



Sunday 13th March

We understand that this is an uncertain time for Chelsea Supporters. The CST Board will therefore be present on the Fulham Road (opposite Kona Kai Bar) from **12pm** before the fixture vs. Newcastle United [Sunday 13th March]. There will be an opportunity for members to discuss the events of the last few days with members of the CST board, Chelsea Pitch Owners and other Chelsea supporters.

What can Chelsea supporters do?

We need CST members and Chelsea supporters to be as vocal as possible. You can help by writing to your MP, by spreading the Trust's key messages on social media and by contacting as many people as possible to advise them of the key asks in any sale of the club:

- The Government must resolve the situation as quickly and transparently as possible
- The Government must implement the recommendations of the Fan Led Review - including by ensuring Chelsea fans are given a golden share by the new owners of the club
- The CPO must be protected in all circumstances
- Roman Abramovich's tenure at Chelsea is almost certain to end, and our focus must be on what comes next and ensuring a sustainable future for the club.

There will likely be a time in the near future where more organised, larger scale action is required. If you would like to be involved, or have any specialist skills/networks that may be of use, please get in contact with the CST Board, or come and speak to us if you are at the game on Sunday [enquiries@chelseasupporterstrust.com].

Q&A relating to CST Statement of 4th March and Chelsea's Licence

The CST has created the following Q&A. The Q&A explains key terms used in our statement of 4th March (below) and the Fan Led Review. We believe that it is important that these were explained more fully to our membership. We have also provided details on the Chelsea Pitch Owners and have provided clarity on what the "special licence" is and how it impacts our club.



TRUST IN OUR FUTURE

The Chelsea Supporters' Trust notes media reports that negotiations for the sale of Chelsea Football Club are moving at pace and that a deal may potentially be agreed within days. Securing the club's future and supporting our supporters is paramount.

Prospective owners must engage supporters at the earliest opportunity and take steps to ensure the club is supporter orientated and sustainable.

As an immediate gesture of goodwill, negotiations for the purchase of the club **must** include:

1. The outstanding balance of the loan from the Club to Chelsea Pitch Owners should be forgiven, so that Stamford Bridge is secured by and for Chelsea's supporters.
2. The relevant recommendations of the *Fan-led Review of Football Governance* report by Tracey Crouch are implemented, namely:
 - a. A *golden share* for fans to protect key items of club heritage;
 - b. Consultation with supporters through the creation of a democratically elected *shadow board*;
 - c. Continued support for Chelsea FC Women
3. A commitment from prospective owners to meet the CST at the earliest opportunity and to engage in regular, constructive dialogue with supporters on issues of supporter interest, including fair ticketing, and stadium development.
4. A commitment from prospective owners to continuing the legacy of the Chelsea Foundation's community work.
5. A guarantee that there will be no attempts to exit existing sporting structures without the engagement of key stakeholders, with supporters at the forefront – this includes the "European Super League."

We call on the Premier League, Football Association and Football Supporters Association to support the above demands.

This is an important juncture in demonstrating a commitment to improved governance in football, with communities and supporters at its heart.

The Chelsea Supporters' Trust calls on all Chelsea supporters to join the CST, endorse the above aims and ensure our voice is heard.

TRUST IN OUR FUTURE

1. What was the Crouch Report? Why is it so important?

Following the Spring 2021 attempt by leading Premier League clubs to join the proposed European super league, which ended in a humiliating climbdown by the clubs as the proposal unravelled, the UK government asked Tracey Crouch MP, ex Sport Minister at the Department of Culture, Media and Sport (DCMS), to head a Fan Led Review of Football Governance (FLROFG).

The final FLROFG report, published in November 2021, made the following strategic recommendations:-

1. *to ensure the long-term sustainability of football, the government should create a new Independent Regulator for English Football*
2. *to ensure financial sustainability of the professional game, the Independent Regulator for English Football should oversee financial regulation in football*
3. *new owners' and directors' tests for clubs should be established by the Independent Regulator for English football replacing the three existing tests and ensuring that only good custodians and qualified directors can run these vital assets*
4. *football needs a new approach to corporate governance to support a long-term sustainable future of the game*
5. *football needs to improve equality, diversity and inclusion in clubs with committed Equality, Diversity and Inclusion Action Plans regularly assessed by the Independent Regulator for English Football*
6. *as a uniquely important stakeholder, supporters should be properly consulted by their clubs in taking key decisions by means of a shadow board*
7. *football clubs are a vital part of their local communities. In recognition of this, there should be additional protection for key items of club heritage*
8. *fair distributions are vital to the long-term health of football. The Premier League should guarantee its support to the pyramid and make additional, proportionate contributions to further support football*
9. *women's football should be treated with parity and given its own dedicated review*

10. *as an urgent matter, the welfare of players exiting the game needs to be better protected — particularly at a young age*

The Government is currently considering the proposals. We believe that the sale of Chelsea FC is an ideal opportunity for the relevant recommendations to be implemented, ensuring that supporters have a real say in the future of the club.

The full FLROFG report can be seen here <https://www.gov.uk/government/publications/fan-led-review-of-football-governance-securing-the-games-future>

2. What is a ‘Golden Share’? Why would it be applicable in the sale of Chelsea FC?

A ‘Golden Share’ could be used to give veto rights to a club’s supporters over reserved items to protect items like the ownership of a club’s stadium, badge, location and colours and so enable supporters to protect their club’s heritage. More detail can be found in the FLROFG report.

It could be held by 'a democratic legally constituted supporter group' such as the CST and would help ensure that the heritage of the club, so important to supporters, was sacrosanct.

3. What is a ‘Shadow Board’? Why would it be applicable in the sale of Chelsea FC?

The FLROFG report explains that a ‘Shadow Board’ is a ‘board’ of a number of diverse supporter representatives which would discuss the business and strategy of the club in more detail than other forms of engagement. A shadow board is not a formal legal board, so members would not risk the liabilities of a full company director but would be expected to discuss a wide variety of matters in detail with the club.

The FLROFG recommends that the Shadow Board be engaged and consulted on (without limitation):

- a. The club’s strategic vision and objectives;*
- b. Short, medium and long-term business plans;*
- c. Operational matchday issues of concern to supporters;*
- d. Any proposals relating to club heritage items;*
- e. Marketing, merchandising and sponsorship plans and performance. This would not involve consultation or approval on specific contracts or proposals but, for example, the club Commercial Director should meet the Shadow Board at least once per season to explain the club’s commercial strategy and how the club is performing in relation to such strategy. Similarly, the club Marketing Director would be expected to present once per season on the club’s marketing strategy and performance;*
- f. Stadium issues and plans; and*
- g. The club’s plan for broader supporter engagement.*

The effective implementation of such a body would clearly enhance supporter dialogue with the club hierarchy post-sale.

4. What is Chelsea Pitch Owners (CPO) & what does it own?

Chelsea Pitch Owners own the freehold of the Stamford Bridge pitch and the name ‘Chelsea FC.’ CPO was set up by then-owner Ken Bates in 1993 to prevent Stamford Bridge from being redeveloped for purposes other than football. CPO is a safeguard unique in top-level football, ensuring that the club will continue to play at Stamford Bridge.

Through a wholly owned subsidiary (Chelsea Stadium Limited), CPO own the freehold of the footprint of the current stadium. The physical evidence of this is seen in the change in brick colour on the ground in places such as outside the megastore. This indicates the boundary. The stadium is leased back to Chelsea, who pay a nominal rent to CPO.

There are now over 13,000 individual CPO shareholders and we would actively encourage as many CST members as possible to purchase a share <https://www.chelseafc.com/en/cpo/buy-a-share> .

Given recent events, the CST board are currently liaising closely with the CPO board, who have put out this recent statement. <https://www.chelseafc.com/en/cpo/cpo-news/statement-from-the-cpo-board0>

5. Will the existence of CPO not put off potential buyers?

The existence of CPO should hopefully deter potential purchasers who want to buy the club but with the unstated intention of selling the highly-desirable land in SW6 and moving the club elsewhere. We see this as a significant positive, hopefully ensuring only those potential purchasers with the genuine interests of the club and its heritage at heart will try to buy the club.

The club tried and failed to buy back the CPO shares in 2011 (they need the support of 75% of CPO shareholders to do this), and there are concerns that a new purchaser may try this again. If they do, the CST will actively campaign against this, and we would expect any such attempt to again fail.

6. Is the CPO loan the same as the reported £1.5bn Roman Abramovich has loaned the club?

Chelsea FC loaned CPO the money to pay for the freehold, and they are duty-bound to repay this to the club. CPO lease the ground to the club for a period of 199 years starting in 1993. The remaining value of the loan is a reported £8m. This is totally unrelated to the loans the owner has made to the club, which he announced in his statement last week were being written off.

7. What Is the Difference Between the Chelsea Foundation Trustees and Chelsea Supporters' Trust?

The Chelsea Foundation, set up by Chelsea FC, brings together their Football In The Community and Education departments along with their other charitable and community activities, including the international work and anti-discrimination projects. It has six trustees, who the owner's original statement on 26th February stated would take over 'the stewardship and care of Chelsea FC'. That was superseded by his statement of 2nd March when he announced he would sell the club.

Although the CST support many of the aims of the Chelsea Foundation, there is no direct or organisational link between the two organisations and no CST board member is a Chelsea Foundation trustee.

8. What is the 'special licence' under which Chelsea FC must now operate?

Details of the special licence and the conditions that the club has been placed under can be found at [Chelsea FC granted licence to continue operating - GOV.UK \(www.gov.uk\)](http://www.gov.uk). The Government has confirmed that there is a process for Chelsea FC to apply for an amended licence. This application could include proposed amendments on ticket sales.

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