

Ann Budge gives Hearts SPFL resolution update

Hearts owner

Ann Budge has given an update on the club's stance with the SPFL's resolution

which member clubs voted on last Friday. She gave the following statement to the club's official website on Sunday afternoon:

"On Wednesday, 8th April, following a series of briefings and receipt of the SPFL's Written Resolution of that date, I issued a statement which clearly indicated that Heart of Midlothian would be voting against the Resolution. Both in my statement and in subsequent media interviews, I outlined our reasons for voting in this manner. I can confirm that we lodged our "No" vote on Friday 10th April 2020.

Following what has been a hugely turbulent few days, please find below an updated statement of our position.

To remind you, our objections to the Resolution were in large part condemnatory of the process

being followed.

1. I argued that the possible implications involved in the decision were of such magnitude that all 42 Clubs needed time to discuss, debate and ensure a full understanding of all of the relevant factors and options. I also argued that to ask Clubs to vote on one option only, within little more than 48 hours, was totally unreasonable.

2. The Legal briefing notes which accompanied the Written Resolution makes it very clear that given these unique circumstances, it falls to the SPFL members to decide the fairest basis on which to determine final league standings along with the associated implications, for Season 2019/20.

These briefing notes outline 6 (of various) options, the advantages and disadvantages of which the Board has apparently considered. The brief summary of the first 5 of these options focus on why the Board considers these options to be unsuitable. While I have no issue with their views being expressed, I do not consider the arguments for or against these options to have been objectively expressed.

In the 6th option, the single one that members are being asked to vote on, the reasons for (not against) this being the best solution are more fully stated. The very language used is different. Instead of talking in terms of something being

arbitrary or unfair or damaging, as is done when discussing other options, the language changes to talk of how this is the fairest method of determining the final League positions. Clearly, this is a subjective judgement. It suggests that the Board has made a decision and simply wish now to convince the members to accept that decision. This is not, in my view, how you honour the principle that it is up to the members to decide how to ensure the fairest approach is taken.

The Board has clearly discussed and considered various options. This is exactly what we would expect of the Board. However, to then dismiss all but one option and present only this option for a members vote, within a very limited timescale, must surely raise the question of whether the Board is attempting to unduly influence the members decision making process.

3. In my earlier statement, I also indicated that I did not accept the position being argued by the SPFL that the only way to make much needed funds available to members was to pass this Resolution. It is difficult not to argue that linking the vote in this way to releasing funds, was an attempt to unduly influence the outcome of the vote.

A number of Clubs were angered by this

approach, and as has been well publicised, Rangers promptly pulled together a Resolution, which if passed, could have seen funds able to be released to Clubs immediately. This would have removed any suggestion that a Club's financial situation could be a possible influencer in the vote.

The fact that such an important matter was not properly addressed by the SPFL, in advance of the vote, is hugely disappointing.

Rangers submitted their paperwork to the SPFL on Thursday 9th April and were advised that the Resolution required the support of 2 further clubs, before it could be considered. We had already publicly stated that we supported Rangers in this matter and duly, at 3.47pm, submitted an identical Resolution to the SPFL, receipt of which was promptly acknowledged at 3.50pm. We did not receive any subsequent correspondence on this matter until 11.57am on Friday 10th April, when we received an email from the SPFL notifying us that the Resolution was not competent. Our in-house lawyer contacted the SPFL to understand in what manner the Resolution was not competent, to be informed that the issue was the use of the single word "instructed" as opposed to "requested" (That the Board of the Company be authorised and instructed as follows:). I am not a lawyer but find it quite

incomprehensible that this should hold up the whole process.

My observations are that if the SPFL genuinely wanted to work with member clubs to find a solution to the matter of releasing funds they could and should have reverted both more timeously and more helpfully. I have also been advised, from various reliable sources, that on a video call with the Championship clubs at approximately 4.30pm on Thursday, it was stated that the Rangers' Resolution was incompetent. I would stress that I was not personally on that call. However, assuming, as I do, that this remark was made, I have to wonder why we were not so advised until lunchtime the following day. Once again, I strongly question the process.

4. The final point from my last statement, on which I wish to update you, is the question of whether League reconstruction is being, or should be, considered in time for 2020/21. It was confirmed over the past few days that if the Resolution was approved, the Board would be prepared to consult with Clubs on League reconstruction. It was also intimated that they thought the chance of reaching agreement was very slim.

Given that the Resolution is not yet approved and given that time is marching on, I can confirm that Hearts, either alone or in conjunction with other Clubs, will be proposing a Temporary Adjustment to

the Leagues, aimed at bringing matters to a close in a manner that ensures no Club is financially penalised as a consequence of these exceptional circumstances.

I would add that the financial consequences for Hearts of the current Written Resolution being accepted and thereby, almost certainly facing relegation, would be in the order of £2.5m – £3.0m of lost income next year. This would be on top of the financial burdens we will all face as a consequence of what is going on in the world today. For other relegated clubs, the financial penalties, while perhaps on a different scale, would be equally devastating to their operations. For this reason, if for no other, we will not give up on seeking an alternative Resolution that sees greater fairness for all.

In summary, the past few days have been quite extraordinary. Over this period, I have been speaking regularly and extensively to other Chairmen and Chief Executives both in the Premier League and the Championship and I was convinced that the SPFL Written Resolution would fail on Friday. I knew that some Clubs had moved their position in the run-up to the vote, as indeed is always their right. I knew that the Premiership clubs would vote 'yes'. However, I was absolutely confident that 3 Championship Clubs were united in voting 'no', thereby buying

Clubs more time
to consider other options. I have no more insight than anyone
else as to
why Dundee's vote has not yet been confirmed.

I saw also the Rangers statement of yesterday
and the SPFL's response. Once again, I have no further
insight into the
claims being made by Rangers. However, this is a major
embarrassment for
Scottish football, one which I believe could so easily have
been avoided.
Without openness, transparency and pragmatism we will simply
keep making the
same mistakes.

I refuse to speculate and can only assure you
that we will continue to explore, in every way possible, any
and all options
that will offer a more equitable outcome than has to-date been
proposed to the
very real problems that face us all."