



THE INDEPENDENT
FOOTBALL OMBUDSMAN

IFO COMPLAINT REF: 17/17

THE MEMBERSHIP SCHEME AT CHELSEA

Role of the Independent Football Ombudsman (IFO)

1. The office of the IFO has been established by the three English football authorities (The Football Association [FA], The Premier League and The English Football League [EFL]) with the agreement of Government. The IFO has been designated as the final stage for the adjudication of complaints which have not been resolved within football's complaints procedure. The IFO is an Approved Alternative Dispute Resolution Body and its findings are non-binding. IFO Adjudications will normally comprise two parts: an impartial assessment of the substantive complaint and a review of the procedure by which the complaint was handled. The IFO's role is to investigate the complaint and judge whether it was dealt with properly and whether the outcomes were reasonable for all parties concerned. Under the procedure agreed by the Football Governing Bodies, the adjudication of the IFO is final and there is no right of appeal against IFO findings.

2. The IFO must make clear that in investigating this complaint he has received full cooperation from Chelsea FC.

The complaint

3. A man complained that he had purchased three Chelsea True Blue memberships in December 2016 under the impression that they were for 12 months. He claimed that the Club did not make clear that the memberships were for the 2016-17 season only and expired on 31 May 2017. He further complained about what he saw as intransigence in the Club's inflexible response to his suggestions as to how the complaint could be resolved.

The facts of the case

4. In December 2016 the complainant contacted Chelsea FC with a view to purchasing True Blue memberships for two children, his son and a nephew, as Christmas presents. It was explained that if the children wished to attend matches at Stamford Bridge they would need to be accompanied by an adult so it would be advisable for him to purchase also. He therefore bought three memberships in all. He was then surprised in the following spring to be informed that the memberships expired in May 2017 and that he would need to renew for the 2017-18 season. He complained to the Club on 8 May which elicited no response, but on 26 May 2017 he spoke on the phone at some length to the Ticket Office Assistant Manager. He alleged that he had been misled into purchasing in December and had he known that the remaining period was only 5 months he would have delayed the purchase. He was particularly distressed that the children were being disappointed at not being able to receive the full benefits as advertised. The manager explained that all details of the scheme were contained in the Terms and Conditions and that all memberships were for a season. It was not possible for membership to run across or between two seasons. The Club was unable to accede to the complainant's request that his membership be extended without charge to 31 December 2017, when he would then renew for a pro-rata period.

5. At the beginning of June there was a further exchange of email messages in which both sides reiterated their previous positions, the complainant saying he had been misled and the Club saying that memberships were always sold on a seasonal basis and that they could not accept his suggestion for extending his membership. In this correspondence the complainant asked that his complaint be escalated to a director and that the Club should supply details of the local

Trading Standards Office. Given that legal action was being contemplated, the complaint was at this stage referred to the Club's legal department. On 9 June the Chelsea's Legal Counsel wrote to the complainant, stating that they did not accept that their marketing material was misleading, nor that the Club was in breach of its legal obligations. He advised the complainant that he could find details of Trading Standards on the internet. On 21 June the Club explained the logic of selling memberships half way through the season and the benefits which would accrue. They acknowledged the support the complainant and his family had shown to the Club and wished to resolve the complaint. The complainant was offered a 20% discount as a goodwill gesture. In late June the complainant issued a "Final Letter Before Action", giving the Club 7 days to accept his proposal. The Club replied with its final message on 7 July, extending the deadline for the 20% discount and explaining that no further response would be forthcoming. Details of the IFO were supplied and the complainant referred his case to the IFO on 11 August.

The Investigation

6. The IFO carefully reviewed the long submission which the complainant sent to the IFO and subsequent correspondence. The IFO had to explain to the complainant that he could not, as he wished, run a parallel case with both the IFO and court proceedings. He agreed that he would defer any legal submission until the outcome of the IFO investigation was published. The IFO also reviewed a chronological survey of the handling of the complaint, which the Club provided, together with an official Club document, "*Season Teamcard, Membership and Match Ticket Conditions of Issue*". On 18 September the IFO and Deputy visited Stamford Bridge and met with the Head of Ticketing and Supporter Liaison, the Head of Ticket Operations and the Ticket Office Assistant Manager. In the course of discussion the IFO requested further documentation which the Club later provided

The Findings

7. The complainant maintains that he is partly motivated by a desire to improve Chelsea's promotional information so that others will not be misled as he was. In this regard his complaint has already had a positive outcome. During the meeting with Club officials the IFO was informed that the Club was

willing forthwith to amend the website information, such that the terminal date of 31 May would be clearly stated. Notwithstanding the fact that the complainant was the only one of their 87,000 members who had ever raised this issue, the officials were willing to meet his point that the time frame of the membership should be explicitly stated. The current promotion page will include the statement "True Blue Membership expires on 31 May 2018". In this context the IFO feels it would be helpful to clarify in the promotional material that those purchasing memberships later in the year will not be able to enjoy the full benefits which are spread over the season as a whole.

8. The main issue of the complaint is whether the complainant's assertion that he was misled is a reasonable claim and if so what inconvenience or financial loss he incurred. The Club maintains that in a football context the term 2016-17 would be universally understood to mean the 2016-17 season and not a period of 12 months and cite widespread practice within football and beyond, in sports which similarly straddle two calendar years. Indeed, the Club maintains that the word "season" is included in the publicity, as for example in the current promotion for the "2017-18 Season". The complainant is disparaging of the Club's view that "he should have known" that 2016-17 referred to a season, repeatedly stressing that he was not explicitly informed. He is equally critical of what he views as the Club's intransigence and inflexibility in not accepting his offer to resolve the complaint by extending his membership to 12 months and then making a pro-rata payment, as is common practice in golf clubs and other membership organisations. The Club explains that the membership scheme is intimately connected to the accumulation of loyalty points, which is the basis of ticket allocation, and it is not possible to carry over points earned in one season into the next, which would distort the scheme and be unfair on "normal" seasonal members. [The only exception might be when matches are sold on a loyalty points basis in the first month of the season]

9. The key question is what information was available to the complainant at the time of purchase. The Club argues that its promotional material clearly explains the benefits accruing to the different categories of membership. The complainant asserts that his purchase was assisted by the sales team on the phone, because he wanted full information before making his purchase, and at

no time was the term of the membership explained. The Club draws attention to the fact that in purchasing memberships he would have ticked a box three times (or signed) to confirm that he had read and accepted the terms and conditions. The complainant denies that he ever did so, since this was a tele-sale assisted purchase. However, the Club confirms that this was an *on-line purchase*, which could not have been processed if he had not signified his agreement to the terms. The Club explains the process as follows:

- **Click purchase membership**
- **Complete the name and address of the applicant (one applicant per purchase)**
- **At the bottom of the page (before you can move on) is the terms and conditions box**
- **Once that has been ticked you can then click create account**
- **The payment page is then presented to complete the transaction**

10. The complainant is dismissive of this argument, which he disparages as “small print” post-hoc excuses for customer service failings. He is also highly critical that this point was never mentioned during the correspondence. The IFO does find it somewhat puzzling that a critical part of the Club’s defence was not put to the complainant, though it was highlighted to the IFO. Nevertheless, the IFO is persuaded that the purchase required the complainant to tick the box, even though he does not recall doing so. Perhaps like many of us, he had ticked the box as a matter of routine, without actually having read the document. If he had done so, he would have seen the following statement in the document, *Season Teamcard, Membership and Match Ticket Conditions of Issue*:

Membership

2.8 Membership is run on a seasonal basis from June to May. All Memberships purchased during the course of the season will expire on 31st May following the end of that season.

11. Thus, although the specific term of the membership was not stated in the promotional material, it was available for the complainant in the conditions accessible on the Club website. The IFO concludes that he could have acquired the requisite information and was not deliberately misled, nor were the Club guilty of “mis-selling”, as accused by the complainant. The IFO finds it

somewhat disingenuous of the complainant to have told the IFO, "Chelsea FC legal counsel accepted they had omitted to put an end date in any of their sales literature", when no such statement was made in the letter to him.

12. The IFO accepts that the complainant is factually correct that the terminal date was not specifically stated in the promotional material (though it was available elsewhere as above) and that he was genuinely unaware that 2016-17 referred to the season and not 12 months, despite its common usage within football. His belief that he had been deliberately misled caused him considerable concern, although the IFO finds that his belief was not justified by the facts. He did spend a lot of time in conveying his grievances to the Club and the Club offered a 20% discount as a goodwill gesture in recognition of his concerns. Although this offer had a 31 July cut-off date, the IFO was informed that it is still available should the complainant renew the memberships for the 2017-18 season. The IFO considers this a reasonable offer to resolve the complaint. The IFO also finds that the Club handled his complaint courteously and professionally, apart from the delay in the response to his initial submission.

Conclusion

13. The IFO appreciates the complainant's genuine indignation, stemming from his belief that he was not apprised of all the facts when he made his purchase. However, the information was available to him in a public document on the Chelsea website and the IFO finds no evidence that the club intentionally misled him into making his purchase. The Club has amended its promotional literature to specify the membership terminal date, in response to the complainant's vigorously presented argument. The IFO finds that the offer of a 20% discount is a reasonable goodwill gesture in recognition of the complainant's time and effort in pursuing his complaint. The complainant is of course free to pursue other avenues if he does not wish to accept the Club's offer.

Professor Derek Fraser, Ombudsman

8 October 2017

Alan Watson CBE, Deputy Ombudsman