

GLOUCESTERSHIRE COUNTY CRICKET CLUB LIMITED

MINUTES OF THE ANNUAL GENERAL MEETING HELD AT SEAT UNIQUE STADIUM, NEVIL ROAD, BS7 9EJ AND ONLINE ON 29TH APRIL 2024

Present on the panel:

David Jones, Chair
Steve Nelson, Deputy Chair
Rebecca Watkin, Honorary Treasurer
Will Brown, Chief Executive Officer
Neil Priscott, Chief Operating Officer
Bernard Cooke, Finance Director
Mark Alleyne, Head Coach

100 Members attended in person

98 joined the meeting online via Teams.

1.Introductions and apologies:

Chair welcomed Members in the room and those joining the meeting online.

He confirmed that Members attending online had been asked to submit their questions in advance.

Apologies received from:

Steve Goddard
Gerald Heather
John Nation
Nick Hales
Martyn Ellis
Keith Crabtree
Robert Morland
Marie Journeaux
Mark Brunt

A short video was played in memory of Members and ex-players who had died since the 2023 AGM* -

Mike Procter, Brian Brain, Roy Swetman, Duncan Fearnley, Graham Russell, Mr Nigel Graham, Mr Peter Lapping, Mr Mike Owen, Mrs Margaret Thomas, Mr Kenneth Bench, Mr Doug Haigh, Mr Harold Sparrow, Mr Ron Abram, Mr ML Pitt, Mr Richard Hurd, Mr Mervyn Grace, Mr David Smith, Mr David Saunders, Miss K Rogers, Mr Nigel Currie, Mr Anthony Collins, Mr Christopher Henson, Dr J Cobbe, Mr PJ Tucker, Mr Chris Brind, Mr Phil Smith

2. Approval of the election of board members:

Approval required for the election of two Board members.

Results of the Members' Ballot were as follows:

M. Brunt	280 votes
N. Bryan	275 votes
D. Jones	223 votes
S. Houlston	140 votes

Georgina Bryant of Barcan & Kirby Solicitors confirmed the ballot had been independently checked and verified against the database of Members eligible to vote under the Club's constitution.

Results carried by show of hands with 3 people against. No abstentions.

Nick Bryan and Mark Brunt were duly elected as members of the Board.

It was confirmed, therefore, that David Jones would be standing down from the Board and role of Chair at the end of the meeting. He acknowledged the outcome of the ballot and congratulated both Mark and Nick on their elections. He stated he was very proud of the important work that the Board do and how they devote time and effort to the club on a voluntary basis. He also thanked his family for their support in allowing him to fulfil the role of board member and subsequently Chair.

The CEO thanked David for his service to the club and explained that the process to appoint a new Acting Chair from within the Board would begin in the next few weeks.

4. Approval of minutes of the last AGM.

Approved by show of hands.

No amendments.

5. Executive report from Chief Operating Officer, Neil Priscott.

The Chief Operating Officer thanked staff across all departments who have facilitated key commercial events throughout the off season enabling the Seat Unique Stadium to become a year-round venue.

BS7 Gym and sponsorship are key areas of positive performance and growth for the Club. The Gym has returned to pre-Covid membership numbers; membership is continuing to increase.

Internationals:

Income from the 2023 Men's International match v Ireland did not reach budget. A late September mid-week date and second tier opposition resulted in modest ticket sales. The abandonment of the match due to bad weather meant significant losses of revenue on additional spend for food and beverages.

Ticketing:

A new Head of Marketing was appointed in June 2023. This has proved to be a very positive appointment.

T20 cricket makes up the bulk of ticketing revenue for the club. Within a difficult economic context, 2023 scheduling also resulted in seven home matches played across one pay month, including three in six days and, as a result, not always on the most popular days of the week. The budget was therefore adjusted for lower ticket prices to encourage larger attendances and increase potential for additional spend. Changes in pricing did lead to a growth in attendance numbers, Gloucestershire were second behind Warwickshire for T20 audience growth year-on-year. However, the required revenue to achieve budget was not generated.

In addition, there were also a high number of rain affected days early in the season.

The 2024 T20 schedule is better from a commercial perspective. Matches will be played across May, June and July, with three games taking place at Cheltenham. Matches also fall on days of the week which encourage attendance and additional spend.

Marketing has been re-designed to encourage earlier ticket purchases and year on year sales performance is up £80K in the first quarter of 2024. Ticket prices have also risen for 2024 to help meet budget.

Catering:

Catering was brought in-house in 2023. This was partly due to the negative feedback received from Members and other stakeholders about the quality of the provision offered by external partners.

However, the timing of the decision was triggered by the partner wanting to re-negotiate arrangements which meant some infrastructure changes were not in place to manage the transition smoothly and budget targets were not hit. Initial outlay costs were high for casual staffing, new equipment, branding etc. There was also no pipeline business to rely on.

A full staff team is now in place led by our Catering Manager and a new Head Chef. We are receiving excellent feedback on the food offering and first quarter performance is on budget. The Club will be using in-house catering for the Cheltenham Festival in 2024.

The Legends Bar made just £15 in sales on day four of a recent County Championship match. As we now have real time data, a decision was made to close early and save on staffing and other costs. This real time data is one of the benefits of bringing catering in-house.

Concerts and events:

Year-round conferencing and events will be a major focus going forward. This is an area of potential growth and the Club need to maximise the commercial usage of all rooms and facilities on non-match days throughout the year.

The Ministry of Sound Classical concert in July 2023 made a loss. The weather was not good in the lead up to the event and we didn't have the late sales curve that was expected.

The club have a four-year deal with a music promotor on cost share basis, but the post COVID music industry is extremely competitive and we were outbid for eight artists ahead of summer 2024. Therefore, there will be no summer concerts in 2024.

Drones:

The drone shows in December 2023 were a commercial success. They also reached a new audience with most customers visiting the ground for the first time. The club made £60k surplus from six shows. The schedule may be extending to five days (ten shows) in 2024.

There are, however, limitations on the current ground footprint which makes exploring additional income streams more complex e.g. accessibility, parking, licencing.

Legends series:

ECB have approved a 'Legends' series to be played end of August/early Sept 2024. Dates and timings yet TBC.

Following the publication of the ICEC report and under the current County Partnership Agreement, the ECB continue to mark the Club highly and as a leader for our Community, Equality and Environmental Initiatives. Despite a reduction in staffing of our Community Team, our Head of Community continues to innovate and find partnerships. In 2023 we partnered with City of Bristol College to provide facilities and coaching for Afghan refugee students. This year we begin a partnership with the Next Test aimed at reducing environmental impact across the sport.

The COO then responded to some pre-submitted Members' questions:

Is there concern about drop in certain membership categories?

There are an extended range of options being offered this season including a Half Season membership which will go on sale post Cheltenham Festival.

Will there be a permanent Mike Proctor memorial?

The Somerset T20 and Cheltenham Festival will include elements of commemoration. The Heritage Trust are also working on publications.

Commentary for Live streaming

The BBC feed will be used for One Day Cup and County Championship matches. The Club have sponsors for the digital stream but there is potential for more to be brought on board. The Club is exploring an exclusive deal for customers accessing the live stream from India.

Changes to Gate opening times

This was a data led decision to save on costs for casual staffing in catering and stewarding due to low numbers being scanned in during the first hour after gates opened. This could save the club up to £6,000 per season. New timings are in line with other venues. The gates will continue to open two hours before start of play for Blast matches to maximise opportunities for additional spend and ease congestion at gates.

6. Report from Honorary Treasurer Rebecca Watkin:

The club has recorded a £1.2m deficit for year ending Jan 2024.

The wider economic situation led to record inflation and a significant increase in costs across all areas of the business which was difficult to pass on directly to customers and retain a positive customer experience.

Additional funding made available from the ECB has been utilised to meet some of those additional costs, including rises in cricket and matchday expenditure post COVID. The majority of funding received from the ECB is not index linked. This means the actual amount received in 2023 was the same as it was in 2021. This is effectively a real terms decrease in funding towards the back end of the current cycle. The majority of ECB funding is determined by the County Partnership Agreement. This also dictates certain costs that are ringfenced within the agreement.

Operational costs of hosting matches have needed to be funded from commercial ventures and there is a real drive to improve commercial opportunities and reduce spending moving forward.

ECB funding has dropped to 59% of total income compared to 62% in 2022.

As of the first quarter of 2024 the club is solvent and debts can be paid. The club was also signed off as going concern by auditors in January 2024. Additional funding has been secured to assist with cash flow.

2024 and beyond:

The Men's ODI is against stronger opposition in 2024 and is likely to sell out well in advance. Home T20 matches are to be played over a longer period and spread between Bristol and Cheltenham. Ticket sales are already ahead of year-on-year data compared to 2023.

Changes to the scheduling of Board meetings means they are now aligned with the financial quarters and the Board are receiving weekly data from the COO, including an analysis of risks and opportunities across all areas of the business. An Interim Finance Lead has also been appointed to look at improving processes and support the finance team.

2025 sees the start of a new ECB funding cycle. This means more funds will be available across the next four years although the net effect will be tempered by additional cost obligations.

The windfall expected from the sale of The Hundred in 2025 will assist greatly in paying off debt and the potential ground move would also increase commercial opportunities to maximise year-round profitability.

7. Report from the CEO Will Brown:

The CEO acknowledged that it is not financially sustainable for the Club to continue to rely on income from cricket alone. We therefore need to find stable/sustainable year-round income streams which support the cricket. As stated in the Treasurer's report, increases in inflation alone added £250,000 to the Club's running costs in 2023. The decision not to sell assets included in original budget was made to realise the maximum value of the site as a whole in the event of the Club moving to a new home.

The 2024 Men's International match represents an important opportunity to recoup some of the losses from 2023.

ECB:

Will acknowledged that this is a massive period of change and uncertainty for cricket as a whole and that there are some major projects happening at the ECB. These include the Women's World Cup 2026; a new County Partnership Agreement funding cycle and the potential sale of The Hundred competition.

The Club have had an assurance that the ECB are fully committed to retaining all 18 counties and would not allow any county to fail financially. The Board and Executive are proud to have managed to get through a very tricky financial period without having to rely on the ECB for additional funding.

The club were very disappointed not to have been allocated a Tier One women's team from 2025. However, there is the potential for significant funding to be made available to the county clubs who run Tier 2 women and girls' provision (including a girls' talent pathway) amounting to around £200,000 per year.

Women's T20 World Cup 2026:

The Club are in the process of starting our bid to be a host venue for this competition as we were in 2017. Due to the increase in popularity of women's cricket, there are more Test venues bidding this time round. However, we remain very optimistic about our chances of hosting matches in Bristol.

County Partnership Agreement:

Around 95% of ECB funding within that agreement is earmarked toward expenses such as stewarding, Physio costs, talent pathway and medical provisions. Non-compliance with these criteria could put current and future funding at risk. The amount due over the 4-year cycle from 2025 will be increasing by £680,000.

The Hundred:

The ECB are considering a potential sale of up to a 49% share in the eight current teams to external investors. Profit from that sale will be shared across all counties, regardless of whether they currently host a team. If they get approval for the deal, the ECB plan to go to market this summer and close a deal by the end of 2024. Counties would then hope to receive funds within 12 months. None of this is included in the current budget as nothing has been finalised yet and we are working towards breakeven and a surplus from 2025 based on current trading figures.

However, we still have to get our day-to-day trading right and keep costs down, otherwise any surplus gained from that sale would not last very long.

Project Grace Potential Ground Move:

There is a sub-committee who have been working on the project which includes board members Richard Foley and Sally Cordwell, former board member Adrian Britton alongside the CEO and Chair. There has been very little cost incurred so far, as members of the committee are working on a pro-bono basis.

A potential site in South Gloucestershire has been identified which is twice size of the current site at Nevil Road. A non-binding heads of terms has been drawn up with the landowner. Both South Gloucestershire and Bristol City Councils are being consulted on a regular basis. The sub-committee are also working on a business plan and financial model to consider alternative revenue streams which would support the cricket. They are also consulting with the ECB facilities team who worked with other clubs, such as Hampshire, when they relocated.

The CEO wanted to reiterate to Members that this is still a work in progress and that nothing has been confirmed or agreed and no money has yet been spent on the project.

The CEO thanked individuals who have given their support to the project and wider Club. He also acknowledged the staff who have worked very hard to turn things around over the last 12 months.

The Chair then opened the floor to questions from members.

John Nicholls: What is the detailed short-term plan to reduce costs and recoup losses?

The CEO explained that recent staff vacancies haven't always been re-filled, saving the Club money on staffing costs. However, there is only so much that can be done in this area before it impacts on performance and customer experience.

Liabilities, debentures and bonds are due to be repaid at the end of this season (Sept 2024). It is hoped that some, if not all, will be reissued and rolled over to the next financial year. This is a great way for Members to support the club financially.

Funding has been secured from Barclays Bank. Borrowing, including the loan top up, is still less than £3.3m. The Club have also received two significant offers of financial support from other organisations. However, this is not currently required, as support from the bank has been secured.

There are demonstrable commercial improvements based on year-on-year data, but it is clear that the Club cannot continue to rely as heavily as it has done in the past on income from major matches alone.

John Nicholls: There is a general lack of confidence from Members in the ability of the Executive Board to deliver savings and get the deficit down. How can you convince the Membership that there is a solid business plan to address this?

It is clear that risk identification and management are essential to future success. To this end the COO now sends weekly analysis, including live data from across the business, to the Board to help identify potential risks and opportunities, in order for the business to be more proactive. This means identifying potential and actual risks earlier and having strategies in place to mitigate them.

Board meetings are now aligned with financial quarters, with an additional two meetings per year which focus on the on-field performance throughout the season. Each Department Head is responsible for providing a detailed summary of their quarterly performance against KPI's which is shared with Board members in advance of each Board meeting.

Relationships are also key to success, with the ECB, Members, banks and other stakeholders.

Jack Jones: Would the Club consider a vote of no confidence in the ECB as they are not pro the 'minor' counties?

Is there a conflict of interest considering their CEO and Chair's previous involvement with Test venues? Jack also wanted it noted that members are extremely disappointed in the ECB's decision regarding the Women's Tier 1 allocation.

Will stated there is a huge risk with The Hundred sale that the richest clubs just get richer and current non-host clubs need to be compensated accordingly. Conversations are happening between all the non-host clubs and the ECB about how the equity from a potential sale is allocated. However, there is also a need to be diplomatic about how relationships with the ECB are managed.

The club are also very disappointed not to be allocated a Tier 1 women's team. Staff from across the Club and the GCF worked extremely hard on our bid. However, there are still financial and commercial opportunities to be gained from hosting a Tier 2 team alongside the Girl's Talent Pathway.

The Finance report states projections for 2024 are on the up. Do you have more details about this and whether these projections are realistic and achievable? (Member's name not recorded)

Neil responded that all Key Performance Indicators (KPI's) for quarter one of 2024 show improvement based on year-on-year data. Sponsorship and catering are currently projected to hit budget. Bringing catering in-house has already generated 60% more income than at this point last year. BS7 Gym is exceeding budget targets and continues to be a key area of growth for the club. 90% tickets have been sold for both Men's and Women's International matches.

Getting costs down is an ongoing process. However, streamlining reporting processes between finance and other areas of the business enables us to work with 'live data' and make more dynamic decisions.

The CEO stated that the club will present updates at Members' forums throughout the year to enable scrutiny and questions to be asked, with a view to avoiding any surprises or confusion when financial reports are published at year end.

At what point do you foresee this upward trend wiping off the deficit and achieving a profit? (Member's name not recorded)

The CEO stated that the Club are confident that the current deficit will be written off completely by 2025.

2024 sees the end of a fixed four-year ECB funding cycle. This means a significant increase in funding will be available from the ECB over the next four-year term. Any windfall payment from the sale of The Hundred will also be in place by 2025.

Mike Chant: Looking at the Cricket department expenses, are the number of coaching staff necessary? Is there a detailed breakdown of coaching and support staff numbers and wages available to Members?

The CEO explained that most of the cricket support staff are on casual/zero hours contracts. For example, most of the Boys Talent Pathway coaches are self-employed and invoice the club at an hourly rate.

We are obliged to have three permanent Physios and two psychological support staff who are paid on an hourly basis. This fulfils the minimum staffing requirement dictated by the ECB as part of the County Partnership Agreement.

Catering and gym staff are also predominately casual/zero hours, so the actual number of staff shown in the report does not equate to fulltime permanent staff on the club's payroll.

The Club will not disclose payroll information for individual staff members or roles but will ensure that the next financial report contains clearer information about part time/casual/zero hours staff.

Tony Elgood: Why do the board allow for financial losses to be budgeted for each year?

Steve Nelson: The Club chose not to sell assets which were included in the original budget for reasons stated previously. Doing so would have made a substantial difference to the overall losses.

Treasurer: The Board were involved in the budget setting process and asked for this to be set as close to 0 as possible. There is only a limited amount of cost savings which can happen in one go without affecting current and future performance. The biggest area of expenditure is the cricket department and the Board have to balance saving money with on field performance. The Board would not want a deficit budget to be set year after year and are working towards a surplus as set out by the CEO above.

CEO: Promotion to Division One resulted in increased expenditure on squad. This included 2–3-year contracts for some players which are still in place.

Chair: This is a period of unprecedented, rapid change and turbulence for the club and cricket as a whole. As CEO mentioned there is potentially a lot of funding coming into the club in the next 12 months.

Bill Martin: Members have been asked to be patient for the last 7-8 years. Members care deeply about the Club but are concerned about its long-term future. We want to know what the Board and Executive are going to do to provide the stability you talk about.

CEO: Everyone here wants the same thing. That is for the Club to be successful both on and off the field. Therefore, it's really important for us to all work together towards that common objective. We have set out some of the ways in which that can be achieved above.

There are also always opportunities for Members and others to support the club by attending matches/events or giving financially via debentures or legacies.

John Gordon: Why should existing host counties be entitled to a bigger share in sale of The Hundred as they were gifted the franchise in the first place? And can the ECB presentation on the potential sale of the Hundred be shared with the Member's Working Group?

Will agreed to share updates with the Member's Working Group.

There is lots of work happening with non-Hundred venues to advocate for an equitable share in any potential sale.

Some costs such as player salaries will move to host venues from the ECB as part of the deal.
Gloucestershire would be a leading contender for a franchise team when the competition expands.

Will wanted to make it clear that there was no connection between the current negotiations around The Hundred and the allocation of Women and Girls teams.

Report from the Head Coach Mark Alleyne

As an ex-player and fan, Mark wanted to assure Members that he and all the players are completely invested in the future of the Club.

The pre-season tour to South Africa was a big success in terms of team bonding and match experience. It also gave Mark ten days to establish a working relationship with the players and start building a squad at the start of his tenure as coach. Mark has been really impressed by younger players and rookies coming through from the academy.

Mark has been able to have one to ones with all the players and is creating a culture in which the playing squad are encouraged to feedback information to the coaching staff on how the squad are feeling and whether there are any issues which need to be addressed to improve performance. This is helping players be fully invested in performing for the team and hopefully reduces anxiety around performance that can lead to increased risk of physical injury.

Unfortunately, lots of play has been lost to the weather in the build up to the season.

The first team showed determination and fight in the first match, which was well led by opener Cameron Bancroft.

The team know that they can do better than they have in the last two seasons. Although they have not progressed up the table yet, there is a good spirit in the dressing room and a determination to be successful. They all want to enjoy themselves on the field but also for it to be entertaining and enjoyable for Members and supporters.

County Championship:

Statistically we have the quickest bowling attack over both divisions.

The collective target this year is for promotion to Division One.

The short-term aim is to be in the top half of the table by the end of match 6.

White Ball:

T20 target is to get into top 4 and knock outs.

Beau Webster will be arriving from Australia in a couple of weeks to boost the T20 batting.

Approve any changes/amendments to the club's Constitution:

Club President:

Proposal put to Members to change section 10.3 of the Constitution to

10.3 The President has to be a Member of the Club and shall be elected for an initial period of three years. At the expiration of the first term of office he or she shall be eligible for re-election as President for a further two years. At the expiration of the second term of office he or she shall not be eligible for re-election as President until after the expiration of at least three years from the conclusion of his or her last year of service in that office. At the expiration of the three-year period, he or she may be elected to serve a final term of [two] years. In any event no one may serve more than a total of [seven] years as President

Roger Gibbons agreed with the proposal to amend the initial Presidential term from two to three years but objected against the option of re-election at the end of that term.

Members voted to approve the proposal set out by Roger Gibbons by a show of hands.

Carried with numbers. (5 against. 1 abstention)

Approve the appointment of Auditors:

Club Auditors Saffery ** approved by show of hands.

Bill proposer.

Tony seconder.

Carried with 1 abstention.

AOB:

None

Meeting ended at 9.03pm.

**Special thanks to member Matt Davis for producing the remembrance presentation.*

*** Note: Auditors have changed name to Saffery (no longer Saffery Champness).*