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Dear Mr Ainsworth,

Thank you for your recent letters to Greg Clarke regarding the current situation at Coventry City Football Club. Greg has asked me to respond on his behalf.

As you will be aware, since your letters, events have moved on at a significant pace. On 2nd August The Football League was informed by the Administrator of Coventry City Football Club Ltd that he was unable to secure the agreement of creditors for a Company Voluntary Agreement (CVA) owing to Arena Coventry Limited voting against the proposed CVA arrangements. The Administrator advised me that this would leave him with no alternative but to liquidate the club,

The administrator had already sold the assets of CCFC Ltd to Otium Entertainment Group regardless of the outcome of the CVA. Therefore, in order to keep the club alive, The Football League Board agreed to offer the Otium Entertainment Group the club's share in The Football League providing it accepted various entry conditions including a commitment that it meet the financial offer made to creditors under the proposed CVA.

Had this arrangement not been made then there would now be no Coventry City FC at all.

Throughout this process and in making its decision on whether to allow Coventry City to temporarily relocate to Northampton Town, the Board was put in an unenviable position as a consequence of a commercial dispute between the Club and its landlord. At the point the Board made its decision to permit the temporary relocation, there was no evidence that an agreement between the two parties was imminent – on the contrary - and this remains the case today. Therefore, there was the very real possibility of a member club having no ground at which to play their home fixtures at the beginning of the 2013/14 season even if an orderly exit from administration could have been secured. Four weeks before our season was due to commence the other 23 clubs in League 1 needed clarity and all the operational aspects of a planning a fixture programme including safety and security arrangements needed finalising.


The League understands this situation has caused great distress for many supporters of Coventry City. It remains a matter of deep dissatisfaction for the Football League Board that Coventry City do not have an agreement to play their matches in Coventry. We will now continue with our endeavours to get the club playing in its home city at the earliest opportunity, though this will be against a backdrop of the Club having had 10 points deducted for failing to achieve a CVA due to the actions of its former landlord.

For the record, it is categorically not the case that The Football League has failed to apply its own rules as the Board retains the right to permit clubs to move ground at its discretion.

The Football League has a duty to protect the wellbeing of all 72 clubs that participate in its competition. Therefore, any decisions taken by its Board of Directors are taken with the wider interests of its membership in mind. To this end, The League operates an insolvency policy, in instances where clubs have entered into Administration, to ensure that this process is fair, not only to the club involved (and its supporters), but also to the 71 other Football League clubs (and their supporters).

I hope that this helps to clarify the situation for you and your constituents in Coventry.

Yours sincerely

PP 

Andy Williamson
Chief Operating Officer
The Football League