



www.stadiumwatch.co.uk

[An independent user group monitoring the
Lakeside Stadium Complex Doncaster]

Press Release: PR006 19 February 2007 08:00

Official: £1 buys shame-faced Council secrecy in Stadium Management scandal

An astonishing admission by the Dearne Valley Leisure Trust has revealed that for the payment of £1 into the partnership between it and the Doncaster Council, the whole Keepmoat stadium management operating arrangements are to be shrouded in secrecy, and theoretically put beyond the reach of the Freedom of Information Act 2000.

Under pressure from StadiumWatch, the independent user group formed as a response to a catalogue of incompetence, broken promises, and ticketing scandals on the part of Ian Spowart's Stadium Management Company, (SMC), (i.e. the executive board of the Doncaster Lakeside Sports Complex LLP), the Dearne Valley Leisure Trust has revealed that it contributed just £1 to the capital of the LLP which manages the £32m complex.

In a letter to StadiumWatch, John Sherburn, company secretary of the DVLTL made the revelation which will not sit well with Doncaster Mayor, Martin Winter. Winter has been glad-handing at a number of grand opening events for each of the three sporting clubs which were originally promised an active role in the management of the complex.

Link to DVLTL Letter:

http://www.stadiumwatch.co.uk/resources/dvlt/docs/DVLTL_Letter001_20070215.pdf

Sherburn has stated that the £1 is the absolute limit of the trusts investment in the LLP, and that the council has effectively absolved it from any liabilities incurred by the LLP. Sherburn also revealed that by restricting the sum to £1 the trust was able to avoid a statutory obligation to make the arrangement public in its accounts.

The Charity Commission has confirmed that it is investigating the trust to learn more about its secret dealings with the DMBC.

Mayor Winter has made much spin about how his flagship, "visionary" project would put the sports complex at the very heart of the community, while at the same time the backroom lawyers and accountants were dreaming up a scheme to keep the inner workings and funding arrangements as far from public scrutiny as possible. StadiumWatch asked why?

www.stadiumwatch.co.uk

[An independent user group monitoring the Lakeside Stadium Complex Doncaster]

Under Freedom of Information, StadiumWatch recently presented Ian Spowart with a questionnaire requiring his executive board to explain the financing and spending plans of the SMC, and in particular to disclose if there are any arrangements afoot, such as a management buy-out, to allow the executives or their families to benefit personally from the community stadium complex, now or in the future.

Link to FOI Questionnaire:

http://www.stadiumwatch.co.uk/pressrelease/pdfs/sw_200702_pr006a.pdf

Spowart's response was to declare that in effect, courtesy of DVLТ's £1 "golden silencer", the SMC is not obliged to provide any answers, and that he believes that the Freedom of Information Act does not apply.

StadiumWatch spokesman, Nigel Wroe described the whole partnering arrangement between the DMBC and the DVLТ as a disgraceful sham and a fraud on the very community that Winter espouses to serve.

"Post Donnygate, we just don't see the necessity for an agreement, between two publicly funded bodies, to manage a community asset, to remain secret. We just don't get why the DVLТ, a sleepy backwater charitable trust should yoke itself to the DMBC in this way. I do know they depend on the DMBC for £200K in grants per annum, I just hope they were not pressured into going along with this grubby little ruse."

"If I was on the board of trustees of the DVLТ I would use that £1 and catch the next bus back to the Dearne Valley and stay clear of the DMBC's shoddy machinations", said Wroe.

"Winter should expose the brainchild behind this ruse, and demonstrate his open-government credentials by owning up and giving the DVLТ the big heave-ho. No doubt they will cite commercial reasons for non-disclosure, but if the complex is a commercial enterprise it should be run by the clubs themselves as originally planned, be subject to company law, and put beyond the interference of the council and its placemen", said Wroe.

StadiumWatch are now calling on the DVLТ to resign from the LLP and leave the DMBC publicly in sole charge and directly accountable, and have even offered to compensate them for their lost £1.

StadiumWatch are also calling on the Mayor to instruct Spowart, his close ally and advisor, and his entire stadium management company to comply with the spirit of the FOI Act, and make full and frank disclosure of all the information to StadiumWatch as requested. The LLP should be declared as a "public authority" and placed under the ambit of the FOI Act.

Notes:

StadiumWatch resources are available from <http://www.stadiumwatch.co.uk> including recent DVLТ accounts and council minutes.

StadiumWatch doubts whether the DVLТ, which operates out of council premises, has its insurances paid for by the council, and has a councillor on the board of trustees, is truly independent of the council. According to their accounts, the DVLТ has been in receipt of £950K of Council funds in the past four years, with up to £400K payable in the next two years, The DVLТ explicitly state their dependence on the council to continue in operation.

Since being handed the stadium complex by the DMBC in December of last year, the executive board of the LLP, that is the SMC, have been lambasted by sports fans for excessive secrecy, high prices, poor service, broken promises, in-fighting over club use of facilities, ticketing gaffes (including, double selling and misreporting of attendances), heavy stewarding, and heavy handed treatment of club officials.

Limited Liability Partnerships are a new form of legal entity created by the Limited Liability Partnerships Act 2000. Put simply the partners agree in a confidential document their relative shares in contributions to assets in a winding up, and their participation in any profits. The disclosure requirements are less onerous than the more familiar limited company model. LLP's are registered at Companies House, and are taxed in the same way as regular partnerships.

The DMBC and the DVLТ are designated partners in the Lakeside Sports Complex LLP.