



CUSG 3 July 2023

Club update


This update is, as usual, focused on operational matters within the remit of the 1921 Operational Board. I will take any further questions from CUSG groups at the meeting on 3 July 2023 and answers will be detailed in the minutes.

| Issue | Reference/Comments | Status |
|---|--|--|
| <p>David Wilkes</p> <p>In late June everyone at the club was deeply saddened and shocked to learn of the sudden passing of Dave Wilkes - a close and dear friend to all who worked with him. Our thoughts are with Dave's loved ones at this extremely sad time.</p> <p>A funeral celebration of his life will be held at Carlisle Crematorium on 11 July at 12.20pm.</p> <p>The club will recognise Dave with the fans before the start of the friendly vs Dundee United.</p> <p>We will discuss commemoration of Dave's service to the club with CUSG.</p> | <p>The club issued a tribute and we will commemorate his passing.</p> <p>https://www.carlisleunited.co.uk/news/2023/june/club-part-of-the-fabric-of-the-club/</p> <p>https://www.carlisleunited.co.uk/news/2023/june/club-funeral-details-for-david-wilkes/</p> | <p>11 July 2023</p> <p>Information</p> |
| <p>Supporters</p> <p>Forum</p> <p>CUSG hosted a fans' forum in Foxy's Restaurant on Tuesday 27 June with club shareholders, directors and the first-team manager present. It was streamed live.</p> <p>Follow up detail are on the website.</p> <p>The updated 23/24 Club Charter has been uploaded on the website.</p> | <p>https://www.carlisleunited.co.uk/news/2023/june/live-blog-fans-forum/</p> <p>https://www.youtube.com/watch?v=TaYZgqyldE</p> <p>https://www.carlisleunited.co.uk/news/2023/june/forum-there-has-been-progress/</p> | <p>Complete</p> <p>Information</p> |
| <p>Warwick Road</p> <p>The club/SLO continues to work with the Warwickroadenders and CUOSC to introduce flags to add to the match spectacle. We hope this continues in 23/24.</p> | <p>SLO and club welcome and will support further efforts.</p> | <p>Ongoing</p> |
| <p>Bars</p> <p>The west side ground floor lounge used by players will be dedicated to Alan Ashman in H2.</p> <p>Arrangements for McConnell's bar for 23/24 will change to improve the experience and increase usage. This will include sponsorship and food with improved facilities and guests.</p> <p>Advance purchase tickets to use the lounge will be implemented for an additional charge.</p> | <p>TBC</p> <p>Membership for the season £750 – includes season ticket, food (self-service) bowl food and pasty at full-time. For fans who have already purchased a season ticket the price is £290 for the season for access to the lounge and food very League game (works out at £10+ vat per game). Game by game the price is £40pp includes ticket and food. Full announcement shortly</p> | <p>Information</p> <p>Information</p> |
| <p>Fans Zone</p> <p>The west stand Fan Zone is planned to double in size for 23/24. A second container bar has been ordered to increase capacity and improve service. Additional seats are planned.</p> <p>Fan Zone access at half time for fans from the Paddock South and WRE is being looked at.</p> <p>At this point a roof is unviable compared with other competing demands for investment.</p> | <p>We would welcome new food vendors to join us. Please contact catering@carlisleunited.co.uk</p> <p>This is aimed at relieving pressure on the WRE and Paddock South kiosks and to offer a better half-time experience for fans, to get food and beverages.</p> | <p>Appeal</p> <p>Details TBC</p> |
| <p>Behaviour at games</p> <p>We continue to be under FA investigation for incidents at the Bradford Play-off 2nd leg including pyros, missiles, pitch incursion and pitch invasion. The outcome is to be confirmed by the FA. We are working closely with the Police.</p> <p>We have also been charged by the FA for racist chanting at the Boxing day game versus Bradford. We have pleaded guilty and are awaiting the sanction.</p> <p>These incidents of fan disorder must not continue into the 23/24 season. They are damaging the club.</p> |  <p>We will confirm outcomes in due course.</p> <p>In advance of the new season and first home friendly we again appeal to fans not to misbehave.</p> <p>We will continue to work with fan groups on ways to avoid instances.</p> <p>We will continue to issue posters and use social media to try and get the message across.</p> <p>Increased stewarding will be put in place.</p> |  <p>Information</p> <p>Appeal</p> |



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| <p>Playing shirt amnesty to hand back old shirts for reuse is continuing. Donation points are in the Blues Store and Pioneer east stand upstairs ticket office/reception. The club still is seeking shirts missing from the collection to complete the display. We will confirm the shirts missing and hope we can get an example of each one.</p> | <p>https://www.carlisleunited.co.uk/news/2021/december/club-donate-your-old-shirts-for-good-causes/ More donations welcome – please help if you can.</p> | Ongoing |
| <p>Memorabilia continues to be collected and donated by fans. The collection is now sizeable and still growing. New items are being put on display in the west stand bars every month. Options to display more are being explored by the SLO.</p> | <p>Any other donations will be welcome. Details of the collection will feature in an SLO website article shortly</p> | Ongoing July 2023 |
| <p>Prostate testing We hosted a Prostate Cancer testing session in association with the Community Sports Trust and Barry Kilby Prostate Cancer Appeal on 17 June 2023.</p> | <p>This is a serious illness. In the UK, about 1 in 8 men will be diagnosed with prostate cancer in their lifetime. Get tested - book here: https://bkpca.mypsatests.org.uk/Events/</p> | Complete |
| <p>Retail The new replica kit for 23/24 was launched in late June. The demand has been extraordinary. The kit was almost a total sellout within 5 days. It is the fastest selling kit on record. A second order has already been placed and is due in late August. The training kit is due for launch wk2 July – it is the club getting ready for sale. The new e-store was launched in late June alongside the kit launch. The first day of online sales was larger than total sales for the prior 10 months. It is a major upgrade and has worked well so far. Huge thanks to Shopbloks https://www.shopbloks.com/ for its work in the implementation. At the same time we have also changed the entire back office system and migrated to Eposnow. Credit to the shop staff on the changeover during the busiest time on record.</p> | <p>Check out https://www.bluesstore.co.uk/ https://theterracestore.com/collections/carlisle-united Further updates to follow. We plan further upgrades to the e-store in the coming months including loyalty scheme (and we hope changes to order tracking). We acknowledge delays in early orders. This was due to the huge orders and we thank fans whose orders were later than expected for their patience. Some fans orders could not be fulfilled in the initial batch as stocks ran out. We apologise for this and are looking at ways to avoid this in future. Feedback is most welcome on the new online retail fan-experience.</p> | Information July 2023 Ongoing Information Appeal |
| <p>Commercial Match day sponsorships and hospitality are selling very quickly for Foxy's, 74-75 and Kingmoor Park Legends Lounge. Commercial adverting, sponsorships and partnership opportunities are being taken up quickly too.</p> | <p>Please book early - do not wait. Announcements to follow. Contact the commercial team https://www.carlisleunited.co.uk/news/2023/february/club-staff/</p> | Information |
| <p>Tickets In early May we moved to a new ticket platform. This is now fully installed and in use for the 23/24 season ticket period. This will be important in improving our marketing to fans and the online purchasing experience. For 23/24 all ticket exchanges or upgrades should be carried out prior to match day.</p> | <p>Fan feedback has been very positive so far. Again we are looking at ongoing improvements. Feedback is most welcome on the new online ticketing fan-experience. A £1 standard charge will apply. Requests on the matchday will be declined.</p> | Appeal Information |
| <p>Season tickets Season ticket income so far is up circa £200k (48%) from both increased sales numbers and price per ticket.</p> | <ul style="list-style-type: none"> • 2725 sold compared with 2197 for 22/23. This is up overall 24%. • adults up +25%, seniors +24% juniors +34%. • average yield price per ticket is up +16% (from higher prices and sales mix). | Ongoing |
| <p>iFollow 23/24 arrangements are unchanged from last season. Midweek games, Saturday games during international breaks and bank holiday games will be streamed live.</p> | <p>From 24/25 there is expected to be no iFollow streaming to the UK. It will be replaced by the new Sky EFL App (overseas streaming arrangements to be confirmed). 4 cameras will be in action in L1 from 24/25.</p> | Information |



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| <p>Stadium</p> <p>The annual Safety Advisory Group safety process is almost finished with just final minor administration to complete. Capacity will be broadly unchanged at circa 17,000. Pitch renovations are complete and we are now in the re-growing phase. Work to bring a second training area on stream on the east side is advancing with seeding planned for late July and use late September 2023. Front fascia on the WRE stand facing the pitch is to be completely replaced in early July.</p> | <p>Thanks to back of shirt sponsor Story Homes for its support and assistance.</p> <p>Thanks PMS its support and assistance.</p> | <p>Information</p> <p>Sept 2023</p> <p>July 2023</p> |
| <p>EFL</p> <p>EFL Football is a highly compliance-driven business off-the-field. The regulatory regime continues to toughen, especially over club governance, finance and cost control, match day, safeguarding, EDI, security, H&S and player care. Financially an increasing number of clubs are breaching EFL regulations. New EFL regulations were implemented from early June.</p> | <p>The Fan Led Review will bringing more compliance and regulation. Club operations are constantly being independently audited, reviewed and inspected. The instances of clubs being charged and sanctioned for financial and other regulatory breaches by EFL and FA are increasing markedly.</p> |  <p>Information</p> |
| <p>EFL Regulations and compliance</p> <p>The EFL Conference and AGM was held 6-8 June in Chester. Director and shareholder, John Nixon left the EFL board following our promotion to L1. He was elected by all EFL clubs to represent them on the FA Council for 23/24 season.</p> | <p>A new tougher Owners & Directors Test plus further source and sufficiency regulations were adopted. Also multi-ball is reintroduced. https://www.carlisleunited.co.uk/news/2023/june/interview-the-important-thing-was-us-getting-promoted/</p> | <p>Information</p> |
| <p>EFL Safeguarding</p> <p>Safeguarding is a key area of focus for the club. https://www.carlisleunited.co.uk/news/2022/july/efl-safeguarding-standards/ . We have our strategy “<i>Safer together</i>” being implemented. We are expecting an independent audit of safeguarding by Barnado’s in 23/24.</p> | <p>Our strategy and all club safeguarding policies have been reviewed and updated for 23/24. Our overall strategy, approach and the documents are detailed on the website https://www.carlisleunited.co.uk/safeguarding/ Scott Taylor is the club’s Designated Safeguarding Officer, his details are here: https://www.carlisleunited.co.uk/news/2022/july/club-staff/</p> | <p>Information</p> <p>Contact</p> <p>Audit date tbc</p> |
| <p>EFL EDI and Mental Health</p> <p>We have finalised our Equality Action Plan 2022-2025 “<i>Stronger Together</i>”. We are now in the implementation phase which will include surveying fans in Summer 2023 on a range of EDI issues.</p> | <p>https://www.carlisleunited.co.uk/news/2023/january/edi-equality-action-plan/ Club EDI survey to be issued In Q3 2023. Contact Nigel Davidson (EDI Officer) if you want to get involved in EDI, for more details. https://www.carlisleunited.co.uk/news/2022/july/club-staff/</p> | <p>Ongoing</p> <p>31 August 2023</p> <p>Contact</p> |
| <p>EFL Green Code</p> <p>As an accredited “Green Club”, we are committed to improving our environmental practices and operations as we continue our journey to a more sustainable future. Fans with a passion for sustainability are wanted to help us.</p> | <p>We are completing the finals stages of formulating our “<i>Green Plan</i>” strategy which we will now publish in August Get in touch via the SLO.</p> | <p>31 Aug 2023</p> <p>Contact us to Volunteer</p> |
| <p>Fan Led Review</p> <p>The EFL and PL and FA are continuing to negotiate changes to the game in parallel with these reforms.</p> | <p>No change since the last update.</p> | <p>Ongoing</p> |
| <p>Academy</p> <p>We are scheduled to receive a full routine independent audit of EPPP compliance in 23/24. We have the sad and very difficult job of replacing Dave Wilkes as Head of Coaching. Supporter behaviour across the whole game is under scrutiny. Our Club Supporter Sanctioning Policy will now apply at Academy games too.</p> | <p>Full EPPP audit date to be confirmed. Recruitment will take place after a pause in respect of Dave. Whether it is at first team games and training or Academy games and training, all participants must be respected by fans. Action will be taken in line with club policies where spectators misbehave at any CUFC games, including Academy.</p> | <p>Audit date tbc</p> <p>Information</p> <p>Information</p> |



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| <p>Funding and finance 22/23</p> <p>We currently estimate a full year loss in 22/23 of circa £600k driven by:</p> <ul style="list-style-type: none"> increased total income rising to over £5m ticket income of circa £1.6m (the best on recent record) Cup and Player sales Football Fortune of just £0.2m (the lowest for 8 years) and around £600k below 21/22 increased Total Football Expenditure (Player wages, staff, football operations) higher overhead costs, over £150k of debt interest to Purepay <p>This gives rise to an EBITDA cash loss (excluding non-cash costs) of £150k before capex spending in the year. This means our cash reserves brought forward from 21/22 are carried forward again into 23/24.</p> <p>We had no shareholder or debt funding in 22/23 and operated on an entirely self-funded basis for the fourth consecutive season. We have had no funds cash injected into the club since May 2019.</p> <p>Purepay debt position is unchanged. Interest charges are escalating as interest rates and compounding takes place. The current cost is circa £3500 per week. The year end debt balance is circa £2.7m (£2.1m capital and £600k interest).</p> <p>Our finances are currently far better than budgeted at the start the year. Overall as we enter 23/24, we remain in a sound position for next season. Our medium term and long term challenges remain.</p> <p>Playoffs</p> <p>We would like to pay tribute to all the staff at the club for their efforts during the 22/23 season and in particular during the period from the last game of the season, during the play-off period up to Wembley. Their efforts have been terrific. At the same time, we have had great support from board of CUOSC and SLO who have been a tremendous help.</p> <p>We achieved no overall surplus profit or cash from the Playoff campaign. The profit from the three games, including Wembley is pooled and our share broadly covered promotion bonuses to football players and staff.</p> | <p>The overall financial result is significantly better than budgeted despite increased spending on Player Cost an Other Football Costs. Increased crowds, fan spending on retail and catering and improved commercial business all brought additional unplanned income.</p> <p>Based on EFL data, we operated the fourth lowest Player Expenditure in L2 in 22/23 (again in the bottom quartile)</p> <p>Cash reserves at 1 July 2023 are healthy. This is critical in our funding the club for 23/24 (in the absence of new shareholder funds next season or Football Fortune).</p> <p>This funding model is increasingly rare in the EFL. Only a handful of other EFL clubs have managed to operate with no new cash finance whatsoever from debt or equity in this period.</p> <p>The shareholders continue to seek a dialogue with Purepay. A face-to-face meeting has been held and communication is ongoing with a view to making some progress in future.</p> <p>During the close season the club will provide a review of finances in 22/23. The on-going consequences of our self-funding model mean we continue to face financial pressures.</p> <p>The teamwork has been a credit to them and they have gone the extra mile. Thank you all.</p> <p>We have no surplus play-off cash flowing into 23/24 to help finances next season.</p> | <p>Information</p> <p>No change overall so far</p> <p>Complete</p> |
| <p>23/24</p> <p>Club finances in L1 are different to L2. Central distributions from the EFL and PL rise by circa 50% (£550k) between L1 an L2. Crowds are bigger than L2. However, spending on players is significantly higher and the spread is far wider between clubs in L1 (eg £10m to £2m) than in L2 (£3.5m to £1.5m).</p> <p>At the same time, owner subsidies for spending on players and football costs rise very significantly - meaning club losses in L1 are far far higher than L2.</p> <p>We again plan to have no shareholder or debt funding in 23/24 with our self-funding model to continue for the fifth season in a row. Only Exeter in L1 (100% fan owned), follow a similar model - but they do also benefit from significant fan funding.</p> | <p>We will budget for a significant loss before Football Fortune again in 23/24.</p> <p>The onus on owners to provide cash and capital to invest on and off the field and fund higher wages to football players and football staff to attract them and then compete with rivals in L1 , is much greater than in L2. EFL spending rules are slightly looser which enables this spending.</p> | <p>Information</p> <p>Information</p> |



Q&A

Q Matchwinner, the company who produced our 1992-1993 and 1993-1995 kits, currently have a range of licensed replicas of classic 90s kits. They have asked any other clubs interested to contact them. Is this something the club might look into? Those kits are so popular, even now. Original deckchairs for example go for £150+ online. I've also seen the 93-95 home kit a few times and it's always £100+. Think they could prove very popular with fans and be a good earner for the club. Worth perhaps looking into?

A We recognise we have had some iconic shirt designs in the past that some fans would like to see them again. With anniversaries of historic kits coming up, we are looking at what we can do looking ahead and into 24/25 for kit or as one-off limited editions. These will be in conjunction with Umbro as the contracted kit provider rather than others. Our crest is trademarked and so this gives us legal protection against unofficial products which we are seeing more off.

Q Why isn't the club interested in attracting new season ticket holders?

A The club wants to attract new season ticket holders but we cannot do that by treating new buyers the same or more favourably than existing Season Ticket holders. Our priority is to offer the best terms for renewals. New season ticket holders, don't get the same low price the first year, however they get all the other benefits straight away.

Q Numbers appear disappointing despite promotion.

A I disagree - numbers are encouraging as detailed above. Numbers up +24% and income per ticket up +16% and overall income is up +50%. This is despite less than one month of sales.

Q Most clubs appear to offer an "early bird" price to anyone, then subsequently offer a standard price. However, at Carlisle only season ticket renewals get a decent price.

A Our Season ticket prices are designed to reward those who have supported us for continuing to do. Those who sign up and renew get the renewal savings in year two.

Q If only a few hundred non renewals have taken advantage of the early bird offer, logic says that the club could have sold more STs and made more money by offering the "renewal" price to anyone.

A With that approach, more may have been sold at a lower price but there is no certainty that would have increased our overall income – it may have gone down compared with what we have. The relationship between price per ticket, number of tickets sold is always a debate in price setting. However, there are other considerations, such as the overall income earned, the impact on match ticket prices and walk-up income.

Q Is it possible to introduce an electronic loyalty card for online ticket purchases similar to the paper one used when buying tickets from the ticket office.

A This is something we are exploring with our new ticket provider. We will give an update at the next CUSG meeting.