

CUSG meeting
Monday 29 November 2021 7pm
Club update notes

Catering and hospitality

- West side Fan Food Zone is developing and growing – we are pleased so far. Further recent additions include – Horsebox Bar with real ale, coffee outlet, discount ice cream vouchers (for Community Ticket Scheme children and also available to fans from SLO team) and free vouchers for fish and chips on offer each game (randomly included in five programmes). Three more seating benches are now in place. Options for a semi-permanent marquee are being considered. It is important fans use the Food Zone for it to continue to be viable and worthwhile for the third-party vendors to keep coming.
- Catering APP launched for pre-purchased food and drink in bars and kiosks – fans are encouraged to pre-order for click and collect, and use cashless payment.
- Further investments made in Sporting Inn cellar to improve beer quality and temperature.
- Further roll-out of cashless payment is being planned to improve speed of service and reduce queuing time – cashless will become the norm at almost all selling points in due course. It is planned that cash payment will be retained in limited places, but not in every bar and kiosk.
- Foxy's bookings are increasing. Use is now close to capacity each game and filling quickly. If you haven't given it a try since the new set-up, please give us a chance. The Sponsor's lounge has now reopened and is in use to provide extra capacity – a redecoration of the room is to be completed this week. Non-matchday trade is growing.
- A lot of hard work has been done already, it is bringing improvements but there is a lot more work ahead.

Stadium

- Further painting of West stand areas is ongoing – B, C and D stand vomitories are now painted along with tidying and painting of B stand gents toilets, the top corridor and Sporting Inn. It is a long process given the nature of the stand.
- West stand upper floor electrical rewiring is continuing – with first phase of four (Sponsors lounge) now complete. Next phase Sunset Suite.
- Full Neil Centre lights replacement completed last week with new LEDs in place. This took longer than expected due to availability of the contractor and supplies.
- A lot of minor damage suffered in Storm Arwen now to be repaired.
- Fan mural to be refitted asap after Arwen– it couldn't be done straight away on Saturday as the fittings were lost in the storm. We tried.
- Additional new cover fleece is now available for winter Warwick Road End pitch protection aimed at improving frost resistance. Effectiveness to be proven.

Fan initiatives

- New Sunset Suite vinyl wrap installed - dedicated to Jimmy Glass.
- New Sporting Inn Peter Murphy wraps installed – final dedication to be arranged.
- My Club My Shirt display area will be in the East Stand.
- Club supporting London Branch with memorabilia to commemorate Roma 40.
- Shirt amnesty to donate old replica shirts for reuse will be launched very shortly – donation points will be in the Blues Store and East stand upstairs ticket office/reception.
- Food bank collection to be planned for Xmas along with Xmas bucket collections.

- I continue to answer fan questions every month – the issues they have raised are dealt with here.
- Requests for a manager and Director of Football forum with fans have been received. Timing being considered, but game schedule is very heavy at present.

Community initiatives

- New partnership with Anti-Racism launched <https://antiracistcumbria.org/>
- Cancer screening clinic is on site in November to support NHS trial <https://www.nhs-galleri.org/>
- New partnership with Her Game Too <https://www.hergametoo.co.uk/> to be launched shortly.
- The Hunted TV show is to donate to our Community Ticket Scheme following filming on site.

Operations and business – so far

- Academy - Latest scheduled audit is now taking place focusing on being 'Safe to Operate' – safeguarding. This is a key area.
- Retail - Black Friday offers 26-28 November. Back-office IT for online store has been upgraded - some short-term disruption experienced. Retail sales to 31 October are the best since 16/17.
- Tickets - No ticket system issues reported for a number of games. System back to normal operation after early season issues.
- Ticket walk-up matchday income so far this season is really strong, better than budget and the best since 16/17 (only 16/17 is higher than this season so far since 12/13). This is driven by attendances being up on previous years (see below).
- Season tickets (circa 1,800 sold) income looks set be the second highest since 2013/14 (and second best in the last nine years).
- Commercial income remains a challenge, as expected, with many businesses prioritising their recovery from Covid over discretionary spending with the club. This is understandable, expected and could continue for some time. New sponsors are coming on board all the time. Lots of opportunities exist for those able to support the club.
- The in-house new catering operation is now generating some profit, allowing reinvestment. New ideas to improve further, and feedback, are most welcome. We must increase catering income.
- IFollow subscriber numbers are good. 559 fans subscribed for Newport (A) with 267 for Morecambe (A) in the Papa John's EFL Trophy, 441 for Barrow and 425 for Harrogate (H).

Gates

- Gates across the EFL are down overall since the return of fans, versus both 19/20 (last comparable normal season with unrestricted fans) and the medium-term measure (the 5-year average).
- Looking at just EFL League Two gates so far this season, these are also down compared with 19/20 and down versus the five-year League Two average, by around 2%. Numbers are down especially in older fan age groups – possibly driven by Covid concerns.
- At Carlisle United fan support has been very good despite the results on the pitch. So far after 10 home League Two games, looking at home gates (a) in the short-term versus 19/20 and (b) medium-term over 5-years:
 - Our overall total average League Two gates are up.
 - The average home fans in the gates are also up (away fans also up – driven by Barrow and Tranmere).
 - Our overall total average League Two gates and home fans in the gate are both the best since 16/17.

- They are up versus the EFL and League Two trend this season - beating the experience elsewhere.
- Focusing on home fans only, adjusting for the first game, the gates so far are higher or close to the levels of every season since 11/12 apart from the play-off season (and still in line with the 5-year average). Even after removing the anomaly of game one, despite our league position and home results so far, and the trend in L2 generally, our gates are still higher than recent seasons.
- The ongoing strength of fan support in tough times is humbling. Nobody takes this support for granted. Thank you all.

Finances

- We must continue to consistently and honestly lay out the financial facts of the club, no matter what is happening on or off the pitch.
- To be crystal clear in updating on the finances, on-the-field must always be the top priority, and has been throughout 2021.
- We plan and must continue to be self-funding day-to-day and to cover our football spending, including funding our recovery in the league and the January window. This is unchanged. It makes the financial backdrop now important, especially as we approach the next transfer window.
- Our independent audit will show an overall £400k profit after a near £800k profit in 19/20. We are ahead of budget in 21/22 as detailed below, but still expect a loss in 21/22 at this point. This could change significantly depending on the rest of the season.
- Since that September update, our financial position has again improved to date. It is better than anticipated because:
 - Ticket income so far is strong, better than budget, and the best for 5 years after 10 games on the back of attendances being up on previous years (as explained above).
 - Progress in the EFL Trophy (£50k earned so far) and FA Cup is not budgeted, which has also given us a boost. Further progress in the next two cup ties could lead to more financial windfalls.
 - Last week we received confirmation that we will receive circa £0.3m of additional Premier League grant support in 21/22 – again unbudgeted. That support must be seen in the context of our calls for a ‘Fair Game’ and a fair financial distribution from the Fan Led Review, but equally it must also be welcomed as the Premier League did not need to give the unconditional support.
 - Our other business trading, retail, commercial, catering, etc, is doing well, again even more so given the season so far.
 - We have continued to collect cash from historic player sales.
 - These gains have offset an increase of 20% in playing budget for 21/22 already in place since June 2021, and have still left us better off.
- Our trade creditors position is good - also the best in my time here, and our cash position continues to improve.
- The important point to make is that by continuing to be in a sound financial position, it means at this crucial time as we approach January, the club can support the manager without any day-to-day money troubles. This is recognised as being vital.

Club

- There has been considerable interest in the flood issues faced by Brunton Park and staff have done a number of interviews highlighting the risks posed to CUFC. There is another feature coming up on BBC TV connected with the Shrewsbury FA cup tie.

- The club received a bill from Hartlepool for fan damage at the away game – travelling fan behaviour issues can cost the club much-needed cash, which it can better spend on the football and club.
- Fan incidents at home games are rising, which is a concern, with possible implications for the club.
 - Barrow saw no arrests in the ground or on the club footprint, but we were reported to the FA for home fans in WRE throwing drinks at the Barrow keeper. There were disorder and arrests in the community, and we take that seriously.
 - A supporter has been banned for a throwing a coin at a home director at the Harrogate game.
 - A full Safety Advisory Group inspection took place at Walsall game. Events in the WRE late in the game, objects brought into the WRE by some fans in breach of Ground Regulations, and a fan on the pitch, will all be in the spotlight. We are awaiting its findings and what it means for the club.
 - Plans to disrupt home matches, including possibly throwing objects to stop games, are being monitored by police and safety authorities.
 - These issues carry consequences for all concerned.
- As a result, we expect to incur significant additional unplanned stewarding and police costs dealing with home fans on match days in the coming weeks. This again risks taking much needed cash away from spending on the club and the team as we approach January. For fans, they risk bans which we don't want to be faced with giving, but we cannot and will not tolerate disruption and disorder. It is counter-productive and does absolutely no good in making things change. Fans with concerns, please come in and speak to the board, or individuals, or CUSG, or the SLO. You can make your voice heard in a way that will be listened to, that makes a difference and does not harm the club or team. The door is open.
- EFL has launched a new Diversity standard for clubs. Aimed at benchmarking and promoting best practice.
- The club is to be benchmarked on its position as part of EFL Green Code.
- EFL Family Excellence award feedback is expected soon after first inspection visit.
- The Fan Led Review report is out. It is potentially a huge step forward for football governance and a sustainable game. Realising the potential is what counts. That now depends on the implementation and turning the proposals into real change. This covers:
 - Club licencing and a new independent regulation by IREF.
 - Tougher owner and director tests, ongoing tests not just on joining as new people.
 - Veto rights for fans on specific decisions is new – but in reality, we already have this in place at CUFC because of 25% fan ownership.
 - Longer funding commitments for new investors – 3 years (not 'two complete seasons').
 - Guaranteed funding up front for new investors and spending – detail to be confirmed.
 - 'Shadow fan boards' and involvement on decisions - but in reality we already have this in place at CUFC because of two CUOSC directors and CUSG.
 - More engagements with fans by club – we already do well here in many areas but the obligations on controlling/owners could be raised.
 - Intervention by IREF into clubs – this is new – how much and when remains to be seen.
 - Nothing certain on new/fairer distribution of game wealth down the pyramid. This is a long way from being resolved. I don't expect to see the benefit of change for some time

- Further changes on equality, diversity and inclusion and obligations on the club – the work of the club and CUSG recognised this was coming (links to EFL Diversity standard).
 - We continue to make representations through 'Fair Game'.
 - We will provide more thoughts on the possible implications for CUFC when the detail becomes clearer.
- The scope of the operational update doesn't cover club ownership – therefore no comment on that here. I will take questions on that at the meeting.