

Research Briefing

By John Woodhouse

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Football governance: Time for change?



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Summary

In April 2021, the Government announced a [Fan-led Review of football governance](#). This was in response to long-standing concerns about club ownership and financial sustainability in the English game. The review, led by Tracey Crouch MP, was brought forward following abandoned plans for a European Super League.

Following the review, in November 2021, a [final report made ten strategic recommendations for the future of football clubs](#) (PDF). The main one was for the establishment, through legislation, of an Independent Regulator for English Football (IREF). The IREF would, among other things, oversee the financial regulation of the game, and establish new owners' and directors' tests for clubs. It also said women's football should be treated with parity and have its own dedicated review.

In its April 2022 [response to the Fan-led Review's report](#) (PDF), the Government accepted or supported all ten of the Review's strategic recommendations.

Football governance white paper (February 2023)

The [Queen's Speech of 10 May 2022](#) confirmed that the Government would publish proposals to establish an IREF.

A [football governance white paper](#) was published on 23 February 2023. Stuart Andrew, Parliamentary Under-Secretary of State at the Department for Culture, Media and Sport (DCMS) [gave a statement to the Commons on the same date](#). He explained that the white paper would:

1. introduce an independent regulator to make sure that clubs were financially resilient.
2. strengthen the owners' and directors' test to protect clubs and their fans from "careless owners".
3. give fans a greater say in the running of their clubs.
4. enable the regulator to block clubs from joining breakaway leagues, such as a European super league.
5. give the regulator "fall-back powers over financial redistribution".

Tracey Crouch [said the white paper reflected the "vast majority" of the Fan-led Review's recommendations](#).

In its September 2023 response to the white paper, [the Government said it was “minded” for the new regulator to be independent of any existing body](#), but that all options remained under review. It also said the regulator would focus on four areas: financial resources, suitable owners, fan interests and approved competitions.

King’s Speech (November 2023)

In the King’s Speech of 7 November 2023, [the Government said legislation would be introduced to “safeguard the future of football clubs for the benefit of communities and fans”](#). The Background Briefing Notes to the Speech [state that the Bill would establish an independent regulator for the top 5 tiers of the English game](#) (PDF).

Review of women’s football (2022-23)

A [review of women’s football in England was announced in September 2022 to examine](#):

- the potential audience reach and growth of the game.
- the financial health of the game.
- the structures within women’s football.

Karen Carney, the former England international, was appointed Chair of the Review. A call for evidence closed on 1 November 2022. The [findings of the review were published in July 2023](#). Ten recommendations were made including:

- the Women’s Super League and Women’s Championship to become fully professional environments.
- the Football Association (FA) to urgently address the lack of diversity across the women’s game.
- the FA, Premier League (PL), English Football League and broadcasters to create a new dedicated broadcast slot for women’s football.
- the FA, PL and [Football Foundation](#) to work together to make sure women and girls were benefitting from funding across the football pyramid.

In its December 2023 response, the Government said the review had [“raised the bar and been instrumental in setting out a clear-eyed plan to lift minimum standards and deliver bold, sustainable growth at the grassroots and elite levels”](#). As multiple stakeholders were responsible for taking the review’s recommendations forward, the Government would establish an implementation group to monitor progress. [The first meeting is expected to take place in March 2024](#).

1 Background

There have been long-standing concerns about the state of English football including:

- the ownership of clubs.
- the financial sustainability of the game.

In a July 2020 report, the then [Digital, Culture, Media and Sport Committee](#) said football's business model was "not sustainable". It called for "essential reforms to financial models, management structures and diversity and inclusion" that would benefit the game in the long term.¹

Other MPs have called for changes to how the game is run. During a November 2020 debate, Clive Efford (Labour) argued that the COVID-19 pandemic had "[turned a spotlight on the weaknesses in the game's governance and the inequity of the distribution of the game's wealth.](#)"²

Helen Grant (Conservative), a former Sports Minister, introduced a [Football \(Regulation\) Bill](#) in the 2019-21 parliamentary session.³ The Bill would have established an independent football regulator to license clubs in England, distribute money within the game, review club finances, and take forward issues that mattered to supporters' groups.⁴

The [Football Supporters' Association](#) (FSA, the representative body for supporters in England and Wales) has [campaigning to "Sustain the Game"](#). The work of the FSA is supported by the [All-Party Parliamentary Group for Football Supporters](#).

An "Our Beautiful Game" group [has called for legislation to be introduced to set up a new regulatory body for football](#) (PDF). The group's members include David Bernstein (former Football Association chairman), Helen Grant, Andy Burnham (Mayor of Greater Manchester and former Secretary of State for Culture, Media and Sport), and Gary Neville (former Manchester United and England player).

¹ Digital, Culture, Media and Sport Committee, [Impact of COVID-19 on DCMS sectors](#) (PDF), HC 291 2019-21, July 2020, paras 23-7

² [HC Deb 25 November 2020 c415WH](#)

³ For details of other Private Members' Bills, see the [parliamentary database](#)

⁴ The Bill had its [first reading](#) on 26 January 2021. It was not carried over to the following parliamentary session.

1.1

Ownership structure of football clubs

The role of a football club owner in the UK varies according to the club's ownership structure. The FSA has noted the different models used:

Some clubs are wholly or mainly owned by individuals. Others are owned by larger companies or other financial institutions. Some are owned by a consortium of individuals or companies. Others, particularly fan-owned clubs, are owned through a trust following a community share issue. It is unusual for a football club to be owned by a large number of separate shareholders, for example as a "public company" traded on a Stock Exchange.⁵

However, whichever model of ownership applies, the owners usually take the major decisions affecting a club.⁶

Who can own a club? The Owners' and Directors' Test

The Premier League's (PL) Owners' and Directors' Test sets out requirements that would prohibit someone from becoming an owner or director of a club. These include criminal convictions for a range of offences, a ban by a sporting or professional body, or breaches of certain football regulations (eg match-fixing). The test is applied to prospective owners and directors, who are then subject to a review on a seasonal basis.⁷ The criteria of the current Test is set out in [Section F of the Premier League Handbook 2023/24](#) (PDF). This includes [changes announced in a PL news release of 30 March 2023](#).⁸

The English Football League (EFL) has its own Owners' and Directors' Test for clubs in its competitions. The current Test is set out in [Appendix 3 to the EFL's Regulations for Season 2023/24](#).

Concerns about ownership

In a July 2011 report on football governance, the Culture, Media and Sport Committee observed that ownership usually only becomes a governance issue [when the actions of owners threatened the sustainability of clubs](#). The challenge was therefore "to create an environment where clubs are protected from over-ambitious or otherwise incompetent or duplicitous owners

⁵ FSA, [Proposals to the Football Association – Improving the regulation of professional football clubs](#) (PDF), September 2019, Appendix B, para 7 (accessed 29 February 2024)

⁶ As above

⁷ Premier League website, [What is the Owners' and Directors' Test?](#) (accessed 29 February 2024)

⁸ [Premier League statement: Owners' and Directors' Test](#), PL news [online], 30 March 2023. For brief discussion, see [Premier League to block owners guilty of human rights abuses under new rules](#), Guardian [online], 30 March 2023 (both accessed 29 February 2024)

exploiting their football club, and good owners are encouraged to stay in the game”.⁹

The Committee noted that the commercialisation of football during the 1980s and 1990s had brought changes to the way that many clubs were owned. Clubs had once been owned and run by local businesspeople – the Committee referred to Steve Gibson, still the owner of Middlesbrough Football Club – but were increasingly being bought by entrepreneurs from the UK or abroad.¹⁰ The Committee suggested the increase of foreign owners could be problematic because they:

- might be less inclined to support measures in the long-term interests of the English game.
- could underestimate the difficulties of succeeding in the English game.
- could take decisions that clashed with the identity of their club.

The Committee noted that foreign owners might be more likely to seek to own a club for non-football related reasons that would reflect poorly on the reputation of the game.

It could also be harder for the English authorities to judge whether prospective foreign owners were likely to be “fit and proper owners” of a club. The Committee referred to Thaksin Shinawatra, the former owner of Manchester City, who critics claimed was not fit and proper and who had bought it for “purely political reasons”.¹¹

Foreign owners

During a November 2020 debate, Damian Collins MP, a member of the Committee when the 2011 report on football governance was published, noted [the issues it raised were still “unresolved”](#).¹² He said there was a “strong argument” for a regulator with statutory powers.¹³

One area of ongoing concern is the increase in foreign owners and their motives.¹⁴ The most recent example is the October 2021 takeover of Newcastle United by Saudi Arabia's Public Investment Fund. The Fund is headed by

⁹ Culture, Media and Sport Committee, [Football governance](#) (PDF), HC 792-I 2010–12, July 2011, para 161. The Government [responded](#) (PDF) (Cm 8207) to the report in October 2011. The Committee published a [follow-up report](#) (PDF)(HC 509) in January 2013. The Government's [response](#) (PDF) (HC 156 2013-14) to that report was published in May 2013.

¹⁰ Culture, Media and Sport Committee, [Football governance](#) (PDF), July 2011, para 166

¹¹ As above, paras 166-171

¹² [HC Deb 25 November 2020 c420WH](#)

¹³ [HC Deb 25 November 2020 c422WH](#)

¹⁴ [Amnesty criticises Manchester City over ‘sportswashing’](#), Observer [online], 11 November 2018 (accessed 29 February 2024)

Crown Prince Mohammed bin Salman and the takeover has been controversial because of Saudi Arabia's human rights record.¹⁵

Roman Abramovich's ownership of Chelsea was controversial (he bought the club in June 2003).¹⁶ In March 2022, following Russia's invasion of Ukraine, the Government announced that Abramovich had been added to the UK Sanctions list and his assets frozen.¹⁷ In May 2022, the club was sold to a consortium led by American investor Todd Boehly and the private equity firm, Clearlake Capital.¹⁸

1.2 Financial sustainability

The July 2011 report from the Culture, Media and Sport Committee also examined the financial state of the game.¹⁹ It found that "one of the big challenges facing English football is not generating revenue but controlling expenditure" (eg on players' wages).²⁰ According to the Committee, one of the reasons for the level of debt in the game was the lure of the Premier League:

Since the Premier League became the top tier of the football pyramid, the financial benefits associated with its membership have incentivised clubs continually to increase their expenditure to gain promotion into the Premier League, consolidate their position in the Premier League or achieve the additional rewards associated with a top four placing and entry into the European Champions League. Teams in the Premier League spend up to the hilt to stay there, and teams in the Championship spend up to the hilt to get there.²¹

¹⁵ [Saudi-backed bid for Newcastle United must prompt football ownership rule changes](#), Amnesty International UK press release [online], 7 October 2021; [Sportswashing issues unresolved as Newcastle prepare for first game after Saudi takeover](#), Amnesty International UK press release [online], 15 October 2021; [Newcastle takeover is done and dusted but spotlight should stay on human rights](#), Guardian [online], 21 October 2021; [Newcastle fans speak of suffering but what about actual suffering in Saudi Arabia?](#), Guardian [online], 9 October 2021; [English Premier League: Adopt Human Rights Policy](#), HRW news release [online], 21 July 2020; [New human rights Owners' and Directors' test proposed for Premier League football](#), Amnesty International UK press release [online], 5 August 2020. (All material in this footnote accessed 29 February 2024).

¹⁶ See, for example, Conn D, [Football ignored the truth about Roman Abramovich's oligarch money for too long](#), Guardian [online], 10 March 2022 (accessed 29 February 2024)

¹⁷ [Abramovich and Deripaska among 7 oligarchs targeted in estimated £15 billion sanction hit](#), FCO/Prime Minister's Office press release [online], 10 March 2022 (accessed 29 February 2024)

¹⁸ [Chelsea takeover: £4.25bn sale to American-based consortium completed](#), BBC Football [online], 30 May 2022 (accessed 29 February 2024); DCMS, [Sale of Chelsea FC](#), Written Ministerial Statement (HCWS71), 26 May 2022

¹⁹ [Football governance](#), July 2011, chapter 4

²⁰ As above, para 66

²¹ As above, para 79

The challenge identified by the Committee remains. Clive Efford MP, for example, has commented on the “ridiculous” situation in the Championship where clubs “spend 107% of their turnover on players’ wages”:

...That clearly needs regulating. It is driven, to some degree, by clubs that come from the premier league and have the solidarity money. However, the fact remains that to get into the premier league, some clubs are running huge risks, and we do not have the power in the regulations at the moment to prevent that from happening.²²

In its July 2020 report, the then Digital, Culture, Media and Sport Committee [noted that several EFL clubs had faced “huge financial difficulties”](#) (PDF). It concluded that the current business model was not sustainable.

1.3 Football Supporters’ Association campaign

The FSA campaigns in areas such as [supporter engagement](#); [diversity](#); the [promotion of “safe standing”](#); and [encouraging supporter/community ownership](#).

In September 2019, [the FSA published proposals to improve the regulation of football clubs in England](#) (PDF). The proposals included suggestions on:

- a code of practice on the stewardship of clubs.
- people seeking to become owners of clubs.
- people seeking to become directors of clubs.
- the Owners’ and Directors’ Tests “disqualifying conditions”.²³

1.4 “Our Beautiful Game” campaign

Our Beautiful Game described itself as “a diverse group of people who share both a deep passion for English football and an equally profound concern about its current state”.²⁴ The members of the group included:

- David Bernstein (former Football Association chairman).
- David Davies (Former FA Executive Director).

²² [HC Deb 25 November 2020 c418WH](#)

²³ FSA, [Proposals to the Football Association – Improving the regulation of professional football clubs](#) (PDF), September 2019 (accessed 29 February 2024)

²⁴ Our Beautiful Game, [Saving the Beautiful Game Manifesto for Change](#) (PDF)[online], October 2020, p3 (accessed 29 February 2024)

- Helen Grant MP (former Sports Minister).
- Andy Burnham (Mayor of Greater Manchester and former Secretary of State for Culture, Media and Sport).
- Gary Neville (former Manchester United and England player).
- Lord Mervyn King of Lothbury (Former Governor of the Bank of England).
- Denise Lewis (former Olympic Gold Medal Winner).
- Greg Scott (Lawyer, Memery Crystal LLP).

In October 2020, [the group published a Manifesto for Change](#) (PDF) that argued for the introduction of a regulator, supported by statutory powers, to reform the game. According to the Group, this was “the only realistic way to bring real change, stability and long-term health to professional and grass roots football”.²⁵

²⁵ As above, p3

2

Fan-led Review (April 2021)

The Conservative Party 2019 manifesto included a commitment to set up a fan-led review of football governance. This would include considering the Owners’ and Directors’ Test and would “work with fans and clubs towards introducing safe standing”.²⁶

In April 2021, in response to plans for a twelve team European Super League²⁷, Oliver Dowden, then Secretary of State for Digital, Culture, Media and Sport, [announced that the fan-led Review was beginning](#). He told the House of Commons that a proper examination was needed and that to many fans, football was “almost unrecognisable from a few decades ago”:

...Season after season, year after year, football fans demonstrate unwavering loyalty and passion by sticking by their clubs, but their loyalty is being abused by a small number of individuals who wield an incredible amount of power and influence. If the past year has taught us anything, it is that football is nothing without its fans.

He added that club owners forgot fans “at their peril”.²⁸ Details of [the review panel members](#) were announced on 21 May 2021.²⁹ The review was chaired by Tracey Crouch MP, the former Sports Minister, and examined:

- the Owners’ and Directors’ Tests and whether they are fit for purpose.
- calls for the creation of a single, independent football regulator.
- the effectiveness of measures to improve club engagement with supporters.
- whether league administrators could better scrutinise clubs’ finances.
- the flow of money through the ‘football pyramid’.
- governance structures in other countries, including ownership models, and whether any aspects could be beneficially translated to the English league system.

²⁶ Conservative Party, [Get Brexit Done: Unleash Britain’s Potential](#) (PDF) [online], 2019, p26 (accessed 29 February 2024); For information on safe standing, see the Library Briefing, [Standing at football in England and Wales](#) (PDF) (CBP 3937)

²⁷ Plans for the Super League were quickly abandoned after widespread criticism – see [European Super League: All six Premier League teams withdraw from competition](#), BBC Sport [online], 21 April 2021 (accessed 29 February 2024). The plans received extensive media coverage and are not discussed here.

²⁸ [HC Deb 19 April 2021 c677](#)

²⁹ [Government announces expert panel for Fan-led Review of football](#), DCMS press release [online], 21 May 2021 (accessed 29 February 2024)

- interventions to protect the identity of clubs.
- the relationship between club interests, league systems and their place within the overall football pyramid.³⁰

Reaction

Kevin Miles, the FSA’s Chief Executive and panel member, said there was a “once in a generation opportunity to reset the finance and regulation of football” and that regulation had to be “independent of the financial interests that are leeching off the game”.³¹

Richard Masters, the PL’s Chief Executive, said the review would have “the interests of fans and clubs at its centre and we look forward to playing our part”.³²

2.1 Interim findings published (July 2021)

On 22 July 2021, Tracey Crouch [set out the review’s interim findings and recommendations in a letter](#) (PDF) to the Secretary of State. These included a recommendation for a new Independent Regulator for English Football.³³ Tracey Crouch said that “key aspects” of the game were “at genuine risk”,³⁴ the current regulatory framework was not working, and football needed “external assistance” to reform as it had not done so itself.³⁵

2.2 Final Report published (November 2021)

The [Final Report of the fan-led Review](#) (PDF) was published on 24 November 2021. In her foreword, Tracey Crouch said English football’s “fragility” was the result of three main factors:

- misaligned incentives to ‘chase success’.
- club corporate structures that lack governance, diversity or sufficient account of supporters failing to scrutinise decision making.

³⁰ DCMS, [Terms of reference for the Fan-led Review of football governance](#) [online], 22 April 2021

³¹ [Panel announced for fan-led review of football](#) FSA news [online], 22 May 2021 (accessed 29 February 2024)

³² [PL Chief Executive comments on fan-led review of football panel](#), PL news [online], 22 May 2021 (accessed 29 February 2024)

³³ [Letter from Tracey Crouch MP to Oliver Dowden, Secretary of State for Digital, Culture, Media and Sport](#) (PDF)[online], 22 July 2021, p1 (accessed 29 February 2024)

³⁴ As above, p2

³⁵ As above, p3

- the inability of the existing regulatory structure to address the new and complex structural challenges created by the scale of modern professional men’s football.³⁶

The Report’s main recommendation was for an Independent Regulator for English football (IREF), to be established through primary legislation. This would operate a licensing system for professional men’s football.³⁷

In addition to the creation of an IREF ([recommendation A](#)), the review made nine other strategic recommendations:

B: To ensure financial sustainability of the professional game, IREF should oversee financial regulation in football. [[chapter 3](#)]

C: New owners’ and directors’ tests for clubs should be established by IREF replacing the three existing tests and ensuring that only good custodians and qualified directors can run these vital assets. [[chapter 4](#)]

D: Football needs a new approach to corporate governance to support a long-term sustainable future of the game. [[chapter 5](#)]

E: Football needs to improve equality, diversity and inclusion in clubs with committed EDI Action Plans regularly assessed by IREF. [[chapter 6](#)]

F: As a uniquely important stakeholder, supporters should be properly consulted by their clubs in taking key decisions by means of a Shadow Board. [[chapter 7](#)]

G: Football clubs are a vital part of their local communities, in recognition of this there should be additional protection for key items of club heritage. [[chapter 8](#)]

H: Fair distributions are vital to the long term health of football. The Premier League should guarantee its support to the pyramid and make additional, proportionate contributions to further support football. [[chapter 9](#)]

I: Women’s football should be treated with parity and given its own dedicated review. [[chapter 10](#)]

J: As an urgent matter, the welfare of players exiting the game needs to be better protected — particularly at a young age [[chapter 11](#)].³⁸

Tracey Crouch said the report’s recommendations had to be “considered holistically and not as a set of individual options from which football can cherry pick.”³⁹

³⁶ Fan-led Review of Football Governance, [Final report](#) (PDF)[online], November 2021, p9, bullet points added (accessed 29 February 2024)

³⁷ As above, p9

³⁸ As above, p22

³⁹ As above, p9

Reaction

In a Written Ministerial Statement of 25 November 2021, Nadine Dorries, then Secretary of State, [said the report was “a thorough and detailed examination of the challenges faced by English football”](#).⁴⁰ She endorsed “in principle” the recommendation for an IREF. A full Government response would be published in spring 2022.

The report [received cross-party support during a Commons debate on 25 November 2021](#). Jo Stevens, then Shadow Secretary of State, asked whether the Government would accept all the recommendations and whether legislation would be brought forward in the New Year to introduce an IREF.⁴¹ Nigel Huddleston, then Parliamentary Under-Secretary of State at the DCMS, said the Government had to respond formally and he couldn't commit “100% to all the proposals today”. However, there was an intention to “proceed at pace”.⁴²

Kevin Miles, the FSA's Chief Executive, said the Review's final report was “potentially a huge step forward for football governance” that could “lay the basis for a prosperous and sustainable future for football at all levels.”⁴³

The FA welcomed the report and said it would continue to liaise with the Government on its recommendations.⁴⁴

The PL also welcomed the report and acknowledged the call for “some form of independent regulation” of the English game.⁴⁵ However, according to press reports, the twenty Premier League clubs were opposed to an IREF.⁴⁶

2.3

Government response (April 2022)

On 25 April 2022, the Government [published its response to the Fan-led Review's report](#) (PDF).⁴⁷ The response accepted or supported all ten of the Review's strategic recommendations. In a Written Ministerial Statement, Nigel Huddleston [said there were two key problems in English football](#):

- the significant risk of financial failure among clubs.

⁴⁰ DCMS, [Fan-led Review of Football Governance Final Report](#), HCWS417, 24 November 2021

⁴¹ [HC Deb 25 November 2021 c454](#)

⁴² [HC Deb 25 November 2021 c454](#)

⁴³ [Fan-led Review: “Potentially a huge step forward”](#), FSA news [online], 24 November 2021 (accessed 29 February 2024)

⁴⁴ [Our response to the independent Fan-led Review of football governance](#), FA news [online] 24 November 2021 (accessed 29 February 2024)

⁴⁵ [League welcomes publication of Tracey Crouch MP's Fan-led Review of Football Governance](#), Premier League News [online] 24 November 2021 (accessed 29 February 2024)

⁴⁶ [Premier League clubs seek emergency meeting to outline opposition to regulator](#), Telegraph, 30 November 2021

⁴⁷ DCMS, [Government Response to the Fan-led Review of Football Governance](#) (PDF), 25 April 2022

- the risk of harm to the cultural heritage of the game.⁴⁸

According to Mr Huddleston, these problems had three “root causes”:

- the structure and dynamics of the market creating incentives for financial overreach.
- inadequate corporate governance which enabled unchecked decision-making power.
- ineffective regulation.⁴⁹

The Government would intervene “to secure the future of the game”. A white paper would be published in the summer, setting out further detail, but Nigel Huddleston confirmed that an IREF would be established. This would focus on financial regulation and bring together the Owners’ and Directors’ Tests, corporate governance and equality, diversity and inclusion as part of one regime.

The Government agreed that supporters should be properly consulted by clubs, and that a minimum level of fan engagement would be a condition of a club’s licence.

The Government also agreed that the PL could do more to “enhance financial flows through the wider football pyramid”. If a football-led solution could not be found before the white paper, the Government would consider whether the IREF should have “backstop” powers to implement a new financial distribution agreement.

As recommended by the Fan-led Review, the DCMS and Home Office would review the [Sporting Events \(Control of Alcohol etc.\) Act 1985](#). The 1985 Act prohibits the sale of alcohol in sight of the pitch.⁵⁰

Reaction

Lucy Powell, then Shadow Secretary of State, said legislation was urgently needed to prevent more clubs going out of business or “being used as a plaything for the wealthy.”⁵¹

David Bernstein, the former FA Chair, said that, if “handled properly by the right people”, the Government’s proposals “could make a real difference”.⁵²

The FSA [welcomed the Government’s announcement](#), claiming the introduction of an independent regulator was “long overdue”, but urged the

⁴⁸ DCMS, [Written Ministerial Statement on Football Governance](#), HCWS781, 25 April 2022

⁴⁹ As above

⁵⁰ As above

⁵¹ Quoted in: [Government to introduce independent football regulator in England after backing Fan-led Review](#), BBC Football [online], 25 April 2022 (accessed 29 February 2024)

⁵² As above

Government to “move fast and legislate now”.⁵³ The FSA also welcomed the forthcoming review of the women’s game.

[The PL said it recognised and accepted the case for a strengthened regulatory system](#), while claiming that a statutory-backed regulator for the game was unnecessary.⁵⁴

Rick Parry, Chair of the EFL, [said he was pleased the Government had recognised the importance of making clubs financially sustainable throughout the football pyramid](#).⁵⁵ Mr Parry noted that the EFL had been trying to obtain a fairer redistribution of money, calling for a 75/25 split of PL revenue, “without achieving any tangible progress”. He therefore welcomed the possibility of the regulator having a “backstop” power to implement redistribution if the PL, EFL and FA could not agree a solution.⁵⁶

⁵³ [Fan-led Review: FSA urges Government to move fast and legislate](#), FSA news [online], 25 April 2022 (accessed 29 February 2024)

⁵⁴ [Premier League statement on Fan-led Review](#) [online] 25 April 2022 (accessed 29 February 2024)

⁵⁵ [EFL statement: Fan-led Review](#) [online], 25 April 2022 (accessed 29 February 2024)

⁵⁶ As above

3

Football governance white paper (February 2023)

The [Queen's Speech of 10 May 2022](#) confirmed that the Government would publish proposals to establish an IREF.⁵⁷

A [football governance white paper](#) was published on 23 February 2023.⁵⁸ Stuart Andrew, Parliamentary Under-Secretary of State at the DCMS gave a statement to the Commons on the same date.⁵⁹ He noted that the game's finances were in a "parlous state", with the combined net debt of clubs in the PL and Championship around £6 billion. Championship clubs were spending 125% of their revenue on player wages alone and some clubs faced annual losses greater than their turnover.⁶⁰ The Minister also referred to some owners whose "flagrant financial misconduct, unsustainable risk-taking and poor governance" was driving clubs to the brink. Stuart Andrew also said that many supporters had been "let down, ignored or shut out by their own clubs".⁶¹ He explained that the white paper would do "five key things":

- **introduce an independent regulator to make sure that clubs were financially resilient.** The regulator would operate a licensing system for all clubs in the top five tiers of English football. Clubs would need to demonstrate that they had sound financial business models and good corporate governance before being allowed to compete. They would also have to ensure the stability of the wider football pyramid.
- **the owners' and directors' test would be strengthened to protect clubs and their fans from "careless owners".**
- **fans would be given a greater say in the running of their clubs.** This would include stopping owners from changing club heritage – eg names, badges and home shirt colours – without consulting fans first. Clubs would also need to obtain the approval of the regulator for any sale or relocation of a stadium, with engagement being a crucial part of the process.
- **the regulator would have the power to block clubs from joining breakaway leagues, such as the European super league.**

⁵⁷ GOV.UK, [Queen's Speech 2022](#), 10 May 2022 (accessed 29 February 2024)

⁵⁸ DCMS, [A Sustainable Future – Reforming Club Football Governance](#) (PDF)[online], February 2023 (accessed 29 February 2024)

⁵⁹ [HC Deb 23 February 2023 cc334-6](#)

⁶⁰ [HC Deb 23 February 2023 c334](#)

⁶¹ [HC Deb 23 February 2023 c334](#)

- **the regulator would have “fall-back powers over financial redistribution”**. If the financial health of the football pyramid was at risk, and football couldn’t sort out the issue, the regulator would be empowered to intervene and protect the game.⁶²

Stuart Andrew said there was no intention to change the fundamentals of the game or impose “unnecessary and burdensome restrictions on clubs”. Moreover, there would be no need for Government intervention if the game’s authorities had acted, as they had been urged to do for many years.⁶³

Jeff Smith, then Shadow Sports Minister, welcomed the white paper’s “broad proposals”, but questioned how much more would be learnt from further consultation, given that the Fan-led Review had wide-ranging fan and stakeholder input, supported by an expert advisory panel.⁶⁴ He said it was important for the regulator to have “sufficient teeth” to ensure the game was sustainable, as well as individual clubs.⁶⁵

Tracey Crouch said the white paper reflected the “vast majority” of the Fan-led Review’s recommendations and asked about the timeframe for the Government’s next steps.⁶⁶ In response, Stuart Andrew said he wanted to proceed “as quickly as possible”, subject to parliamentary time being available.⁶⁷

Reaction

The FSA welcomed the Government’s “historic commitment” to introduce an independent regulator the English game.⁶⁸

The PL said the white paper was a “significant moment” for the game as England would become the first major nation to make football a government-regulated industry.⁶⁹ The PL recognised the case for change in football governance and said it was implementing “stronger and more independent regulation”.⁷⁰

According to the EFL, the white paper was a “once in a generation opportunity” to address the systemic issues that football had been unable to sort itself over the last 30 years.⁷¹

⁶² [HC Deb 23 February 2023 c335](#)

⁶³ [HC Deb 23 February 2023 c335](#)

⁶⁴ [HC Deb 23 February 2023 c337](#)

⁶⁵ [HC Deb 23 February 2023 c337](#)

⁶⁶ [HC Deb 23 February 2023 c338](#)

⁶⁷ [HC Deb 23 February 2023 c338](#)

⁶⁸ [FSA response to Government’s football regulator plans](#), FSA news [online], 23 February 2023 (accessed 29 February 2024)

⁶⁹ [Premier League statement: Fan-Led Review White Paper](#), PL news [online], 22 February 2023 (accessed 29 February 2024)

⁷⁰ As above

⁷¹ [EFL Statement: Fan Led Review White Paper](#), EFL news [online], 22 February 2022 (accessed 29 February 2024)

3.1

Government response (September 2023)

The Government's [response to the white paper was published on 7 September 2023](#).⁷² It confirmed that an IREF would be introduced through legislation. The Government [said it was “minded” to set up the regulator as a “standalone body”, independent of football’s authorities and Government, so that it could adequately protect clubs’ and fans’ interests](#). However, all options remained under review.⁷³

In a June 2023 report, [the Culture, Media and Sport Committee recommended that the Government should establish a regulator in shadow form by the end of 2023 to ensure that it could begin preparatory work before waiting for legislation to be passed](#). The Committee said the Government should ensure that the legislation needed to give statutory powers to the regulator should be included in the November 2023 King's Speech.⁷⁴

The Government's response to the Committee's report was published in September 2023. This said [the Government was working “at pace” and was committed to legislating “as soon as parliamentary time allows”](#).⁷⁵

⁷² DCMS, [A sustainable future - reforming club football governance: consultation response](#), September 2023 (accessed 29 February 2024)

⁷³ As above, para 39

⁷⁴ Culture, Media and Sport Committee, [Football Governance](#) (PDF), HC 1288, June 2023, para 13

⁷⁵ Culture, Media and Sport Committee, [Football Governance: Government Response to the Committee's Ninth Report](#), HC 1850, September 2023, p2

4

King's Speech (November 2023)

In the King's Speech of 7 November 2023, [the Government said that legislation would be introduced to “safeguard the future of football clubs for the benefit of communities and fans”](#).⁷⁶

The Background Briefing Notes to the Speech (PDF) [state that the Bill would strengthen the governance and financial resilience football clubs by:](#)

- **Establishing a new independent regulator for English football clubs to address issues of financial sustainability and ensure fans' voices are listened to.** The Regulator will operate a licensing system, where all clubs in the top five tiers of the men's English football pyramid will need a licence to operate as professional football clubs. The Regulator will have powers to monitor and enforce compliance with requirements in financial regulation; corporate governance; club ownership (Owners' and Directors' tests); fan engagement and club heritage protection; and approved competitions. This approach to regulation will be proportionate to a club's circumstances based on criteria like league, club size, and financial health. The Regulator's narrow focus will be protecting the long-term sustainability of clubs for the benefit of their fans and communities and helping to prevent the collapse of clubs like Bury and Macclesfield Town.
- **Creating a new, strengthened owners' and directors' tests to make sure a club's custodians – their owners and directors – are suitable.** We have seen growing concerns about financial mismanagement in football, and questions about illicit finance. The new Owners and Directors Test will protect fans from irresponsible owners.
- **Setting a minimum standard of fan engagement,** which clubs will need to meet, and **requiring the support of a majority of fans for any changes to the club's badge, name, home shirt colours.** While most clubs have a strong relationship with their fans and consciously engage them in decisions about club heritage, not all do. Fans of Cardiff City and Hull City have had to recently had to battle to bring back, or keep, their club's colours and badge (Cardiff City) and name (Hull City).
- **Requiring clubs to seek the Regulator's approval for any sale or relocation of the stadium and demonstrate how they have consulted their fans as part of this.** At Derby County, we saw the issues caused by the decision to sell the club's stadium to a separate company owned by the club's owner.
- **Preventing clubs from joining breakaway or unlicensed leagues.** In 2021, Premier League fans faced the prospect of a breakaway European Super League that was fundamentally uncompetitive, and which threatened to undermine the

⁷⁶ Prime Minister's Office, 10 Downing Street and His Majesty The King, [Oral statement to Parliament - The King's Speech 2023](#), 7 November 2023 (accessed 29 February 2024)

footballing pyramid against the wishes of fans. Fans will no longer face the prospect of seeing their clubs sign up to ill-thought out proposals such as the European Super League.

- **Intervening as a last resort to ensure financial sustainability through the redistribution of broadcast revenue.** The Government recognises that the current distribution of revenue in the top 5 divisions is not sufficient, contributing to problems of financial unsustainability and having a destabilising effect on the football pyramid. The Regulator will have powers in extremis – if the leagues themselves have not come to a voluntary agreement – to ensure financial sustainability.
- **Establishing a compulsory ‘Football Club Corporate Governance Code’.** Clubs will be required to report annually on corporate governance, setting out how they apply the principles of the Code and why this is suitable for their circumstances.⁷⁷

The Bill would extend and apply to England and Wales. The regulatory regime would only apply to the English football pyramid, with regulations setting out which leagues (the top 5 tiers) would be captured.⁷⁸

Reaction

Rick Parry [said the Bill would be “an opportunity to create a regulator that can help football to address the systemic issues that are facing the game, so that we can avoid Clubs getting into financial trouble and the threat of supporters losing their Club altogether”](#).⁷⁹

The FSA said it would [“continue to work constructively with the Government and football authorities to give supporters a stronger voice and establish an independent regulator with the powers it needs to protect our clubs.”](#)⁸⁰

In January 2024, Richard Masters, Chief Executive of the PL, [told the Culture, Media and Sport Committee that he was “totally accepting of the Bill and the regulator coming in after that Bill”](#).⁸¹

Dame Caroline Dinenage, Chair of the Culture, Media and Sport Committee, [welcomed the forthcoming legislation and said the Government should “get on” with setting up the regulator in “shadow form” by the end of the year.](#)⁸²

⁷⁷ Prime Minister’s Office, [Background Briefing Notes to the King’s Speech 2023](#) (PDF), November 2023, pp51-2, emphasis in original (accessed 29 February 2024)

⁷⁸ As above, p53

⁷⁹ [EFL Chair Rick Parry comments after King’s Speech](#), EFL news [online], 7 November 2023 (accessed 29 February 2024)

⁸⁰ [King’s Speech: New laws to safeguard clubs](#), FSA news [online], 7 November 2023 (accessed 29 February 2024)

⁸¹ DCMS Committee, [Football governance follow-up: oral evidence session](#), 16 January 2024 (accessed 29 February 2024)

⁸² [King’s Speech comment: CMS Committee Chair Dame Caroline Dinenage welcomes legislation on public service broadcasting and football governance](#), DCMS Committee news [online], 7 November 2023 (accessed 29 February 2024)

Liz Green, Chair of the Local Government Association's Culture, Tourism and Sport board, [said the announcement of a Bill to establish a football regulator was “positive”](#). She commented:

Many councils are already working in partnership with football clubs to protect their heritage and assets. These partnerships also help to support more people to be active through football and to utilise clubs as community mental health hubs and for wellbeing classes, especially since the pandemic.

Long-term sustainable funding for local government is needed to enable councils to support local sports clubs and sporting facilities and help get the nation moving.⁸³

[Fair Game](#), a coalition of clubs and academics advocating for improved football governance, [said the Bill represented a “genuine opportunity to break the cycle of financial turmoil and mismanagement that has threatened the existence of numerous clubs”](#).⁸⁴

In a December 2023 paper, Fair Game recommended that the football regulator should control football's financial flow, distributing broadcasting revenues in a system based on average divisional attendances and the [Fair Game Index](#) which identifies well-run clubs.⁸⁵ It also said that the regulator's remit should extend throughout the professional football pyramid, from the Premier League to the National League North and South. The regulator should also have sufficient powers to enforce standards, including the power to commission in-depth audits, impose financial penalties, and even appoint members to a club's board.⁸⁶

⁸³ [King's Speech: LGA responds to Football Governance Bill](#), LGA news [online], 7 November 2023 (accessed 29 February 2024)

⁸⁴ [Fair Game delivers its verdict on Football Governance Bill](#), Fair Game press release [online], 20 November 2023 (accessed 29 February 2024)

⁸⁵ [New report identifies the nine pillars needed to make independent regulator a success](#), Fair Game press release [online], 4 January 2024 (accessed 29 February 2024)

⁸⁶ As above

5

Review of women's football (2022-23)

The final report of the Fan-led Review recommended that women's football should be given its own dedicated review.⁸⁷ A [review of women's football in England was announced in September 2022 to examine:](#)

- the potential audience reach and growth of the game.
- the financial health of the game.
- the structures within women's football.

Karen Carney, the former England international, was appointed Chair of the Review. A call for evidence closed on 1 November 2022. The [findings of the review were published in July 2023](#).⁸⁸ Ten recommendations were made. These were summarised in a DCMS press release:

- The new standalone company tasked with running the Women's Super League (WSL) and Women's Championship, NewCo, should not settle for anything less than world leading standards for players, fans, staff and everybody involved in the women's game.⁸⁹
- The FA needs to fix the talent pathway to create generation after generation of world-beating Lionesses. As part of this:
 - The FA should choose a strategic partner willing to invest in building a sustainable pipeline of domestic talent.
 - Clubs should be allowed access to an increased pool of international talent while the domestic pathway is fixed.
- The Women's Super League and Women's Championship should become fully professional environments designed to attract, develop and sustain the best playing talent in the world. This means the FA:

⁸⁷ Fan-led Review of Football Governance, [Final report](#) (PDF)[online], November 2021, p21 and chapter 10

⁸⁸ DCMS, [Raising the bar - reframing the opportunity in women's football](#) [online], July 2023 (accessed 29 February 2024)

⁸⁹ On 28 November 2023, the FA announced that the Barclays Women's Super League and Barclays Women's Championship clubs had unanimously agreed to proceed with the formation of a new organisation (NewCo). The new governance structure will be in place for the 2024-25 season – see [Nikki Doucet appointed as NewCo CEO](#), FA news [online], 28 November 2023)(accessed 29 February 2024)

- Addressing the gulf in minimum operating standards between the two leagues (specifically minimum contact time with a player, and player salaries).
 - Providing gold standard physical and mental health provision.
 - Mandating elite training facilities for players.
 - Mandating a world leading parental package.
 - Funding full union representation to both tiers.
 - Uplifting duty of care provision for players.
 - Offering best-in-class career transition support for players leaving the professional game.
- The FA should urgently address the lack of diversity across the women's game - in on and off-pitch roles.
 - The FA, Premier League, EFL and broadcasters should work together to carve out a new dedicated broadcast slot for women's football (last season most WSL matches kicked off at 11.30am on Saturdays and 6.45pm on Sundays).
 - Clubs must better value and support their fans - the FA should raise minimum standards to enforce this.
 - The Government must deliver on recent commitments around equal access to school sports for girls.
 - Everyone involved in funding grassroots facilities - the Government, local authorities, the FA and Premier League - must come together to increase investment to accommodate meaningful access for women and girls to play sport.
 - The FA, Premier League and Football Foundation should work together to make sure women and girls are benefitting from funding flowing into facilities across the pyramid.
 - As the FA hands over the responsibility for running the Women's Super League and Championship to NewCo, it must now place more focus on the development of grassroots clubs and the rest of the women's football pyramid.⁹⁰

5.1

Government response (December 2023)

In its December 2023 response, [the Government said the review set out a “bold vision” for the women’s game:](#)

We are at a defining moment in women’s football in this country. The Lionesses’ win at UEFA EURO 2022, and their journey to the final of the FIFA

⁹⁰ [Major review of women's football published](#), DCMS press release [online], 13 July 2023 (accessed 29 February 2024)

World Cup 2023, helped ignite unprecedented interest in the women's game. For the first time ever, the women's game has taken centre stage and begun to command the same respect as the men's game. It is the time, working with footballing bodies, to seize on this momentum and transform the future of women's football.

Despite the phenomenal achievements of the Lionesses at consecutive major tournaments, there is still a long way to go. Half a century ago, in the year of the Equal Pay Act, women were still actively banned from playing football so whilst steps have been taken down the path to financial sustainability, the women's game has some way to go to realising its full potential.

Karen Carney's [review into women's football](#) sets out a bold vision for the women's game. It has raised the bar and been instrumental in setting out a clear-eyed plan to lift minimum standards and deliver bold, sustainable growth at the grassroots and elite levels.⁹¹

The Government accepted all the review's recommendations. As multiple stakeholders were responsible for taking these forward, an implementation group would be established to monitor progress.⁹²

In a written parliamentary response of 29 January 2024, [Stuart Andrew said the Secretary of State would chair the first meeting of the implementation group in March 2024](#).⁹³ Future meetings would be chaired by either the Secretary of State or Minister for Sport. Stuart Andrew further explained:

The implementation group will include key decision-makers from the organisations with responsibility for taking forward the Review recommendations. These organisations are the FA, NewCo, Football Foundation, Sport England, the Sports Ground Safety Authority, the EFL, the Department for Education and the Premier League. The Secretary of State will be writing to senior representatives to formally invite them to the first meeting in March.

As set out in the Review, these representatives will be required to provide updates at the implementation group. DCMS will convene the group and will provide a secretariat function to make sure stakeholders are progressing with the recommendations, and we will monitor this accordingly.

We remain committed to hosting the initial implementation group meetings in March and July 2024. We will work collaboratively with stakeholders to assess the frequency of the future implementation group meetings...⁹⁴

Reaction

The Football Foundation said it was pleased to have been able to work with the Government on its response to the review's recommendations:

⁹¹ DCMS, [Government response to independent review: reframing the opportunity in women's football](#), December 2023, Ministerial foreword (accessed 29 February 2024)

⁹² As above, Executive summary

⁹³ [PQ 11110 \[on the Future of Women's Football Review implementation group\]](#), answered 29 January 2024

⁹⁴ As above

...Working with our funding partners at the Premier League, The FA and Government, we will continue to deliver outstanding facilities across the country. Facilities that meet the needs of the growing women's and girls' game both in terms of their quality and in the meaningful access they provide. Crucial to this will be the Football Foundation's efforts to support our grant recipients after their initial funding to ensure they are meeting the needs of the women's and girls' game.

We are determined to deliver better pitches, healthier lives and stronger communities from the roots up.⁹⁵

Deborah Dilworth, head of women's football at the FSA, welcomed the review and the Government's response:

We're pleased to see that an implementation group, composed of stakeholders from across the game, will meet in 2024. This was a key part of the FSA's submission and stakeholders from across women's football have a crucial role to play in driving it forward.⁹⁶

⁹⁵ [Football Foundation responds to Government support of independent review: the future of women's domestic football](#), Football Foundation press release [online], 4 December 2023 (accessed 29 February 2024)

⁹⁶ [Government backs Carney Review into women's football](#), FSA news [online], 4 December 2023 (accessed 29 February 2024)

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