## Shrimpers Trust Questions to Anna Firth MP

Thank you very much for the invitation to the Southend United supporters forum on Monday night. It was a pleasure to meet you on zoom and it certainly gave me a much better understanding of the problems faced by the football club.

Below are written answers to the questions posed by supporters which I hope you will find helpful. If you have any further questions please don't hesitate to get in contact at <u>anna.firth.mp@parliament.uk</u>

- 1. Would she support an amendment to the Owner and Director Test ("ODT") such that it reflected a broader range of corporate insolvency and financial management issues, for example numerous winding up orders from HMRC? Would she also support mandatory sale processes of clubs (with pricing agreed by arbitration) where existing owners are found to have failed the ODT?
  - a. I look forward to reading the forthcoming White Paper which is expected to be published later this month, possibly next Wednesday or Thursday, 22<sup>nd</sup>/23<sup>rd</sup> February. I hope the White Paper will outline changes to the current ODT's and will see a uniform approach administered throughout the football pyramid. Having the tests currently devised by three separate bodies (The Premier League, The EFL and the FA) does not lead to a uniform approach, which is crucial for effective football administration. I also believe that if an owner was to fall foul of these tests, then strict measures need to be in place to secure the safety and viability of the affected club.
- 2. Would she support and could she propose legislation that required consent from a majority of season ticket holders to transfer assets, in particular football grounds, outside of the group of the legal entities. For example, selling the football ground to the majority shareholder would require consent from the season ticket holders of the club?
  - a. It is my hope that the white paper will contain measures designed for exactly this. The Fan-Led Review, on which the White Paper will be based, recommended a "Golden Share" which would see greater power to supporters and is designed to stop belligerent owners from forcing through their own agendas without the support of fanbases.
- 3. Only question I got is will she bring it up in parliament how lower league clubs are either going bust or in administration and will the government do anything about it to help support lower league clubs?
  - a. I have already raised the issue of lower league clubs and the problems they are facing in the Chamber at the House of Commons last week. You can find a clip of this on my social media channels. I also intend to raise the issue of Southend United with my parliamentary colleague and friend, The Rt Hon Lucy Frazer KC MP, who is the current Secretary of State for Sport to ensure Southend United are properly and fairly represented as the upcoming White Paper makes its way through Parliament.
- 4. How are we supposed to trust the answers of someone who's a member of a party that Ron is known to give sizeable donations towards? And what guarantees can she give towards the future of our club?

- a. I assure you that my priorities and loyalties are first and foremost for my constituents and ensuring they have the voice they deserve in Parliament. I am obviously unable to give any "guarantees" but please be assured I am working with all parties to ensure the survival of club.
- 5. Can she bring up the clubs plight in house of commons and have Home Secretary block Ron Martins housing development on Fossett Farm.
  - a. See answer to Q3. In January last year, the then Secretary of State for Levelling Up, Housing and Communities, the Rt Hon Michael Gove MP said that the plans would not be called in and therefore I believe that is unlikely to change as a result of the significant housing offering that accompanies the stadium.
- 6. Can you please ask her if the Football Club <u>needs</u> to exist in order for the FF development to proceed. Please don't allow her to give the stereotypical politicians answer about what she *wants* to happen, just pin her down to that question and try and extract a yes or no answer, if you can.
  - a. At this time, I am not aware of the particulars and intricacies of the contract, this question would be better posed to either the Club or Southend City Council.
- 7. You can ask if the council feel any guilt at all in the fact that they kept rejecting any new stadium plans until they were desperate for housing and how is the Lucy Road project going that they rushed through instead.
  - a. This is a question that needs to be addressed to, and answered by, Southend City Council.
- 8. Could she speak to the Sports Minister about a rescue package? Clubs like ours are going bust or liquidation and the money coming from the premier league is chicken feed?
  - a. Further to my response to Q's 1, 2 and 3, I hope to have a meeting with the Secretary of State for Culture, Media and Sport Lucy Frazer KC MP shortly, where I will raise this matter. One of the proposals in the Fan-Led review also addressed this very issue and I hope to see it implemented in the upcoming White Paper. If there is any possibility of securing "a rescue package" I will do my utmost to secure it.
- 9. My questions would be 1) Is she aware of how likely RM is to get the bridging loan? 2) If it's not going to happen how prepared is she to ask the judge and HMRC to give more time and why they might or will not?
  - a. I remain in contact with Ron and the Club and can unfortunately add no more than you already know, Ron Martin has told me that he is confident and that he is making progress, but it will be close and "tight".
  - b. I am more then prepared to write to the Court again asking for more time just as I did before the last hearing on the 12<sup>th</sup> January, however, I must stress that I have no direct influence over the court proceedings. The case of Southend United is back in the Companies Court on the 1<sup>st</sup> of March 2023 and on the last occasion the Judge listed

## the case as "FINAL ORDER" meaning that the Court is highly unlikely to agree to any further adjournments without a substantial amount of the debt being paid.

- 10. The city must have a team, the city must have the housing both at Vic Ave and FF site so why don't they, Southend City Council get it started with money, which can be accounted and recovered in the profits or housing stock. The delays are killing the club and harming the city. What is stopping council?
  - a. I have regular meetings with the Chief Executive of Southend Council and my understanding is that Ron Martin has already made a similar request to the City Council but that this was rejected. However, I am happy to write to the new CEO and press him on the possibility of releasing funds to the club.
- 11. Your recent letter was in the third party and clearly said you wouldn't comment as there was a court case. Can you get involved or not. If so, what meaningful can you seek to achieve?
  - a. My caseworker was referring to the matter still being sub judice. The sub judice rule prevents MPs or Lords from referring to a current or impending court case for fear of influencing proceedings. However, I am able to represent my constituents in discussions with HMRC regarding the case and I am able to hold meetings with both the Club and HMRC and the Council, but I am prohibited from discussing the legal matter in public.
- 12. Can RM be classed as a fit and proper person to run a football club?
  - a. Like all of you, I am eagerly awaiting the publication of the White Paper which I hope will update the current Owners' and Directors' Tests. It would not be for me to comment on whether Mr Ron Martin will fail or satisfy the new test before it is published.

13. Do the MPs in this area really want a Football club or more space for homes?

- a. I believe that Southend United is an absolutely vital part of the community and is a must for any city. Southend United has a long and proud history and it would be a devastating loss for the community if it was to be wound up.
- 14. Please ask her thoughts on the white paper (delayed) regarding a football regulator?
  - a. I hope my previous answers regarding this have helped clarify my position on the much-needed White Paper. However, more specifically I believe that the introduction of an Independent Regulator for English Football is well overdue and its presence will only benefit the game.
- 15. To be honest there is little she can do to force Ron to pay his debts to staff, HMRC etc. However, I would like her to concentrate on the upcoming legislation in parliament in making sure that football clubs have to own their own ground or have a local authority as a landlord who don't charge any rent. The legislation should then protect clubs from property developers stripping the assets. In

Ron's case the day he bought Vic Jobson's shares in the club in June 1998 the training ground was sold for £525,000 to one of his joint venture companies (this one was with Delancy Estates) and in March 1999 Roots Hall was sold for £4,000,000 to Martin Dawn, a company he fully owned. So in under a year of ownership he had sold all the football club's assets to companies he owned. The sale incurred a loss to the football club of nearly £3,000,000 as the club accounts showed the value of Roots Hall at £6,750,000 and the training ground at £1,000,000 based on a valuation from a leading London firm of surveyors in 1996. Some might question the conflict of interest and the basis of the valuation as you would have expected them to increase over time rather than reduce by 30%. It is all in the club's accounts and still available online if anyone is interested.

- a. With regards to protecting the ownership of grounds in legislation, it is a very interesting thought and one I will raise in my meeting with the Secretary of State in my meeting with her. We are all aware of cases where this has been abused (such as Wrexham) and it should rightly be stopped.
- 16. What is her position on Tracey Crouch's review and can we expect her to support the bill when it's presented to parliament? Does she agree that the football industry needs independent oversight to prevent situations like this developing?
  - a. I can guarantee to you today, in writing, that I will support the proposed legislation, if it benefits Southend and Southend United. Please see my answer to Q14 for my thoughts on an Independent Regulator.
- 17. How happy is AF that people working in her constituency are going unpaid regularly? Does she attend games as a guest of the club? If so, along with her recent court appearance, how does she think it looks to be associated with Ron to her voters?
  - a. The current situation at Southend United is obviously extremely disappointing and I have been in contact with both Ron and Tom regarding this. Both have assured me that the matter is being dealt with as a matter of urgency and they hope to have it solved and have all salaries paid as soon as is practical.
  - b. I attend games entirely of my own volition. Whilst I have attended games as guests of the club, such as when I bought 100-year-old and lifelong shrimper, Annie Maxted to a home game and the club were gracious enough to provide us with seats in the 1906 Lounge, I much prefer sitting in the stands. This week it was a privilege to sit in the West stand for the match against Halifax Town FC. The passion and spirit of Southend United fans is unmatched.
- 18. The MP can't answer regarding if March 1st will be the clubs last day. She could answer, as she had sat back and watched without comment, with now the sudden interest, what support would the MP give to a phoenix club? What does that support look like in real terms?
  - a. I have been present in meetings with HMRC and liaising with Ron and the Club since October, I also held a preliminary meeting with a representative of the Shrimpers Trust in November. As mentioned previously, the matter is sub judice, so I have avoided commenting where possible. However, given the escalation in the last couple of weeks, and the increasing contact from constituents, it became appropriate to clearly outline my position.
  - b. Whilst I would support a Phoenix Club, I would like to categorically state that I believe all our efforts MUST be focused on ensuring the survival and stability of Southend

United and support for a Phoenix Club would only be extended when all other avenues have been exhausted.

- 19. AF is correct in saying we can't allow our community football clubs to die. Fans, in financially harder times, have dug into their pockets to support paying staff, as have Shrimpers Trust with a large loan. What has her supportive action been to date?
  - a. Please see answer to Q18a.
- 20. Please can you ask why her honourable friend James 'total waste of skin' Duddridge will not be joining her?
  - a. Whilst I am disappointed at the rude and demeaning nature of this question and disagree with you entirely, I will answer in an effort to be transparent. Sir James Duddridge has also been present at numerous meetings with HMRC and has been assisting where possible. However, despite the citywide appeal of the club and being a supporter himself, as the club itself falls into the constituency of Southend West as opposed to Rochford and Southend East, Sir James is limited to what he can do.
- 21. What / How, can the government do/help to stop corrupt individuals ruining football clubs and thus communities?
  - a. I hope that with the upcoming White Paper, the current Owners' and Directors' Tests will be updated to ensure there are stronger measures in place to protect clubs and communities. The Fan-Led review of the tests suggested the Independent Regulator for English Football should have full control of the tests and this uniform approach will only serve to benefit the system.
- 22. Can you ask her why she's only paying attention to us now that there's some media interest? Feels like she's using this to boost her own profile rather than ours!
  - a. As I outlined in my statement and my answer to Q18, in the last week I have received a marked increase in correspondence regarding Southend United and their current predicament, meaning that staying behind the scenes was no longer an option. As your elected representative, it is your right to know my views and what I am doing to save something so important to the community.