

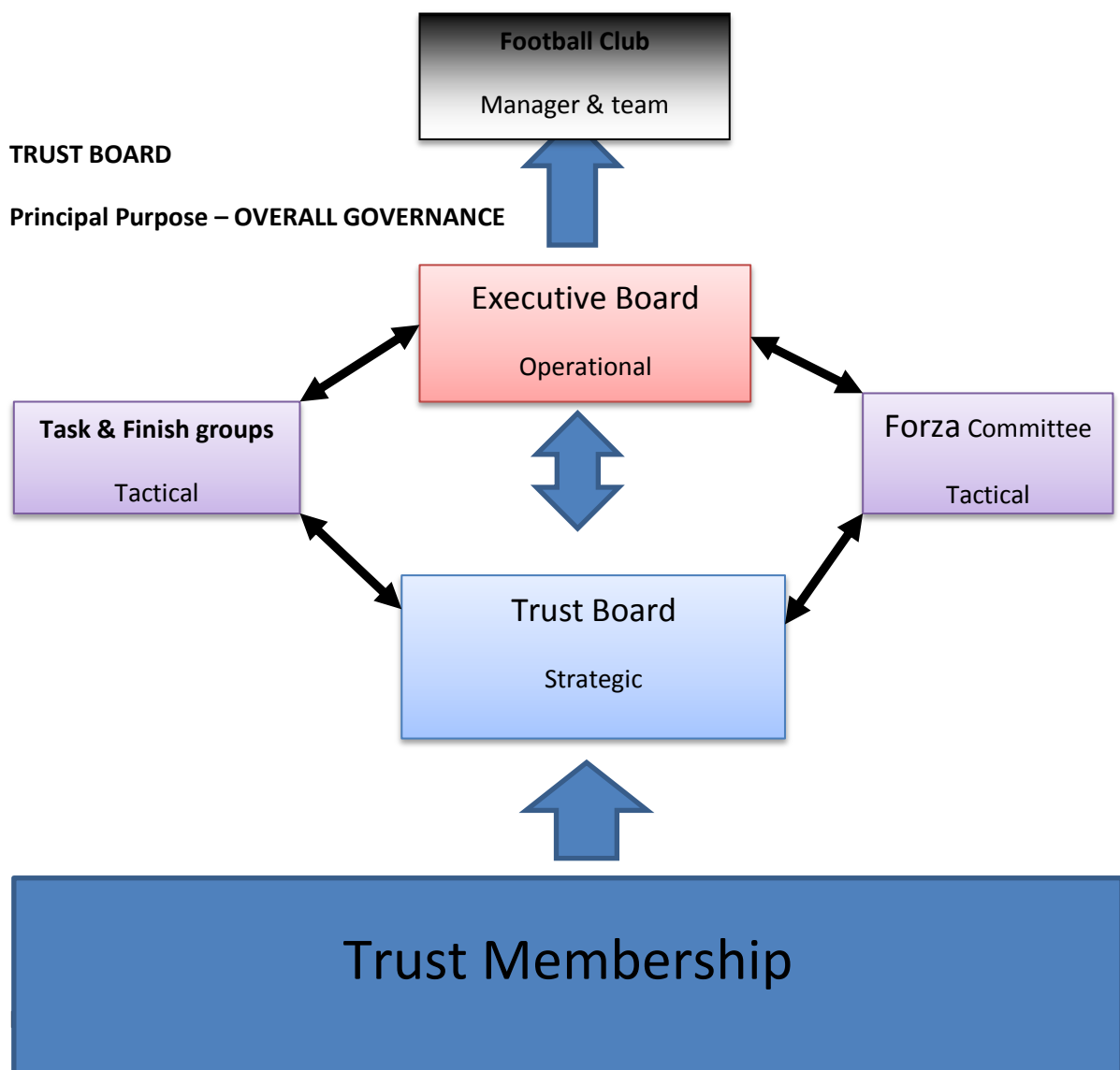
## DRAFT AFC TELFORD UNITED GOVERNANCE STRUCTURE.

### Memorandum of Understanding - Roles, Responsibilities and Relationships.

In addition to the Football Club Manager and First Team Squad the new Club Governance arrangements will have three main "off the pitch" components. They are quite different but all are important and necessary. They need to work together in appropriate ways to ensure effectiveness.

- STRATEGIC:- Trust Board - responsible for Overall Governance
- OPERATIONAL:- Club Board - responsible for delivering Required Outcomes
- TACTICAL:- Forza Committee/Task and Finish Groups - responsible for Developmental Initiatives.

Each will require people with different skills, experience and personal attributes. None are more important than others. All are necessary, important and vital for long term success.



**Key Arrangements:-**

- Accountable to Trustee Shareholders through the Annual Report and Accounts, AGM and Special General Meetings.
- Trust Board Members are appointed in accordance with Rules 60, 63, 64 & 66 of the Trust Rules.
- Frequency of meeting – monthly but needs to be kept under review.

The Board of Trustees represents the owners of the football club and as such has overall responsibility for the strategic leadership, governance and appropriate overall control of any subsidiary organisation in which it retains a majority shareholding.

**The Trust Board should**

- Take a strategic view of issues and plans including aspirations for league football and the creation of a Community Sports Trust for young and disabled people including those with special needs.
- Determine the Club's mission and strategy and ensure all parts of the Club stay focussed on these;
- Ensure the 'Ten Key Principles' are honoured and fully observed in all aspects of the Clubs business
- Provide support and constructive challenge to the Club Board in particular to the Managing Director (MD).

**Establish vision, mission and values**

- Establish the company's vision, mission and values
- Agree long term goals and short term objectives
- In doing so receive and consider advice and recommendations from the Club Board

**Strategy and Structure**

- Consider and evaluate strategic options, decide which are to be pursued.
- Determine the business strategies and plans that underpin the corporate strategy.
- Periodically review the Club's organisational structure and capability to ensure fitness for purpose.

**Financial Management**

- Formally approve the Clubs annual budget and contingency provisions
- Receive regular reports from the Club board to monitor the financial position of the club
- Make key decisions on major capital investment with advice from the Club Board

**Operational Delegation**

- Ensure all necessary company policies are in place to ensure effective day to day operations.
- Delegate operational authority to management, and monitor and evaluate performance.

- Determine monitoring criteria to be used by the board.
- Ensure that all necessary internal controls are in place and effective.
- Establish regular and open two way dialogue with the Club Board and senior management.
- Through the Trust Board Chair support and review the performance of the Managing Director.

### **Stakeholder Relationships**

- Ensure effective communications and dialogue with all relevant stakeholders.
- Understand and take into account the interests of stakeholders.
- Monitor relations with relevant stakeholders.
- Promote the goodwill and support of shareholders and relevant stakeholders.

### **Strategic Roles**

- Chair of Trust Board
- Strategy and Development
- Fans and Community Engagement
- AFCTU Volunteer Support
- Community Football Development
- Financial Performance and Monitoring
- Operational Performance Monitoring
- Commercial Development Performance
- Communications and Media Strategy
- PLUS the power to co-opt a maximum of two Non Executive places who may lead on other projects and provide internal non-executive challenge.

In addition the MD/Chair of the Club Board and a Club Board Director will attend Trust Board meetings as non-voting participants with advisory and Trust Board liaison responsibilities.

### **CLUB BOARD – (Executive Board)**

#### **Principal Purpose – DELIVERING REQUIRED OUTCOMES**

#### **Focus – OPERATIONAL**

**Key arrangements** are designed to provide or support day to day management of the club and its business, at all times undertaking to conduct all aspects of the business guided by the ten principles of good governance and company law. In addition :-

- There will be clear accountability to the Trust Board.
- Directors appointments will be in accordance with Rule 27.3 of the Trust Rules.
- Business will be conducted through fortnightly meetings.

#### **Vision, mission and values**

- Provide advice and recommendations to the Trust board as appropriate.

- Use the vision and mission to guide and set the pace for operational and developmental activity.
- Promote the club's values throughout the company.
- Review and monitor progress against company goals set out in the five year business plan.
- Make recommendations to the Trust Board on company operational policies

#### **Financial**

- Ensuring the availability of adequate financial resources and recommending and reporting performance on annual operating budgets to the Trust Board.;
- Maximising income and cost management.
- Establish and manage a sinking fund(s) for management and maintenance of the stadium and key assets.
- Ensure effective cash-flow management.
- Provide advice and recommendations to the Trust Board on capital project funding options.

#### **Strategy and Structure**

- Manage the organization by establishing operational policies and objectives in accordance with the five year Business Plan and through discussions with the Trust Board;
- Ensure the Trust Board is regularly advised about opportunities, threats and risks in the external environment and current strengths, weaknesses and capacity risks in relation to the club/company.
- Through regular dialogue with, and advice to, the Trust Board identify strategic options to be pursued and the resources required for implementation and support.
- With the Trust Board agree the operational strategies and plans that underpin the Club's Corporate Strategy.
- Advise the Trust Board of issues in relation to the fitness for purpose of the company's organisational structure and operational capability.

#### **Operational Responsibilities**

- Football matters inc. performance, manager and squad liaison.
- FA and Conference Liaison.
- Day to day financial management (see above).
- Commercial matters including Club Shop.
- Stadium management including Health and Safety.
- Facility management including Learning Centre, Goalzone and Catering and Bars.
- Partner liaison inc Sponsors, T&W Council, Shropshire FA etc.

- PR, Communications, Website, Social Media.
- Office, IT, Administration.

### **Delegation**

- Delegate day to day operational authority to management.
- Monitor and evaluate the implementation of policies, strategies and business plans.
- Determine monitoring criteria to be used by the Club Board.
- Ensure that internal controls are effective.
- Communicate with senior management/staff

### **Accountability to stakeholders**

- Ensure that communications to stakeholders are effective by understanding and taking into account their interests; promoting goodwill and support; and by monitoring relations with them.
- In return the Club Board will account publicly to the stakeholders for the clubs performance.

### **Roles**

- MD/Chair – responsible for all football matters and performance including manager and squad liaison, day to day business performance and partner/stakeholder liaison
- Company Secretary
- Director of Marketing, Communications, Technology
- Director of Finance and Business Development
- Director of Match Operations and Safety
- Director of Facilities Management
- Director of Supporter and Community Liaison
- PLUS the power to co-opt a maximum of two Non Executive Directors who may lead other projects and bring their experience and challenge to Board decision-making.

In addition the Chair of the Trust Board and a Nominee of the Trust Board will attend Club Board meetings as non-voting participants but with (exceptionally) the power of ‘call in’ to the next or specially convened Trust Board meeting.

## **FOOTBALL SQUAD MANAGEMENT**

### **Principal Purpose – QUALITY OF FOOTBALL PERFORMANCE**

### **Focus – SUCCESS AND PROMOTION!**

All first team management and performance matters are the responsibility of the First Team Manager who will be appointed or dismissed by the Club Board. The Manager will be responsible to the Club Board but on a day to day basis will be responsible to the Managing Director/Chairman.

Realistic but stretching expectations about performance, results and league position at key stages in the football season to be agreed between the Manager and the MD/Chairman on behalf of the Club Board. To be agreed prior to the start of each football season.

The Club Board will set annual budgets for all first team related areas of expenditure on an annual basis and will be responsible, along with the Manager, for monitoring expenditure against budget on a monthly basis.

The Manager will have full responsibility for recommending coaching and support team recruits and will conduct opening negotiations within budgetary and other contractual parameters agreed in advance with the MD/Chairman and/or the Club Board.

The Manager will be responsible for making recommendations to the Club Board re:-

- Loaning, purchase and signing of new players
- Sale or release of players employed by the Club
- Extension or renegotiation of contracts of employment with players.

Whilst reporting and accountability is to the Club Board the Manager may occasionally be requested to advise and assist the Trust Board in the development of its strategic plans in relation to, for example League Football aspirations and development of community football opportunities.

## **FORZA OR VOLUNTEER COMMITTEE**

### **Principal Purpose – FANS AND FUNDRAISING DEVELOPMENT INITIATIVES**

#### **Focus – TACTICAL**

The purpose of the Forza or Volunteer Committee is to provide an opportunity as part of the Football Club's formal structure for fans and volunteers to work on a range of developmental projects for the benefit of the club on **Fan Engagement and Fund Raising Initiatives**. It will operate as an 'Ideas Forum' as the 'Grit in the Oyster' and as a 'Deliverer' of its own initiatives subject only to Trust Board approval.

It will be accountable to the Trust Board but will also report to the Club Board for any projects initiated by that Board. It will be jointly convened by the Trust Board Member and the Club Board Director responsible for Fan and Community Engagement. The frequency of meetings will be determined by Forza in the light of their work programme.

#### **The Forza or Volunteer Committee is responsible for:-**

- Fan engagement
- Supporter's events
- Fund raising. - In the ongoing difficult financial climate this has to remain a very high priority.
- Growing the fan base through a number of means including the Network of Fans Forums

- Engaging under-represented groups
- Campaigns to promote the club in the community

### **Composition and Appointment**

The committee will be made up of Trust members, volunteers and representatives from the wider club community and will have a focus on action and ideas as a mechanism to drive change and delivery. The twin convenors responsible for Fans and Community Engagement will each include an income/expenditure and performance reports on the work of Forza as part of their general reports to their respective Boards.

It is not envisaged that there will be a formal election process to join the Forza Committee, rather the Joint Convenors will, in consultation with the Chairs of the Trust and Club Boards, seek to identify and recruit people, from the wider club community who have the necessary skills and enthusiasm to make a difference. The Forza Committee will have a maximum of fifteen members plus the two convenors. Specialist advisors who are not Members of the Society will be limited to a maximum of three at any one time in addition to the fifteen members and will be no-voting advisors.

Appointment of committee members will normally be limited to three years with one further three year period subject to agreement in the absence of other suitable members coming forward. Specialist advisors may be appointed for variable periods from the whole or part of a particular project to ongoing advice on a key strand of the committee's work.

### **Work Programme**

- Establish time limited task groups to organise events
- Organise at least five major fund raising activities each year to match or exceed recent levels of fundraising by the Trust
- Organise at least five significant supporter engagement initiatives each year.
- Review its activity at the end of each season and prepare a brief report which will form part of the clubs annual report presented to the Clubs AGM.
- Utilise a variety of means of gathering views and information, communicating it's proposals and publicising events including the match programme, email, social media and the web site.

### **Reporting and Review**

A full report of the Committees' activities will be included in the report to the Annual General Meeting. The operation of the Forza Committee will be reviewed annually by the Trust Board as part of that Board's Governance and Review responsibilities.

## **TASK AND FINISH GROUPS**

### **Principal Purpose – OTHER PROJECT DEVELOPMENT INITIATIVES**

#### **Focus - TACTICAL**

Committees have a tendency to perpetuate themselves and become part of the institutional landscape. This doesn't fit easily with a number of the Governance Principles adopted by both Boards. With the Forza Committee it is the deliberate intention that it is part of the formal governance structure because it's role is an ongoing one that is crucial to the Clubs future and success.

However, there will be times when a project requires a dedicated group of suitably skilled and experienced people to ensure detailed attention and rigour are given to the task. This is unlikely to be achieved by either the Trust or Club Boards either because the amount of work on the project would not fit easily with the workload of the Board or because the Board may not have the required range of skills.

In these circumstances Task and Finish Groups should be established. Depending on the nature of the project they may be established by the Trust Board, the Club Board or jointly by the two Boards and they would be led by either a Trust Board member or a Club Director. Their membership may be drawn from either or both Boards, the wider Trust Membership or from outside the Club in order to secure specific expertise.

The Group would be given:- a start date; a projected end date; specific objectives and success measures. In addition, issues such as frequency of meetings, the manner of reporting back to the commissioning board (including progress reports) and the identification of costs and how they would be funded will need to be settled as part of the set up arrangements. A Task and Finish set up pro-forma will be held by the Trust Secretary.

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NOTE:- In the event of a difference of interpretation between Trust Rules and the Memorandum of Understanding the Trust Rules will take precedence.

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Memorandum of Understanding on Roles, Responsibilities and Relationships adopted by AFC Telford United Trust and Club Boards - March 2011

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