End and this work could continue under the Trust.

Again, the working relationship with the club is important but we can certainly work to improve the atmosphere even if the relationship with the club isn't great.

**Question:** Are there any pitfalls from converting to a Trust?

**Answer:** Lots more administration and paperwork! For example, we need to produce accounts and work with the FCA. This could have some costs attached too.

At this point AH introduced the motions for voting.

Each individual motion was brought up on screen in order for members to view and a voting option was then brought up with the options of:

- For
- Against
- Abstain

Members were reminded that proxy voting had already been offered to members and that those proxy votes would be added to the votes made during the EGM to give an overall outcome on each motion.

The context for each motion was:

“The Elected Committee of RAWA, after consultation with the co-opted representatives and the membership, are proposing to convert RAWA into a Community Benefit Society, commonly known as a Supporter's Trust.”

### **Motion 1**

“That Red and White Army (RAWA) convert to a Community Benefit Society (CBS) and adopt the Financial Conduct Authority (FCA) model rules provided by the Football Supporters' Association (FSA). And that the model rules will replace and dissolve the existing RAWA constitution upon completion of registration with the FCA.”

All votes; EGM and proxy votes.

- For – 320
- Against – 0
- Abstain – 1

**Motion passed.**

### **Motion 2**

“Upon conversion, the newly formed CBS will affiliate as a Supporters Trust to the Football Supporters' Association.”

All votes; EGM and proxy votes.

- For – 319
- Against – 0
- Abstain – 0

**Motion passed.**

### **Motion 3**

“Membership subscription is set at £5 per year and, if feasible, a mechanism is put in place to allow members to pay more should they wish to do so (regardless of how much any one member pays, the model rules state one-member-one-vote).”

All votes; EGM and proxy votes.

- For – 322
- Against – 0
- Abstain – 0

**Motion passed.**

### **Motion 4**

“The current elected committee of RAWA oversees the transition and commits to holding an AGM at the earliest opportunity.”

All votes; EGM and proxy votes.

- For – 320

- Against – 0
- Abstain – 1

#### **Motion passed.**

AH noted that all four motions passed and the RAWA committee will now undertake the process to convert RAWA to a Trust.

#### **4. Any other business**

AH gave an overview of the informal meeting with Stewart Donald and club representatives that RAWA attended the previous week. A summary of that meeting can be found here - <https://www.redandwhitearmy.co.uk/post/summary-of-informal-meeting-with-safc-16th-july-2020>

PN presented the results from the recent RAWA survey. Results can be seen here - <https://www.redandwhitearmy.co.uk/post/survey-results-on-supporters-attitudes-to-direction-and-ownership-of-safc>

AH noted that 82% of respondents would support RAWA applying pressure on the owners to sell to a reputable buyer and at a realistic price. The committee will be considering what that pressure would look like and consulting with the co-opting representatives before further consultation with members.

AH invited questions from members regarding any other business.

**Question:** Previous open meetings have been held in The Peacock but it has access problems. Can future meetings be held on zoom given how well this one has worked?

**Answer:** Understand the access problems that The Peacock has and this suggestion is something we will take on board. Delighted at how well the EGM has worked over zoom so we'll consider how to strike a balance between physical and virtual meetings going forwards, and assess the accessibility of future physical locations.

**Question:** Given how democratic the EGM process has been, and the recent survey, do you now regret not consulting members over the December #DonaldOut statement?

**Answer:** Although the committee making the statement was constitutionally sound and we believe was a fair representation of members mood at the time, we have learned lessons in the way it was done and the way we would approach a similar situation in the future. Sometimes an organisation like RAWA will know information that you simply cannot release and use in consultation and that added to the difficulty in coming to the decision in December.

We haven't made any follow up statements but in recent weeks we have ran a survey and held a proxy voting process for the EGM, so as an organisation we are now in a better place to consult members at short notice.

**Question:** What is your relationship like with other supporters' groups?

**Answer:** We recognise that everyone works in different ways. We have a good working relationship. We've worked together on things like charity appeals and the BLC's work in regards mental health has been brilliant.

At meetings with the club we try to give each other space to get points across from respective members.

We also have co-opted representatives from other supporters' groups to make sure we continue to receive a broad range of opinions.

**Question:** Does being a Trust mandate the club to agree to meetings?

**Answer:** Under EFL rules the club should meeting with independent democratic supporters' groups at least twice a year but it is up to the club which group they meet with. It is up to a Trust to demonstrate that they can communicate members and fans feedback / frustrations and be a critical friend. This is something that RAWA is already doing.

**Question:** What are your views on fan ownership?

**Answer:** Have to be realistic about the possibility of raising £37m for the purchase price, plus additional costs of purchase such as due diligence and legal fees, then operating funds.

Then need to consider if that price offers value for money for those investing. Fan ownership in UK tends to be further down the football pyramid because of the huge financial demands on a club in the league that SAFC should be in. Owning the club is probably only a likely scenario should we enter administration and the asking fee is much lower.

Owning shares in the club seems a much more feasible scenario.

**Question:** Are you considering changing the name of RAWA?

**Answer:** Feel like it's now a brand so we'll most likely keep it, however we can consider adding "Sunderland Supporters' Trust" as a suffix.

**Question:** How much running costs does RAWA need?

**Answer:** Currently it's not a massive amount and we have been lucky to be supported by some members with regards things like IT hosting and design, and running the survey through the Survey Monkey. We will likely incur additional costs in converting to a Trust because we need to have accounts signed off independently.

**Question:** What are you doing to increase the number of members?

**Answer:** Naturally being seen to be active and being effective in communicating fans frustrations to the club attracts new members and confidence in the organisations intentions and abilities grows. The survey helped to grow the membership by around 600 in recent weeks.

The co-opted representative method is helpful too, with the fanzines helping to promote our aims.

We do of course welcome any ideas from members for growing the membership.

## **5. Closing the meeting**

At this point AH summarised the meeting and thanked everyone for taking the time to take part in the EGM and making it a very useful exercise with some great engagement.

AH noted that the current RAWA committee is only 5 people and that upon conversion to a Trust we feel that we should expand the board (previously committee) with some new roles to broaden the skillset available. AH asked members to get it touch if they feel they have skills, experience and time to offer.