SOLUTIONS FOR OUR NATIONAL GAME

FAIRGAME In the wider interests of football

INTRODUCTION

Football can be the lifeblood of a community. It is more than just the 90 minutes on a Saturday afternoon. A well-run club can unite a local area, provide a support network for the vulnerable, and be a hub for social and sporting activities for schools and businesses. Football is tradition. It is heritage. It is a sense of belonging.

Yet our national game is under threat.

- Players' wages are out of control
- The redistribution of TV revenues is unfair
- There is no long-term protection for the heritage and tradition of clubs
- The Owners and Directors' Test lacks teeth
- Clubs are not encouraged to run sustainably
- Equality standards are a mere tick box exercise
- Football has failed to regulate itself

Football is littered with fallen giants, famous clubs who once graced the top of the game now floundering or, worse, extinguished. We have witnessed the sad demise of Bury and Macclesfield, while once-mighty Bolton fell into our basement division.

It is simply a matter of time before the next catastrophe strikes and another community is deprived of one of its most-precious assets.

It is against this backdrop that Fair Game was born.

When I set out as a newly elected board member of the Dons Trust, owners of AFC Wimbledon, in November, I was given the remit to see what difference my club could make in the wider world. The message that came back from the 30 or so people I spoke to – politicians, journalists, academics, board members, sports professionals – was clear: change the governance of football.

In the past there have been attempts to change the way the game is structured and run – Supporters and celebrities have been on board for a while – but never before have clubs come together to offer an alternative.

And over the last few weeks, clubs have been flocking to join the call of Fair Game.

We are not a breakaway – we are in constant dialogue with the EFL – but we do believe we can be the breakthrough.

There have been numerous reviews into football in the past, and sadly many of them are now collecting dust in the House of Commons' archives.

At Fair Game, we are committed to making sure the same fate does not befall this latest review, and that it comes with teeth and delivers real and meaningful change.

We have brought together some of the best academic minds in the country and those with lived experienced of running our national game to help develop potential long-lasting solutions that could make a real difference.

That is what makes Fair Game unique.

We commissioned our experts to take a deep look at the issues, identify the problems and come back with potential solutions. This document contains their first thoughts. Over the next few months we will be refining them.

It is the start of the journey for us at Fair Game and we want MPs and other football clubs to join us. Together we believe we can make a difference and create a lasting legacy for our communities.

Niall Couper
Director of Fair Game

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FAIR GAME

Fair Game is a movement of ‘like-minded’ football clubs determined to change football for the better.

OUR VISION

- Football governed with fairness, openness and transparency at its core.
- A sport that helps and nourishes the football pyramid, and honours the mantra that football can be a force for good and is at the heart of the community it serves.
- We are pragmatists and believe in constructive engagement with football clubs and authorities.

OUR PRINCIPLES

Sustainability
A financial structure that is fairer and more responsible

Integrity
Greater recognition of, and protections for, current competitions

Independent Regulation
Regulation that incentivises good management

Community
Embedded, serious and structured fan engagement at all clubs

OUR DIRECTION

- Fair Game is club-led.
- Fair Game clubs agree to the Principles.
- Our aim is to ensure football clubs are sustainable and competitive businesses with a long-term vision.
- They must be able to stand on their own two feet and consistently turn a profit, for the benefit of their stakeholders, which includes shareholders and most importantly supporters.
- We believe in developing realistic, long-term solutions to the problems football faces.
- To find those solutions we have brought together the nation’s finest academics in football, those with lived experience in the industry, representatives of our club’s supporters’ trusts and naturally the clubs themselves.
- We have agreed what we believe to be the big issues in the game and have begun the process of developing the solutions.
- At the start of September we will produce our manifesto for change with a range of briefing papers each with worked-up solutions for each of the ‘big issues’.

FAIR GAME CLUBS

EFL CHAMPIONSHIP

EFL LEAGUE ONE

EFL LEAGUE TWO

NATIONAL LEAGUE

NON-LEAGUE

FAIR GAME IS IN ADVANCED TALKS WITH DOZENS OF OTHER CLUBS.

SOLUTION 1

Embedding Financial Sustainability

Relegation clauses, Salary controls, Football creditors' rule, Definition of core revenues

Report prepared by Josh Bland (Lead), Dr Richard Evans and Dr Rob Wilson

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OUTLINE OF THE ISSUE

The financial regulation of football is focussed on two primary objectives:

- Ensuring the financial sustainability of football clubs
- Restricting "financial doping" – in other words the clubs aiming to gain a sporting advantage by spending more on players than can be sustained by the business

The timing is now critical in tackling both of these objectives. In relation to the first, in the past two years Bury, Bolton and Wigan have all entered into administration. Regarding the second objective, on average over 15 seasons from 2004/05 to 2018/19 inclusive, 46% clubs that were in the Championship adopted a 'gambling strategy' to either gain promotion or avoid relegation, and 87% of all clubs gambled in at least one of these seasons (Evans et al, 2021).

Further research by Evans et al (2019), encompassing data from 1994/95 to 2012/13, suggests that when the Salary Management Cost Protocol was introduced for clubs in League Two in 2004/05 the regulation was sufficient to alleviate immediate pressure for financial regulation from the government but was set a limit that was not expected by the EFL to be binding and hence the regulation was a "legitimising exercise" rather than a measure intended to achieve either of the main objectives.

Equally problematic is the fact that EFL financial regulations and guidelines relate to financial variables that do not directly correspond to the publicly reported account data of clubs. This inherent lack of transparency, and effective real time reporting, prevents any attempts at a valid independent assessment of whether clubs have complied with EFL regulations.

The EFL has a different approach for clubs in the Championship compared to clubs in Leagues One and Two. As with the UEFA FFP regulation, the EFL has applied rules which aim to limit financial losses incurred by clubs in the Championship. The EFL current "Profit and Sustainability" rules include the term "cash losses" however this only means the earnings before tax figure after:

(a) write back of amortisation and/or impairment of player registrations and the profit or loss on the transfer of player registrations

(b) inclusion of net cash flow in respect of transfers of players' registrations

There is no consideration of other effects on cash flow such as changes in creditor or debtor balances. The EFL rules include the term "secure funding" for funds that have been or will be made available to the club to cover any "cash losses". This consists of contributions, or an irrevocable commitment, that an equity participant has made for the purchase of new shares. Loans are explicitly not classified as "secure funding".

In Leagues One and Two the EFL applies a current Salary Cost Management Protocol (SCMP) which aims to restrict wage expenditure with the requirement that, for the "reporting period", a club's "player related expenditure" must not exceed the sum of:

- 60% for League One, or 50% for League Two of the club's "relevant turnover", plus...
- 100% (for clubs in either League One or League Two) of the club's "football fortune income"

In both cases the EFL regulation has failed because it fails to adequately address the issues of financial sustainability. Reported earnings can be managed by, for example, the timely revaluation of assets. Whereas, liquidity, the ability of a business to meet its short-term cash requirements, is essential to ensure the immediate survival of a business and solvency, the ability of a business to meet financial commitments in the long term, is key for the long-term financial sustainability of a business. Neither of these are considered directly, or adequately indirectly, in the regulations introduced by the EFL.

The Football Creditors' rule ensures monies owed to players or other football clubs from any club that goes into administration must be honoured first. The rule fosters a deeply problematic environment in which players and agents are happy to sign for clubs in financial peril, putting clubs at risk and inflating players' wages. Furthermore, clubs themselves are prepared to fly in the face of sound business sense and deal with clubs in financial peril. In short, the rule encourages "excessive financial risk taking, in a system that already offers other inducements to do so, by offering a safety net to those who seek to benefit from such practices" (Culture, Media and Sport Committee, 2011). Implicit within the rule is a preferential treatment of creditors that would stand as illegal in the lead-up to insolvency in most businesses. For example, when Crystal Palace and Plymouth Argyle went into administration in the 2010-11 season, unsecured creditors were paid just 1.95p and 0.77p in the pound respectively, whilst football creditors were paid in full (R3, 2014). This not only an immoral undermines the interest of local businesses but could stand as a breach of competition law on the basis that "football creditors" abuse their dominance to the detriment of non-football creditors.

OPTIONS

The Desired Outcome: A footballing eco-system in which clubs are safeguarded and are able to thrive whilst being run in a financially sustainable manner must be the holy grail. This minimises the risk of financial failure, maintain balance and competitiveness throughout the pyramid and ensure supporters will always have a club to support.

The financial regulation of football is focussed on two primary objectives:

- Ensuring the financial sustainability of football clubs
- Restricting "financial doping" – in other words the clubs aiming to gain a sporting advantage by spending more on players than can be sustained by the business

Any options presented here must be taken in combination with a wider investigation into the financial imbalance between the leagues, and crucially, investigations into governance practices at league, FA and club level.

Salary Controls
Player wage expenditure is driving unsustainable financial practices in football, especially in the EFL. Though we expect push back from the PFA and legal challenges owing to football's regulatory dynamics, we have identified three potential models for salary controls:

- Percentage Model – a squad salary cap standing at 70% of a club's revenue. To include all wages and other fees, and any other material benefit provided to players or connected parties.

Reliant on a standardised definition of "core revenues" (outlined below). Limit cost and therefore improve financial sustainability, however could potentially ossify the competitive balance.

- Hard Cap – a hard salary cap set by each division, reinforced by primary legislation. Increase financial sustainability by limiting cost, increase competitive balance, however, would break the link with affordability and hence unnecessarily restrict income to the game.
- Luxury Tax Model – each league to enforce a set wage cap (this could be either a hard cap or a revenue cap). Any clubs exceeding the overall cap must pay 50p for every £1 they exceed the cap into a central fund, which is then evenly distributed between clubs in that division who have remained under the cap. Once the cap is reached – clubs can only buy two new players. Flexible system allowing for ambition and different spend levels, whilst rewarding sustainable behaviour. Increases competitive balance, reduces the equilibrium wage rate, however, would not necessarily address the issue of financial sustainability for clubs that exceed the wage cap.

All of these options should be met with severe automatic point penalties for breaches. This will only work with agreed and standardised financial monitoring.

Relegation Clauses
To be made compulsory as part of any new contract signed. Set at a standard % for each relegated club. Must be reinforced by primary legislation.

- This would facilitate the match of cost to reduced revenue
- Would face significant resistance from the PFA

Debt Controls
Only allowed for approved types of capital spending, for example, stadium refurbishment or relocation. Subject to affordability limits. Interest repayments to be included in a break-even cap.

Defining Core Revenues
Standardised definitions of "core revenues", to include commercial and sponsorship, live-streaming, non-discretionary TV and League distributions and other non-match day activities.

Real Time Financial Reporting
Clubs required to give regular intra-year financial reporting to a regulator (further expanded in Issues 3 and 4). This would ensure structural financial problems are dealt with proactively, not reactively.

Abolition of the Football Creditors' Rule
The rule needs to be rendered redundant by placing all clubs on a sustainable financial footing, facilitating clubs to act in a more responsible fashion.

Cash reserves
By 2032, all clubs to build up six months' worth of reserves. Requires delicate and consistent method of measurement; a more pragmatic approach to this dilemma is outlined by Dr. Evans below.

To address the two main objectives in the financial regulation of football clubs the following options are recommended:

Transparency
All data relevant to the calculation of compliance with financial regulation must be publicly available. This will enable independent assessment of the compliance of clubs with the financial regulation and this enhanced level of scrutiny will have a positive influence on the clubs.

Effective criteria
Financial regulation must aim to ensure that clubs maintain an adequate level of liquidity and solvency to minimise the risk of financial distress. There are three main options

- Profitability This is an inadequate measure – any accountant worth his salt can manipulate data to prove profitability
- Solvency The Insolvency Act 1986 provides two tests of company insolvency
    - The "balance sheet" test is of whether "... the value of the company's assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities." This test applies at any point in time but can be made at the balance sheet date from the financial accounts of the company. Nearly all football clubs would fail this measure would be deemed as technically insolvent.
    - The "cash flow" test states that insolvency is established "if it is proved to the satisfaction of the court that the company is unable to pay its debts as they fall due." However, this test can only be applied in practice. If a club is not paying what it owes then the creditor can demand payment through the court and declare the club insolvent and put them into administration.

      A standard accounting measure of solvency is the debt ratio.

      This is defined as:

      Debt ratio = Long-term liabilities + Current liabilities / Fixed assets + Current assets
- Liquidity - this is a far safer model as it can identify problems sooner.

  A club's long-term security depends on the simple mantra 'Cash is king!' A standard accounting measure of liquidity is the current ratio.

  This is defined as:

  Current ratio = Current assets / Current liabilities

  As a broad guide, a value of approximately 1.5 (or greater) for this ratio is generally recognised by the accountancy profession as being indicative of a reasonably secure level of liquidity for a business.

  An alternative is the ratio of working capital to total assets.

  This is defined as:

  Current assets – Current liabilities / Fixed assets + Current assets

  This measure may be preferred as the inclusion of fixed assets recognises the value of stadium ownership and the book value of playing talent as potentially significant factors in the solvency of a football club.

Government influence over regulatory authority
The evidence (above) suggests that the EFL has not been sufficiently successful with either objective and indicates a clear need for the government to be more engaged with the EFL for the effective the financial regulation of football clubs. Whilst FIFA seek to preclude political intervention in football, the failure of the EFL to effectively apply sufficiently effective financial regulation for the past twenty years has resulted in avoidable financial distress for football clubs and all the resulting financial, social and sporting consequences for the game, the industry and society more generally which necessitates this change.

Further Literature Recommendations

There is an extensive literature on the causes and predictability of bankruptcy in business (Beaver, 1966; Altman, 1968 and 2000; Deakin, 1972; Ohlson, 1980; Balcaen and Ooghe, 2006). In addition, there have been several papers in the sports economic literature that have addressed this issue specifically for football clubs (Beech et al, 2008 and 2010; Barajas and Rodriguez, 2014; Scelles et al, 2018; Plumley et al, 2021). The sports economic literature has also considered the relative importance of exogenous shocks and ""irrational exuberance" (Szymanski, 2012) in financial distress experienced by football clubs.

The theoretical economic effects of various financial regulatory schemes for sports league are analysed by Vrooman (1995), Késenne (2000, 2003 and 2007), Szymanski (2004) and Evans (2014).

Theoretical economic effects for 'win maximising' (rather than profit maximising) teams in a league where the supply of talent is not fixed within the league (unlike for some sports leagues in the USA) is analysed by Késenne (2003).

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SOLUTION 2

Tackling parachute payments and solidarity money, and new football trust fund

Report prepared by Dr Daniel Plumley (Lead), Dr Rob Wilson, Kieran Maguire, Christopher Winn, & Rory Carroll.

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OUTLINE OF THE ISSUE

Lucrative television deals, rising from £304million in 1992 to £4.46 bn for UK rights for the 2019-22 cycle (Wilson et al, 2018), has helped the EPL become one of the richest professional sports leagues in the world (Deloitte, 2020). There are significant financial benefits of competing at the top of the pyramid in top five European football leagues, in some instances leading to an eightfold increase in revenue for a club. Huddersfield Town, for example, saw a £110m uplift in revenue following promotion to the EPL in the 2016/17 season, owing to broadcast payments and a significant rise in sponsorship and commercial revenues. Relegation, by contrast, means an instant reduction of around £60m and can result in financial distress for the clubs involved (Wilson et al., 2018).

To help soften the financial blow of relegation, the EPL distribute a percentage of their television revenue to relegated clubs (Wilson et al., 2018). Parachute payments have been a fixture in English football since the early stages of the EPL (mid-1990s), although the real shift in their value (and subsequent impact) was in 2006/07, where relegated clubs received a share of broadcasting revenue for four seasons since relegation. The number of years over which these parachute payments are made was reduced to three seasons from the start of 2015/16, or two seasons for teams that are relegated after a season in the Premier League (Guardian, 2015).

According to the Premier League (2019), the television deal for the 2019-2022 cycle is valued at £9.2billion globally, with clubs in the EPL likely to receive approximately £85m per year as an equal share of revenue (in addition to live match fees and so on). Parachute payments are set against a percentage of this equal share. This percentage drops progressively over a three-year period – 55% in the first year (£46.75m), 45% in year two (£38.25m) and, if the club is eligible, 20% in the third year (£17m). The details of clubs in receipt of parachute payments (projected) for the forthcoming 2021/22 season are presented in table 1 for further context.

TABLE 1: PARACHUTE PAYMENTS TO EFL CLUBS 2021/22 (PROJECTED)

Club	Year	2019/20 Parachute Payment (£m)
Sheffield United	1	46.75
Fulham FC	1	46.75
West Bromwich Albion	1	46.75
AFC Bournemouth	2	38.25
Cardiff City FC	3	17
Huddersfield Town FC	3	17
Total		**212.5**

Again, by contrast, the solidarity payments distributed by the EPL to the EFL are considerably lower in value. These payments are calculated as a percentage of a third-year parachute payment (30% for Championship clubs, 4.5% for League 1 clubs and 3% for League 2 clubs). A total of 64 clubs in the EFL are projected to be in receipt of solidarity payments in 2021/22 (see table 2).

TABLE 2: SOLIDARITY PAYMENTS TO EFL CLUBS 2021/22 (PROJECTED)

League	No. of Clubs	Solidarity Payments 2021/22 per club (£m)	Total payments 2021/22 league total (£m)
EFL Championship	18	5.1	91.8
EFL League One	24	0.76	18.24
EFL League Two	24	0.51	12.24
Total	**64**	**1.89**	**122.28**

Such financial disparity has led to clubs in the Championship over-stretching themselves financially in an attempt to gain promotion to the EPL, often spending beyond their means on player wages (Plumley, Ramchandani & Wilson, 2018; Wilson et al, 2018). Such an approach poses a significant risk to their long-term viability and potentially leading to insolvency (Scelles, Szymanski, & Dermit-Richard, 2018; Szymanski, 2012). Yet a correlation exists proving that higher spending tends to lead to sporting success (Plumley et al, 2017), presenting a complex challenge for clubs over their strategic direction. This has further implications for clubs further down the league system in League 1 and League 2 given the significant financial imbalance between leagues.

Covid-19: Time for a financial reset?

Parachute payments have come into sharp focus again during the covid-19 pandemic. EFL Chief Executive, Rick Parry, referred to them as 'evil' at a parliamentary committee hearing and has called for them to be scrapped as part of a radical overhaul of club finances to provide financial balance in the Championship (Wilson, 2020). Academic research argues a similar point in relation to sporting balance (see Wilson et al., 2018). The authors found that clubs in receipt of parachute payments are twice as likely to get promoted to the EPL and, on average, gain five points more on the pitch than those clubs that do not have parachute payments. They conclude that parachute payments are one of the factors that have led to a decline in competitive balance in the EFL Championship.

However, a spokesperson from the EPL defended the parachute payments as a mechanism of confidence for newly promoted clubs to invest in their playing squad to remain competitive in the top division. It has been further argued by the EPL that there is no evidence that parachute payments distort competitive balance in the Championship as they support other clubs of the EFL with solidarity payments (The Guardian, 2020), something at odds with the academic evidence (Plumley et al, 2018; Wilson et al, 2018). Herein lies a wider governance challenge for English football and the power play between the EPL and the EFL.

The EFL has attempted to support its clubs during this pandemic, committing a further £50m in solidarity payments to all clubs in the system to run daily operations. However, there have been calls for the EPL to also help by sharing their revenue with clubs lower down the pyramid to ensure their survival (Wilson, 2020). This relates to the concept of co-opetition (e.g. Nalebuff, & Bradenburger, 1997).

Professional football clubs act as economic partners to deliver the product to its audience (see Bond et al, 2019). Member clubs need to recognise the value created collectively or risk failure. In short, the clubs need each other to survive both on and off the pitch.

OPTIONS

Any options presented here need to be combined with a wider investigation to the financial imbalance between the leagues (driven by broadcasting revenue).

Parachute payments are a part of this system, and they should not be viewed as just one single problem in isolation. For example, you could abolish them completely, but this could likely lead to a less competitive PL, as players will turn down contract offers which contain huge relegation clauses.

If the core issue of unequal distribution of revenues between AND within divisions (average revenue of a 'Big Six' team is £499m compared to £146m for the other 14) is addressed, then there is no need for Parachute Payments, and they can be abolished.

Until then they are a solution to a problem in the EPL, but another problem entirely for clubs in the Championship. Similarly, the existing split of EFL broadcast revenues (80/12/8%) creates further cliff faces. Address this and the EFL solidarity payments can be abolished too.

Abolishing parachute payments in isolation of a complete rethink of revenue splits is not addressing some of the fundamental issues within football, which has led to a concentration of wealth, power and trophies amongst a relatively small group of clubs.

There is scope for redistributing the parachute payment and solidarity payment fund more equally around the league system.

Latest payments for 2021/22 suggest parachute payments of £212.5m to six clubs. If that money were to be distributed equally to all 72 EFL clubs then that would mean an extra £2.95m each for those clubs. Likewise, if you add in solidarity payments and make it an equal split then that would mean an extra £4.65m per club based on our estimates. This is a significant amount of money for a League 1 or League 2 club.

It is clear that parachute payments should be more equally distributed around the league system, but to improve the sustainability of football it does need to come with some conditions. These should include:

- **Pay for independent audit/regulator fees for all clubs in the EFL.** At lower levels these costs can be prohibitive – this barrier needs to be removed
- **Support community projects etc.** Clubs would need to apply for funding and an independent panel would decide how to allocate the money.
- **Effective cost control measures** These should be linked to the above and cover such things as salary caps, wage reduction clauses.
- **Fit for purpose financial regulations** These would need to target the specific sustainability issues of each division otherwise the threat of over expenditure remains even in a world where resources are more fairly allocated.
- **Reward for financial health of clubs** This should come with reductions applying where regs/benchmarks are breached. These surplus funds could then be redistributed across compliant clubs or held back at EPL level as a possible carrot for them to agree to more funds being distributed in the first place.
- **Relegation clauses** With the withdrawal of parachute payments, these would become a legal necessity- otherwise clubs would simply not survive relegation from the EPL.

CHANGES REQUIRED

The main issue here is one of governance. The EPL, of course, will argue this is not their problem, which in a governance sense is true, yet they clearly have the power and the cash (current cash reserves stood at approximately £1.6bn in the latest accounts) to do more should they wish. The disconnect between the EPL and EFL is crucial to this narrative. The EPL clubs would have to vote to change the system on parachute payments. They will not vote in favour of ideas we have presented. Likewise, many Championship clubs, in receipt of parachute payments, might also vote against it at EFL level. Like many of the issues in English football, the governance angle is the biggest challenge here.

CLOSING THOUGHTS

Any financial changes must benefit all clubs and seek to balance, not just the books, but the sporting playing field, too. Strong evidence exists suggesting parachute payments are no longer fit for purpose and a sensible starting point for future discussion would be to consider the redistribution of them throughout the football pyramid. The time to engage with the evidence and for collective action, not self-interest, is now more important than ever. We have made some practical suggestions here to support the system, abolishing parachute payments and implementing salary cap regulations perhaps being the most prominent. It’s time the policymakers reacted to such evidence.

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SOLUTION 3

Independent regulation: Structure (who runs it, how are they appointed)

Report prepared by Christina Philippou (Lead), Christopher Flanagan, Nigel Fletcher, Radojka Miljevic, Sam Banks

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OUTLINE OF THE ISSUE

Football plays a vital role in our communities. The heritage and traditions are part of the social fabric of towns up and down the country, where they add great value to a town, both directly and through the supply chain they support. Well-run clubs provide huge social and community programmes that help and nourish the local community. Clubs have significant social and community value, and there is a public interest in how they are run.

Football has failed to regulate itself effectively. Frequently bad management has gone unnoticed or ignored. Clubs are allowed to run unsustainably, putting at risk all the history, heritage and economic benefit they bring to a town – all in pursuit of short-term gain. Concerns around the FA and its ability to govern have also been previously raised in Parliament and change has been slow.

Self-regulation is taken for granted as a right by many in football. This is linked to the historical argument that sport deserves special treatment as an industry, which is in turn reflected in regulation under the concept of "autonomy". Arguments in favour of this note that sport has specific traits which include its function as a public good (i.e. something that is more valuable to society as a whole than individuals are willing to pay for it).

Arguments against self-regulation include the fact that football has been subject to intense professionalisation and commercialisation through the emergence of broadcast rights and sponsorship agreements. Because of fan loyalty (incorporating the restricted choice of 'the local club' in a geographical area) and core assets like the badge, clubs have some features of monopolies. While it is hard to find a sporting or other relevant sector that compares directly with football, if only because of the financial scale of the industry in the UK, no other industry that significantly affects the public (i.e. financial institutions, medicine, water) doesn't have a regulator.
Football has allowed clubs to fail and poor governance to flourish. Its structure is out-dated and no longer reflects modern society. In short: it is not fit for purpose.

The current self-regulatory structure of the game is inherently problematic from a legal perspective too. The primary reason for this is the nature of the legal status of sports' governing bodies. Governing bodies are in essence creatures of contract and corporate law; their ability to regulate is defined through a network of contractual agreements and shareholdings. One of the consequences is that the rules created by football's regulatory bodies throughout the pyramid (FIFA, UEFA, the FA (and FA WSL), the PL, the EFL, the NL, and so on) are terminally prone to legal challenge, usually on the basis of competition law (or in corporate law, unfair prejudice petitions). Regulatory rules are by their nature restrictive of competition in some way (for example, by controlling the ways in which clubs spend money, or who can own them). Whilst there is an established margin of appreciation for sports governing bodies (SGBs) to regulate, the boundaries of that margin of appreciation are imprecise, which means it is easy for disenfranchised clubs, agents, or other third parties to challenge the very legality of the rules. This has a chilling effect on the introduction of more progressive rules.

This issue is compounded by the mix of commercial and regulatory objectives that every regulatory body in football assumes. This basic conflict of interest limits the margin of appreciation in which governing bodies can make rules, given that restrictions must always be balanced against the commercial objectives of the governing body (see for eg the recent International Skating Union Court of Justice of the EU case).

To the degree that governing bodies can create regulatory rules without legal challenge, their ability to act as a regulator is severely hamstrung by structures of the game. For example, governing bodies have no right as of law to collect evidence and must instead rely on appropriate contractual rules, which (again) are liable to challenge and can be difficult to enforce.

In order to circumvent this issue, an independent regulator should be created and given powers in statute in the same way as (for example) the Financial Conduct Authority and Prudential Regulation Authority have in respect of financial services. We observe that regulators are often introduced in circumstances where the public is not in a position to defend its own interests.

DESIRED OUTCOMES

- A regulator with teeth that is the lynchpin to protect the football pyramid, the future of individual clubs and preserve the game's heritage.
- The regulator will build trust and sustainability, by having powers to monitor, give guidance and enforce obligations.

To do this, we need to consider what makes a regulator effective to ensure that this is included in the regulator's structure. Taking account of recommended best practice from relevant bodies such as the OECD and the Financial Conduct Authority, these principles would be required for independent regulation to operate effectively.

(a) Independence – avoidance of conflicts of interest, and importantly independence from both Government and the regulated entities;

(b) Risk-based, proportionate approach – this entails directing resources where there is most risk and likely to be most impact on outcomes;

(c) Evidence-based decision making – regulators build confidence in their regulated markets and among the public by virtue of their objectivity and fairness demonstrated through due process;

(d) Coercive power and/or direct influence – Government's own commissioned reports on standards of public life and regulators argue that they contribute to supporting a wider ethical environment and that behaviours can be changed through engagement and through approaching compliance as 'enlightened self-interest'. There is also the opportunity to promote learning from practices, quantitative reporting and trends, and learning from problem cases;

(e) Best practice in accepted standards of governance – both in the regulatory authority's own operations and the standards of governance that it requires on the part of the regulated entities – in line with the UK Corporate Governance Code and/or other sources of governance best practice from the Financial Reporting Council and National Audit Office, as well as the Nolan principles;

(f) Accountability and transparency – for instance, all minutes of decisions to be published on the regulatory authority's website published data on the functions of the regulator, the aggregate performance of regulated entities and other aspects of performance that are not commercially sensitive. There should also be a focus on connecting with stakeholders;Professionalism and expertise – with members of the regulatory authority who understand and can ensure that the body addresses market distortion;

(g) Representativeness – ensuring that the voice of the consumer is heard at the highest level, whilst at the same time enabling the regulated entities equally to be heard;

(h) Diversity and inclusion – recognising that football is a sport whose appeal, both in terms of participation and support, is to all sections of the community;

(i) Capability to act promptly – and with access to effective powers of sanction and intervention, and statutory force behind those powers;

(j) Rigour in complaints-handling – with a process that ensures complaints are investigated independently, and whose results are published on the authority's website;

(k) Authority and funding – sufficient to provide for staff and to take forward the work of the regulatory authority; with funding being appropriately drawn from the regulated entities;

(l) Delegated authority – coherent and appropriate delegation of authority from the Board of the regulatory authority to its Executive.

DESIRED OUTCOMES

This section considers the suggestions for the structure of independent regulation.

- **Need for an independent regulator**
  An option of whether a reformed Football Association (with, for example, a new constitution) could fulfil the regulation role was considered.
  - **Benefits:** The FA already exists and there is a good level of knowledge, expertise, and experience in the FA's regulatory division. The current FA structure needs reform (e.g. representative from each of the Armed Forces, the Public Schools, Oxford and Cambridge University) and there are concerns around diversity.
  - **Concerns:** While the FA is often considered the English football regulator, it is not independent, as it is in direct competition with the professional leagues for sponsorship and national team players' time. In order to achieve Fair Game's policy objectives, the regulator (whoever it may be) must have statutory force, statutory objectives, and critically (unlike the FA) must not also be a commercial actor in football.
- **Structure of the regulator**
  The regulatory authority's strategy, direction, and policy should be determined by a Board that is supported by an Executive. The Executive would operate under delegated authority from the Board within specified bounds; it would be responsible for delivering the Board's strategy; and it would advise the Board on all relevant matters. Similarly the Board will be responsible for monitoring and reviewing the delivery of the strategy that it sets.
  - **Benefits:** Common structure and simple to implement.
  - **Concerns:** Resources to set up and maintain layers of management and the Board.
- **Membership of the regulator**
  To help ensure its overall effectiveness, it is critical that the Board should have an understanding of the sport and how it operates. This means in part drawing its membership from relevant interests, not on a representative basis – members of the Board would be expected to operate first and foremost in the interests of the regulator, and not as delegates from particular interest groups.
  - **Benefits:** Experience and skill in the sector would help ensure the implementation process is as smooth as possible.
  - **Concerns:** Drawing from relevant interests often leads to conflict of roles. The independent regulator should avoid conflicts of interest to ensure it is both able and perceived to operate effectively and independently.
- **Rights of the regulator**
  We may consider step in rights for the independent regulator.
  - **Benefits:** The regulator should be able to stage interventions in clubs, and should have the power to co-opt itself or another skilled person in the running of the club, in the same way as the Solicitors Regulatory Authority can, or analogously to insolvency practitioners' abilities to step in where duly appointed by a creditor. The Charity Commission, for example, has powers to issue official warnings, appoint additional Trustees, appoint an interim manager, or direct that charity

property be used in a certain way. (There are also certain reserved matters which restrict charities from making certain changes without authority either from the Charity Commission or from the Courts.)

- **Concerns:** Time to implement relevant legislation.

- **Duty of Care**
  The imposition of a Duty of Care, owed by all stakeholders in the football community to pay due regard to the interests of supporters, players, and other stakeholders. The Duty of Care would apply to all owners and commercial actors who influence the running of the game (such as the leagues) and would be monitored by the regulator.
  - **Concerns:** Regulator resources to implement.

CONCLUSIONS

An independent regulator should be installed. Their purview should encompass all first-class football in England, to include oversight of the Football Association, the Premier League, the Football League, the Women's Super League, the Women's Championship, and the principal domestic cup competitions.

The regulator should adopt a set of standards governing the behaviour and operations of the entities listed above and the clubs affected. These standards should address such areas as:

- Governance
- Club ownership;
- Financial viability;
- Decision making, risk management and control;
- Probity in business dealings;
- The distribution of centrally obtained funding (e.g. broadcast income) across the various levels of the game;
- Transfer fees and the role of players' agents;
- Engagement with fans;
- Support for grassroots football;
- Involvement in communities;
- Openness and transparency;
- Health and safety;
- Complaints-handling.

The principle of 'comply or explain' should be used to implement of these standards. This works with mandatory standards setting out principles to be followed by the regulated entities, rather than detailing how the organisations concerned should operate. It will be for the regulated organisations to demonstrate to the regulator and to their stakeholders how they comply with these. Where they do not comply with the standards, it will be for them to explain why not and how the general principles set out in the standards are being appropriately delivered through alternative means. However, care must be taken to note a minimum acceptable explanation as key criticisms of the 'comply and explain' approach used by the FCA is that some organisations' explanations are not up to standard. There is also the concern that this can work for some standards and works very well for principles, but some topics need to be hard standards (I would expect to see some hard rules on finance in particular).

The regulator will require appropriate powers to sanction regulated entities that do not meet the standards set. These powers and the potential sanctions must be substantive and sufficient to deter potential transgressors. Any use of such powers will need to be accompanied by a public explanation of the rationale for taking action.

There should be a right for regulated bodies to appeal against decisions of the regulatory authority that they do not regard as reasonable and proportionate. The appeals process must be independent and operate transparently.

There may be a need to phase the introduction of regulation, as it won't be possible to do everything on day one (e.g. recruit Board and staff, standards to be developed, consulted upon and adopted, and quick wins to be identified and delivered) in order to ensure it starts to deliver at an early stage (and therefore can build on the momentum that exists) rather than waiting until every last detail of the new regime has been finalised. Phasing could take place in one of two ways, and we have seen both operate successfully in regulatory environments:

(a) The regulator adopts standards that apply to all regulated entities from day one, but in practice active regulation is confined initially to clubs in the higher tiers of the pyramid, so in practice the regular will only assess the position at a club in one of the lower tiers on an exception basis (e.g. failure to submit accounts or other regulatory return, or where there has been a whistleblowing); or

(b) A tiered system is implemented as exists in the current UK Code for Sport Governance for similar reasons to (a); or

(c)The application of some or all of the regulatory standards is phased, so that for instance in year one, a standard applies to the highest tiers of the pyramid; in year two (or three), it applies to the next tiers down; and in year three (or five), it applies to the remaining tiers to which regulation applies.

Options (a) and (b) are based in particular on the resources that the regulator has available, and the priorities, in terms of where abuses are acknowledged to be most prevalent under present arrangements. On the other hand, option (c), while taking account of regulatory resources and capabilities, also acknowledges that the changes of culture and practice will take longer to deliver in less well resourced clubs. Of course, clubs that are promoted up the pyramid and thereby trigger higher level regulatory requirements and expectations, will need to factor in this added by-product of their success.

RECOMMENDATIONS

- Current football governance structures are not fit for purpose.
- Any regulator must be independent of the current structures of the game – including the FA (unless the latter is divorced from any commercial functions and has a basis in statute to effectively regulate), avoiding the conflicts of interest that hamstring current governance structures.
- The regulator should strive to promote good governance and sustainability and have clear objectives (focused on outcomes rather than process).

- The regulator must have robust powers to reshape structures, enforce its rulings, and prevent misconduct. Powers should therefore encompass both monitoring and sanctions, and include information gathering, approval in advance for owners and directors, sanctions and potentially some controls over assets, as well as making and enforcing financial sustainability and other governance rules.
- The regulator should have statutory objectives like the FCA does. The four objectives of the FCA (section 1B-E FSMA) are: 1. a strategic objective of ensuring that the relevant markets function well; 2. a consumer protection objective; and 4. a competition objective.
- A regulator with competition objectives (like the FCA has) which recognise the specificities of the competitive dynamics in the football industry, i.e. the regulator should promote sporting competition in parallel with economic competition.
- The regulatory must have a basis in statute. The desired outcomes are unachievable without a regulator given the force of law.
- The regulator will regulate clubs, leagues, owners and directors

It should also be recognised that independent regulation is not a panacea per se. Regulatory failures in other regulated industries have shown that independent statutory regulators are only as valuable as their resources allow, and as their statutory scope permits. So any independent regulatory must be well funded and with very clear objectives.

It should also be recognised that the scope for legal challenge will always exist, and if an independent regulator is a public or quasi-public body, then its actions are likely to be become amenable to judicial review. This, however, is not necessarily a bad thing in terms of the checks and balances applied to the regulator; and ultimately, a regulator given appropriate statutory powers will be far better able to regulate than any of the existing governing bodies in football in the UK.

SOLUTION 4

Improvements to annual reporting in the football industry

Report prepared by Mark Middling (Lead), James Mathie, Dr Robert Wilson, Kieran Maguire, Paul Marks and Mick Parsons

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James was fortunate to work for 10 years with Supporters Direct (UK), where he provided frontline support to clubs and supporters groups. He supported more than 30 community takeovers and used his learning from his day to day activities to develop policy ideas and inform campaigns, including through involvement with the Government Expert Working Group on Football Supporter Ownership and Engagement which reported in 2016.

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Rob is Head of Department for Finance, Accounting and Business Systems at in the Sheffield Business School at Sheffield Hallam University. He presents his work all over the world, serves on several editorial boards for leading journals and has a rich network in board rooms of professional clubs. In 2021 he, and his research team, secured an ESRC funded project to examine the financial impact of covid-19 on football and its communities and he has consulted for the English Football League.

OUTLINE OF THE ISSUE

The principal issue is that current annual reporting practices are not fit for purpose for the football industry.

As English Football clubs are mostly Private Limited Companies, they have the same filing requirement as any privately owned, profit orientated company of a similar size. However, current annual reporting is institutionalised to meet the needs of capital providers (Brown et al., 2015; Dillard & Vinnari, 2019; Morrow, 2013), meaning that they are predominately aimed at meeting the needs of shareholders and major creditors – not supporters.

A football club is not an ordinary business for many reasons, but of most significance is their social, cultural and historical significance which is not present in most other organisations. Middling (forthcoming) argues that as a result of this, football clubs owe a duty of accountability not to shareholders, but to supporters who have been described as the "social owners" of football clubs (Solberg & Haugen, 2010). The idea of supporters being the social owners of clubs is supported by certain people from within the game such as Michael Wynn Jones the co-owner of Norwich City who claims that: "We are stewards of the club. Not owners. The club belongs to the supporters." (Found in Winter, 2016)

There are very few studies in the area of financial reporting within football, especially English football, but of note is Morrow (2013). Morrow (2013) completes a stakeholder analysis of football clubs, assessing each stakeholder's likelihood of using a club's annual reports. He concludes that the main traditional users would likely not use them, for example as shareholders (owners) tend to be a single individual or small nucleus of people, they would be more inclined to use the management accounts or request a greater level of detail than what is published in the annual reports. Similarly, as major creditors (other than owners) would likely see football clubs as risky investments, they too would expectedly enact more due diligence and ask to see more detail than provided in annual reports.

In fact, Morrow (2013) concludes that the most likely users of a football club's accounts are interested supporters looking for information on the operations of their club.

Other key users would be industry analysists and reporters such as Kieran Maguire of Liverpool University for his increasingly popular podcast, The Price of Football - the purpose of which is to analyse and relay information to supporters in a digestible manner. Either way, it is clear that supporters are becoming increasingly interested in what is included in football clubs' annual reports.

Morrow (2013) calls for a study into how annual reports can be improved in the football industry, which is the aim of Middling (forthcoming). It is argued that by increasing accountability and transparency, clubs will begin to act more responsibly. Morrow (2013) cites Burchall et al (1980) that "What is accounted for shapes the views of what is important" and this view is backed up by Gray, Adams, and Owen (2014, p. 59) in that "Nobody likes reporting data ... about which one is ashamed or which one believes will attract critism." Therefore, by enforcing improved, standardised, supporter centric annual reporting, clubs should begin to act in more sustainable ways due to the increased transparency and public focus on, and pressure to improve, their operations.

Dillard and Vinnari (2019), argue that the institutionalisation of annual reporting towards the needs of capital providers has resulted in "accounting-based-accountability" and advise moving to what they describe as "accountability-based-accounting". In plain English, this means that as football clubs' accountability is dictated by the needs of shareholders and creditors, but should be turned on its head by firstly assessing what accountability football clubs should have to their supporters, and then designing the report from there.

Assisted by the FSA, Middling (forthcoming) utilises a longitudinal focus group of Supporter Trust representatives to ask what accountability criteria loyal, engaged fans want to see their clubs report against and what this should look like by presenting an exemplar report.

A number of findings are emerging from this research, but the most significant to this report is the content, medium of delivery and level of disclosure.

Middling identifies that supporters are interested in more than just financial information and identifies four key themes that clubs should look to report under – financial, governance, social and sporting (see forthcoming publication for a further breakdown). He also finds that the reports should be simplified and contain limited jargon so as to be accessible by the majority of supporters. An important point here is that there is no reason why a football regular need to stick to the territorial financial reporting laws and regulations. Football regulators, though the use of licencing or other rules, are free to implement their own reporting regulations and can demand members follow their rules or face sanctions.

In line with similar recommendations from the FSA (FSA, 2019), Middling identifies that the key delivery for supporter accountability is not through the use of the formal procedures of Companies House, but via clubs' websites and should be available easily from the website home page as is currently the case with the identification of parties of significant interest (EFL, n.d.-b).

The level of disclosure is a vital point. Middling aims to find the balance whereby enough information is supplied in order to provide transparency and accountability, but enough retained to not compromise any competitive advantage of clubs by releasing commercially sensitive information to competitors. This may be something that requires the input of a number of clubs and supporters to negotiate the balance. The matter of increased transparency is something that has been lobbied for by organisations such as Supporters Direct for many years, see for example Supporters Direct (n.d.), who suggest that the ideal level to match Public Limited Company reporting.

A number of further issues and solutions have also been discussed within the above reports, wider literature and general debate which will either enhance Middling's recommendations or may be seen as issues and solutions in their own right:

Separate, real time submission to the Regulator

As the level of disclosure in a supporter orientated report as forwarded by Middling (forthcoming) would likely be curtailed to avoid providing information sensitive to the commercial operations of clubs, they would not be a suitable base for effective regulation. Therefore, fuller, and real-time information is recommended to be provided to the regulator. This should include financial forecasts, a business plan of how obligations will be met as similarly suggested by the FSA (FSA, 2019), alongside real time current period financials. According to the current EFL rules and regulations (EFL, n.d.-a) clubs must supply their accounts once per year, and FFP or SCMP submission twice per year (after the close of each transfer window) plus ad-hoc submissions that may assist the League in their work (such as supplementary submission if the clubs files abbreviated accounts). Submissions include forecasts for the coming season. It has been argued amongst Fair Game advisors, between participants of Middling (forthcoming) focus group and elsewhere that current submission requirements are not sufficient for a regulator (or League) to be effective in supporting, advising or, if required, reprimanding clubs for financial (or other) mis-management. When an organisation starts to get in financial difficulty, it will usually show over a period of time. Real time reporting will allow for a regulator to assess each clubs' financial trends and be able to act in a proactive and supporting manner to arrest any financial issues with in clubs before they become too severe as in the cases of Bury, Macclesfield, Bolton and more. To aid the regulator, a number of working papers have been developed in order to help identify relevant metrics of football clubs entering financial distress, for example, Middling and Plumley (2021, see appendix 1).

Lack of standardisation
Clubs' annual reports are not in a consistent format making them difficult to compare and benchmark. The Companies Act and FSR regulations state that anural reports must be produced by all companies, however the exact format is not stated. This allows companies to utilise a format that best suits their operations. However, many football clubs adopt slightly different formats which makes comparability difficult, even though they are all in the same industry.

For example, if we look at the Statement of Profit and Loss:

- 23 clubs did not produce a profit and loss account in the 2018/2019 season
- Of the 72 EFL clubs, in the 2018/2019 season:
    - There are 70+ different line headings of P&L lines across 49 clubs
    - 32 include a gross profit line, the rest do not utilise this
    - Some clubs include staff costs above gross profit, some below, for some it difficult to distinguish
    - Some clubs include player sales and amortisation above operating profit, others below
    - Some clubs provide a more detailed P&L, other more vague

Further, if we look at the notes and take for example the income splits, across the 72 EFL teams there are 115 different descriptions of income across 10 board categories. Often the grouping of income is not consistent, further making comparability difficult. Therefore we argue that clubs should reports to a minimum specified standard, which could be either be full company accounts, public company accounts (as suggested by Supporters Direct (n.d.), or another accepted format that allows a sufficient level of transparency. This may be covered by the suggestions of Middling (forthcoming) if implemented, or cover Companies House reporting if not. It is important to emphasise that this should be a minimum standard and clubs should be encouraged to exceed this.

Transparency of FFP / SCMP reconciliations

As identified by Middling (forthcoming), an aspect of transparency that is of frustration to supporters is a lack of transparency on FFP and SCMP reconciliations. These submissions are currently submitted to the regulator with no public visibility. Where it may be justifiably argued that these submissions may contain information sensitive to individuals' wages (which we do not believe should be made publically visible) and also some commercially sensitive data, the release of a top-level reconciliation only from the appropriate areas of the financial reports to the SCMP / FFP submissions would aid the understanding of revenues and costs that are and are not included in the SCMP / FFP allowable revenues and expenses. This is an important aspect, as many clubs that report large losses do not suffer sanctions for breeching FFP / SCMP rules, suggesting that despite the P&L losses, they are operating within the SCMP / FFP guidelines. For example, in the 2016/2017 season, Bury FC showed losses of £2.8m (2016/2017 £2.5m) (Bury FC, 2017), but were not subject to SCMP rule enforcement, suggesting that they were within allowable profit and loss margins when adjusted for SCMP. As these submissions are not made public, it is difficult for supporters to understand exactly how this is the case.

Lack of Cash Flow Statement

Many clubs do not, and are not required to submit a Cash Flow statement, however, "Revenue is vanity, profit is sanity, but cash is king!" These words were spoken to me by first line manager when I joined my first accounting job. They resonate that for any business, cash is the ultimate life blood on which a company operates, it doesn't matter how big the revenues or profits are, if its runs out of cash, it will die. Football is largely a cash-based industry, so this omission leaves questions to be asked as to where cash has been generated and used. This further creates a lack of comparability and benchmarking. It has been identified by a number of previous studies that liquidity is an important aspect of a clubs survival. The earliest is Webb and Broadbent (1986) who stress the importance of cash. More recently, Ecer and Boyukaslan (2014) conclude that liability indicators are the most informative when looking at football clubs in the Turkish league, which require cash to fulfil. Dimitropoulos (2009) similarly finds that liquidity is an important factor in the Greek league.

Small company accounts
If a company has less than £10.2m revenue, a balance sheet value of less than £5.1m, or less than 50 employees, it may file abbreviated accounts. Many smaller football clubs (mostly League 1 and 2) fulfil the revenue and balance sheet requirements to be able to submit small company accounts. These abbreviated accounts are fileted accounts that do not include a statement of profit and loss or many of the usual notes to the accounts. This creates a lack of accountability and transparency. It is therefore impossible to work out, for example, income or total wage spend, creating further difficultly in comparison and benchmarking. By way of comparison, if we consider Carlisle United, Preston North End and Macclesfield Town reports for the 2018.19 season. Carlisle United's accounts represent just about best practice, especially for a League 2 club that could choose to file under the small company exemptions. They show full accounts and a real attempt at discharging accountability to their supporters and the general public by covering multiple areas such as income split, KPIs, operational cost split, narrative to financials, full strategic review, full director's report, supporter engagement, risk reviews, community contribution and more. Preston North End represent something close to the median average (author's analysis) of EFL clubs' accounts. It presents arguably a minimal full set off accounts that could be improved when compared to Carlisle's. Finally, Macclesfield Town's accounts show abbreviated accounts - one of the smallest sets of accounts in the EFL. This may suggest that the report has been seen as an administrative exercise with the minimum being submitted and none of the content seen in Carlisle's accounts. It may also suggest that the football club deliberately wish to have limited transparency, though this is speculation only. As most of the smaller clubs that are able to take advantage of this rule are in League 2, it has led industry commentator and football finance expert, Kieran Maguire from Liverpool University to state: "trying to put together League Two figures is a bit like making a jigsaw when you don't have the picture on the front of the box" Maguire (2018).

Audit exemption for small companies
Small companies can also be exempt from external audit. For ordinary companies, this is to reduce the burden and cost of administration. However, for football clubs, the importance of audit becomes more serious due to the social focus on the entity. Without an audit, there is a much greater chance that that the accounts do not show a true and fair view, intentionally or by error. Un-audited accounts, as they have not been verified by an external third party, are generally considered to be of very little worth as the veracity of the information is much less trustworthy. In the 2018/2019 season, 14 EFL clubs did not submit audited accounts. Some have questioned audits validity due to its cost (for a smaller clubs appx. £5k to £15k per year) which may be preferred to be spent elsewhere, such as on academies. However, as external audit is currently the only external-to-football verified check on a clubs finances, it should be seen as a crucial activity. I would personally argue that the cost is worth it given the average income of a League 2 club is approximately £4m (author's analysis). An alternative approach may be to allow a potential new regulatory body to have the right to review financial statements in a similar manner to an OFSTED inspection, which would be cheaper than a formal audit. Clubs then could be kite marked in terms of the quality of their financial reporting which could benefit their credit rating.

Lack of Timelines

A common critism for annual reporting submissions for all companies' is a lack of timeliness. Annual reports have a deadline of 9 months after the year end date for a private company and 6 months for a public company (Companies House, 2021). This is seen to be a trade-off between providing information to shareholders and the general public and releasing information that may be of advantage to competitors. The delay in releasing information is seen to protect companies from losing any competitive advantage within the data as the information will be at least six months out of date (longer if information relates to periods at the start or middle of reporting period). As most football clubs are Private Limited Companies, they have a reporting period of 9 months, but sometimes clubs file later than this, for example for the 2018/2019 reporting period Burton Albion, Crawley Town and Newport County AFC amongst others appear to have submitted accounts after this timescale (Companies House, n.d.-a). An extreme case, Derby County, have not filed accounts for the both the 2018/2019 and 2019/2020 season (Companies House, n.d) due to suspected issues around their amortisation policy, and yet have still been allowed to make signings during this time. Additionally, any club in administration is not required to send accounts due to lack of going concern status.

Lack of consistency in year end date

Clubs have multiple year end dates. This adds to the lack of comparability. This is a small one in the scale of other issues presented in this paper, as in the close season the only differentials would be some more season tickets sold and perhaps more or less player transfer activity – however as the deadline is at the end August, this may not even be the case. However, this may worth changing for completeness of comparability and benchmarking. Companies are free to decide their own year end date as different year dates may be more or less appropriate to a company's annual operating cycle. Most UK companies either chose 31st December (calendar year), or 5th April (tax year). Most clubs choose a year end date of ether 31st May or 30th June, with a handful at the end of July – these year end dates represent the end of a football season. However, one - Forest Green Rovers - has a year end of the 30th of April (Forest Green Rovers, 2019), so their year end comes before the end of a season. Mansfield Town even have a year end date of the 31st December (Mansfield Town, 2019), possibly because the club is part of a wider group of general companies where a 31st December year end date is more appropriate to the group as a whole.

Other entity reporting practices – e.g. Charity or CIC
Another area of consideration for football club reporting may be to investigate and adapt the style of reporting from other legal entities. There is a dearth of research and other literature in this are with one of the only exemptions being Supporters Direct (n.d.) who lobby for increased transparency the adoption of Public Limited Company accounts. Other ideas have surrounded the reporting requirements of more socially focused entities such as Charites or CICs. A summary of existing legal entity reporting requirements is presented below.

Legal form/Status	Examples of the reporting requirements of interest
CIC	Alongside the accounts and annual return a CIC must submit an annual CIC report which shows the CIC is still satisfying the community interest test. The CIC Regulations 2005 prescribe minimum requirements. These include: • Details of what the CIC has done to benefit the community. • Details of how it has consulted its stakeholders on its activities. • Details of dividends declared (or proposed) on shares and performance related interest paid and their compliance with the capping rules. • Information on the transfer of assets to another locked body or otherwise at less than market value for the benefit of the community.
Public companies	Have a number of additional requirements over and above a Private Company for example • Accounts have to be presented to shareholders at an AGM • Must have an audit • Typically 6 month shareholder meetings and reporting
Charities	Have to provide an annual report providing detail in areas such as: • The objectives for the year • Policy on reserves • Details of principle sources of income • A statement covering major risks • If there is a group structure, a summary of how the charity and related parties fit together
B Corps	Commitment to public transparency

(Credit: James Mathie)

RECOMMENDATIONS

Please note, these solutions are proposed for EPL and EFL clubs as the cost to smaller clubs would be prohibitive. The cost of auditing must be met by a central regulator.

Recommendation	Power required	Timescale
Standardised supporter focused annual reports to be posted on EPL and EFL club websites (in addition to submission to Companies House).	Regulator / League	2-3 years
Real time financial reporting to the regulator	Regulator / League	tbc
Standardisation of annual reports to industry specific exemplar for EPL and EFL clubs. This should be expressed a minimum standard, and clubs be allowed to exceed it.	Regulator / League Or Change in CH regulations specific to football clubs	1-2 years
Insistence on large company style accounts to be submitted to CH*, including a Cash Flow statement for EPL and EFL clubs.	As per 2.	1 -2 years
Insistence that all EPL and EFL clubs file properly accounts are audited.	As per 2.	1-2 years
Part of the league distributed income be ring-fenced for the purpose of audit in order to aid clubs to budget for any potential increased audit cost – potentially to be additional distribution, potentially from a reduced or eliminated parachute payments.	Regulator / League	1 year
Regulator to introduce licencing rules that include submission of all the above.	Regulator/ League	1-2 years

Recommendation	Power required	Timescale
Insistence on a single year end date for all clubs that falls at an appropriate point between the end of one season and the season start of the next.	As per 2.	Immediate
Insistence on an absolute deadline of December 31st (or six months, whichever is sooner) from the Balance Sheet date for all public reporting requirements.	As per 2.	Immediate
A potential new regulatory body to have the right to review financial statements in a similar manner to an OFSTED inspection, which would be cheaper than a formal audit. Clubs then could be kite marked in terms of the quality of their financial reporting which could benefit their credit rating.	Regulator/ League	tbc
Appropriate and severe sanction be enforced fairly, consistently and absolutely.	Regulator/ League	Within above timescales
An investigation be carried out into the appropriateness of the use of either charity or public sector style accounts which provide greater public accountability than private limited company accounts.	Regulator/ League	tbc

* CH - Companies House
Time scales have been chosen in order to allow of the development of the reporting processes with in clubs and also to allow for the annual nature of the subject.

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SOLUTION 5

Fan Engagement (and how do we measure it?)

Report prepared by Kevin Rye and Josh Bland

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Kevin Rye has been at the centre of a unique network of fans, clubs and decision makers in football and sport for nearly 20 years. He owns Fan Engagement experts, Think Fan Engagement, publishers of the Fan Engagement Index and the Fan Engagement Pod.

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Josh Bland is an MPhil student in Heritage Studies at the University of Cambridge. His PhD will be focussing on the implications of considering England's football clubs as post-industrial cultural heritage, exploring the use of heritage legislation to protect clubs as cultural assets. Aside from academia, Josh has gained several years' experience as a football journalist and podcaster with credits in the Metro, Birmingham Mail, Express & Star, Sky Sports, BT Sport, 5 Live and Talksport.

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OUTLINE OF THE ISSUE

The involvement of fans in both the decision making and running of their clubs is a well-established idea in English football. The era of Independent Supporters Associations at clubs like Liverpool, where fans joined together independent of the club itself but also existing official supporters' clubs, gave way in the late 1990s to the emergence of Supporters' Trusts. These Trusts built on the progress made by ISAs, introducing more formalised ways of representing the interests of fans such as owning shares and gaining representation on the boards of clubs. This was initially an organic process, as exemplified by the first Supporters' Trust at Northampton Town FC, and subsequent ones at Kettering Town and Crystal Palace. However, the Football Task Force resulted in the setting up of Supporters Direct, which acted as an incubator and organiser for countless new supporters' trusts, many of whom acquired influence in and in some cases, part or majority ownership of clubs. From that point, SD's influence grew steadily, with SD Scotland, and eventually SD Europe, being established.

Since then, the role of supporters' trusts has been overwhelmingly positive, however has rarely been borne from a positive vision of the involvement of fans in the life of their clubs. Instead, this involvement has often been shaped in response to financial and governance failures at clubs themselves, similar failures at league level (e.g. ITV Digital), and wider problems in the game. However, largely because of the presence of SD and its member supporters' trusts, a far greater ongoing interest was taken in football governance and fan involvement by government and politicians. Subsequent governance enquiries were undertaken, both informal and governmental (see fig. 1).

Informal Reports and Organisations	Governmental and Formal Reports and Organisations
All Party Football Group	Culture, Media and Sport Select Committee Report, 2011
All Party Mutuals Group	Culture, Media and Sport Select Committee Report, 2013
	Government Expert Working Group on Supporter Ownership and Engagement

Figure 1. Selected examples of informal and governmental Reports on Football Governance and Fan Involvement, since the establishment of SD

These had some effect, and in terms of structured fan engagement and dialogue between clubs, fans and their representatives, the Government Expert Working Group created a set of best practice that clubs were required to follow. Whilst the EFL have adopted these recommendations as rules, the Premier League have not incorporated them as official policy. Good practice has emerged at several clubs, often involving supporters trusts or other organised groups of supporters, but also the wider fanbase through a particularly open practice of engagement with all fans.

This has been charted by the Fan Engagement Index from Think Fan Engagement. Measuring clubs on their dialogue, governance and transparency, the Index for the 2019/2020 season has placed Exeter City, Carlisle United and Cambridge United as the highest performing clubs in the country. Overall, the research shows that although the majority of the high performing clubs are concentrated towards the lower end of the EFL in Leagues One and Two, a number of Premier League and Championship clubs perform well. The overall picture is that neither fan ownership or fan representation is fundamental to successful fan engagement. Instead, the picture is more varied, and shows that there are a variety of different ways to do it successfully.

It is important that best practice both formally and informally becomes the norm across football. In other words, this must encompass formal process as well as good culture and practice seen amongst some ownership groups, chief executives and other senior administrators.

NB: it should be noted that the emphasis here is on fan engagement, rather than community engagement, or engagement with other stakeholders (a business owner or similar), or the wider local area. Although there is often overlap between the two (a business owned by a fan, or a recipient of support from a community programme who is a fan) which must be acknowledged and managed appropriately, fan engagement is primarily concerned with the relationships between individual fans, fan organisations (supporters' trusts or other formal and informal groups of fans), and the club.

OPTIONS

Fan Engagement

Engagement must not be seen as simply the 'dialogue' (the actual listening and conversations that take place) but also the things that make the engagement effective. This includes the actual way it is structured and its underpinning through 'governance' measures (whether there is enforcement of engagement through internal/club and external means, including regulation), and 'transparency' (where engagement takes place in full view of the ordinary fan. This should not prevent the reasonable redaction or withholding of genuinely confidential information such as financial or staffing)

It is also important that engagement at a national level is improved and extended.

Fan engagement at clubs

- A comprehensive assessment of the scope and quality of current forms of dialogue being practiced by all clubs should take place urgently, using existing measurement and best-practice models.
- From this should flow a clear picture of best practice. This would help facilitate the creation of mandated frameworks for how clubs engage with their supporters to ensure that all policies affecting supporters are made through genuine consultation with supporters and their representatives.
- Criteria needs to be set but not targets – in other words, we can meet the criteria in many ways but shouldn't have to aim for a single fixed method to do it. This should work from the principle that clubs need to have structures that provide openness and transparency to fans, rather than mandating a single model to achieve this.

- We begin from a position where clubs operate 'multi-level fan engagement', that is different forms of engagement at different levels to different groups or individuals. This means that there is a huge variety of best practice which can be utilised. This should include a reporting requirement, where all clubs are required to publish on their own websites, formal reports, audio or video of their meetings, notwithstanding any reasonable redactions for reasons of confidentiality. These should all be underpinned by requirements set by the new Independent Regulator.
- There needs to be proper enforcement, based on an idea of 'what good looks like'. This could be an 'industry standard mark' for example, based on information provided by the club alongside supporters' groups.
- The above could also include some form of financial incentive as part of licencing that rewards clubs that do their engagement well.
- A role for the new Independent Regulator in assuring the establishment and delivery of new standards for fan engagement.
- The role needs to have sufficient, formal powers for the new Independent Regulator to be able to ensure assure the establishment and delivery of new standards for engagement.
- A supporters' trust could have its own seat on the board if the club is fan owned or holds a shareholding sufficient to allow it.
- The supporters' trust could hold the share lock that protects the crown jewels of the club – including badge, pitch, colours etc. - from being changed without the permission of the supporters. They would need to hold a vote on of supporters to agree to change with a majority (probably 75%+1) agreeing to it.
- A review of the role of Supporter Liaison Officers (SLOs) to ensure they deliver the required two-way interface with supporters, police, safety authorities and opposing clubs as per UEFA guidelines. There is a view by many that the SLO should not be a club employee. What is generally agreed is that the SLO must be given higher status/authority and recognition within the club to enable them to do their job properly. As a minimum, the role needs to be 'relaunched' across the game so that people are clear on what it is - as opposed to the very mixed bag approach there is currently.

Fan engagement nationally

- Structured dialogue between Football Supporters Association (FSA) networks and league authorities to be strengthened and to be extended to cover the National League, The FA and the Women's game.
- Appointment of supporter representatives to the Boards of the Leagues and the FA.

CHANGES REQUIRED: FAN ENGAGEMENT AND THE SUSTAINABILITY INDEX

Advocated here is the placement of "Fan Engagement" as one of the four central strands of Fair Game's new "Sustainability Index". This Index would bear some similarities to UK Sport's Code for Governance (UK Sport, 2020).

Football fans are critical stakeholders who need to be engaged and listened to. The best clubs see fans as a key resource to a club. They are not mere customers, but a huge collection of skillsets who are embedded in the history and traditions of the club. Research has shown that long-term sustainability of a club is directly linked to good fan engagement.

The Sustainability Index would measure the quality of a club's engagement practices, alongside Financial Sustainability, Ethical Governance and Equality Standards, on a consistent metric.

The Index would ultimately form the basis of a new system whereby clubs can access a central fund, based on hitting a minimum passing "score" in each of the four categories, as well as further funds for excellent performance. This would set non-prescriptive, but strong minimum standards for fan engagement, provide transparency on clubs' performances and foster an environment in which clubs are encouraged to be innovative and qualitative in their engagement practices. This would include finding new ways for fans and football authorities to hold owners and clubs to account, clubs being required to publicly explain their sustainability and engagement practices and processes for both consultation and to help find solutions.

In short, transparency must be set up as the new benchmark within the game.

Transparency and sustainability should not be seen as a burden. Supporters are a real, special asset, and good engagement can significantly improve club finances. The Sustainability Index, and in particular its focus on Fan Engagement can above all help clubs draw on the wealth of knowledge, expertise, and passion at their disposal.

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SOLUTION 6

Equality, Diversity and Inclusion

Report prepared by Nigel Davidson and Nigel Fletcher

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Nigel is currently Vice Chair Carlisle United Supporters Trust CUOSC and is the Equality, Diversity & Inclusion (EDI) Officer for the Carlisle United Supporter Groups, which includes a range of supporter groups at the club who meet regularly with the CEO and work on various projects across the club and the community. He is also a Member 'Fans for Diversity Guidance Group' (Joint Football Supporter's Association (FSA)/Kick it Out (KIO) initiative), undertaking a range of EDI related projects across England; and recently fed directly into the Fan Led Review in relation to Formal EDI processes.

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CEO of the International Sports Convention, a media, events and education company. Nigel also spent 5.5 years at FIFA overseeing a number of investment, facility and legacy programmes. Currently Nigel also advises the Football Association of Wales, Southampton FC, LTA on Diversity and inclusion. Nigel is co-chair of the campaign group FAEQUALITY Now – with a core aim of changing the governance and structure of The Football Association.

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OUTLINE OF THE ISSUE

- There is no system that can measure whether people or clubs are fit for purpose when it comes to Equality, Diversity & Inclusion (EDI).
- EDI strategies and policies are not sufficiently embedded beyond that of a tick box exercise in the legislation, governance, policies and procedures of governing bodies or football clubs.

DESIRED OUTCOMES

- As part of a new sustainability index, a new index that measures Equality, Diversity & Inclusion (EDI) Standards in a consistent way across all governing bodies and football clubs, particularly around formal EDI Structures, reporting processes and under representation.
- Formal EDI structures in place across clubs and governing bodies.
- Reporting process improved to make EDI structures and policies fit for purpose.
- Under-representation across organisational structures to be tackled and a suitable method agreed upon for achieving this.
- Setting minimum standards and providing transparency on football clubs' performance so they are encouraged to strive and innovate for good sustainability and governance
- Better public transparency about EDI
- A supporter base that is more reflective of the community clubs are based in

OPTIONS

- Working with FA Equality (&/or the Regulator) and The Football Supporters Association and Kick It Out, a new robust auditing process will be put in place focussing on outcomes; failure to pass will mean failure to pass Sustainability index, meaning EDI standards become more than a tick box exercise.
- Transparency benchmark introduced across football to encompass EDI.
- Formal EDI structures in place across clubs and governing bodies. EDI polices (inc. EDI officers) and practices (formal and culture) to be embedded across all structures with supporters at the heart.
- Reporting process and subsequent consequences of this – must be formalised and made simpler and easier for someone to report any form of abuse.
- Outcomes to be shared and reported to encourage reporting of incidents.
- Kick It Out to become the holder of the aggregated data as a trusted partner, given its role as football's equality, anti-discrimination and inclusion organisation.
- Under-representation across organisational structures and the supporter base to be tackled. EDI representation required on the Board, Senior Executives, etc., to enable effective and inclusive decision making.

NEXT STEPS

- Analysis of the options, what exactly would need to be introduced to make the options happen (what rules would need to be changed or introduced – either legislation of football rules) and subsequent recommendations to be completed by the end of August.

SOLUTION 7

The 'fit and proper' person test for Owners and Directors

Report prepared by Darren Bernstein (Lead), Samuel Banks, Dave Boyle, Mike Gilham, Nick McGeehan and Geoff Walters

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Nick gives Fair Game an international perspective and is focusing on the Owners' and Directors' Test. Co-founder FairSq. As an advocate, Nick has engaged with FIFA, national football associations, football clubs and supporter's groups in various countries.

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Geoff is advising Fair Game on the governance and regulation of professional football leagues. He is Executive Dean of the Business School at Birkbeck, University of London and a Director of the Birkbeck Sport Business Centre. He has expertise on board governance, contributing to policy developments within the sport sector, and on financial regulation in professional football.

OUTLINE OF THE ISSUE

The concept of a 'fit and proper' person test was first introduced in the Smith Report (1997) and followed up by the Task Force Majority Report on Commercial Issues which argued that it was necessary to "ensure that those involved in running football clubs be 'fit and proper' to do so" (1999b: 3.2). It was also suggested by the Independent Football Commission in 2003, which, as part of its expanded remit at the time that included looking into issues of finance and governance, proposed the introduction of a fit and proper persons test and for clubs to introduce induction training for directors.

In 2003 in response to growing calls for better governance and regulation, the FA created the Financial Advisory Committee that was tasked with developing a fit and proper person test (as well a code of governance). Although the members of the FAC (which included representation from the EPL and the EFL) worked collectively on the development of the fit and proper person test, the Football League was the first of the football authorities to introduce their own Fit and Proper Persons test in 2004 that applied to the directors of its member clubs and stated that no individual could hold the position of director at a football club if they met one (or more) of the criteria of the test. Soon after the EFL introduced their test, the EPL also developed their own test for member clubs. The FA then introduced a test for clubs in the National Leagues and below.

All three tests were broadly similar and focused on ensuring that certain individual were not able to become a director of a football club if: they were banned from involvement in the administration of a sport; if they were disqualified from acting as a director of a UK registered company; if they were subject to a Bankruptcy Order; if they had been a director of two football clubs that have each entered into an Insolvency Event; and if they has been a director of one Football Club that has entered into two separate Insolvency Events during any five year period.

After the Premier League Annual General Meeting in 2006, it was also announced that their test would also apply to club shareholders that own a controlling stake in a club, defined as owning more than 30 per cent of the shares. This precipitated the renaming of the Fit and Proper Persons Test to the Owners and Directors test in 2011: the name currently used by all three football authorities.

The current tests

There are three versions of the Owners and Directors Test: the EPL version, the EFL version, and the FA version (that applies to clubs below the EFL and the professional Women's game). However, they are similar in their list of requirements that are applied to the owners of clubs and to directors of clubs, providing an extensive list of reasons as to why an individual would be prohibited from becoming involved or influencing the management and administration of a football club in the management and administration of a football club. These include:

- If they have a suspension or ban or other form of disqualification from a sports governing body; a professional body;
- If they had been an Official at a Football Club that has been expelled from either the Premier League, the Football League, steps 1 – 6 of the National League system; the FA Women's Super League or the FA Women's Championship:
- If they have an unspent conviction by a court in England and Wales in respect of a variety of offences;
- If they have a disqualification order as a director under the Company Directors Disqualification Act 1986;
- If they are subject to an Individual Voluntary Arrangement, a Bankruptcy Order, a debt relief order; an administration order, or an enforcement restriction order.

These rules sit alongside the ordinary director's duties and obligations in Company Law. They are designed to ensure that owners and directors are held to higher standards than as required by Company Law to protect the reputation and image of the game.

However, what the current test does not do is account for the motives of those that do become a director or owner at a football club. The reason is that it would be very difficult by law to stop an individual becoming a director or an owner simply because you are uncertain of their intentions. However, given that football clubs are community assets reflecting notions of tradition, social solidarity and local distinctiveness, and that the social role of a club goes beyond issues of performance and profitability, a more robust test should be designed to be able to better understand the intentions of potential owners in order to prevent individuals from becoming involved with a football club for personal gain at the expense of the supporter community and the community in which the club is located.

Principles for change

The following five principles underpin what is needed from reforming the current Owners and Directors test:

- To ensure that all owners prioritise the interests of the football club over personal gain;
- To ensure that owners and directors are committed to running the football club in a financially sustainable manner utilising structures and conventions used in related industries;
- To provide more ongoing and independent oversight and scrutiny of owners and directors overseen by a body with the necessary legal and regulatory powers to intervene;
- To ensure that owners and directors are provided with regular training and support in their governance roles;
- To ensure that there is increased scrutiny at all levels of the game where regulation is fair and equal to the challenges and concerns at that particular level of the game.

RECOMMENDATIONS

An independent Football regulator that has the powers to;

- Administer the Owner's test and a separate Director's Test across the EPL, the EFL and further down the football pyramid.
- Grant a playing license, and by association ensure that the club and its 'crown jewels' are inextricably linked. I.e. name, badge, nickname, history etc
- Reward/remove the playing license dependent upon owner/director performance and regulatory compliance.
- The independent regulator should have the power to disbar individual directors for serious misconduct.

in order to;

1) Create a higher level of scrutiny of Owners and Directors entering the game:

- Splitting the Owners and Directors test into two: a Football Club Owners Test (The 'Owner's test') and a Football Club Directors Test (the 'Directors test') ensuring that Shadow Directors are also included in the test.
- The test must include a clear level of transparency, with all findings published (as per Section 2 of the FA's OADT). If the funding structure is not clear, then the regulator reserves the right to pull the plug on any potential deal.
- The independent regulator, in collaboration with the football authorities, defining the required competencies that are needed and which must be met on an ongoing basis by any individual that is seeking to become and remain a director of a football club. This is monitored, against a submitted 5 year business plan and administered through a new Licensing scheme.
- The owners test needing to include further detail that goes beyond what the current test currently covers, including;
    - The number of corporate insolvencies that a potential owner has been involved in;
    - Giving an Independent Regulator powers to scrutinize proof and source of funds prior to ownership transfer in accordance with, and not exclusively to, for example, Financial Conduct Authority and Human Rights Watch, and to ensure risk of activities such as money laundering is minimised.
    - Submission of a 5 year business plan for the club before purchase of a club is approved by the regulator
    - Whether a potential owner has been involved in any human rights issues or abuses.
    - If any of the proposed board members or owning body from a potential takeover has conducted any level of activity that would be deemed to be criminal in the UK (including hate crimes) then the entire takeover will not be permitted. This is in line with work conducted by Amnesty International.

2) Increase transparency and the standard of Management and custodianship of football clubs when owners and directors are in situ;

- Maintaining a database of all football club directors that includes relevant information about qualifications and their history as company directors.
- Ensuring that The Director's test for all directors of football clubs (executive, non-executive, shadow and independent non-executive) should meet specified standards of ongoing competence.
- Specific training provided by the independent regulator for all new directors and the opportunity for ongoing training in compulsory regulated areas as prescribed in any Owner's Test/Director's Test.
- Holding club owners to be accountable and perform against submitted and approved business plan.
- Demonstrating that owners and Directors have the requisite skills and experience to run the club for long-term sustainability.

3) Ensure owners wishing to end their ownership of a club, they pass on assets responsibly

- The transfer of ownership should be considered holistically on the basis of the business purchase proposition and an assessment of its sustainability.
- The determination of acceptance of change of ownership should be made by the Regulator, in consultation with stakeholders as appropriate, utilising, for example, a version of the Financial Conduct Authority regulations on change of ownership.

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SOLUTION 8

Safeguarding a clubs' heritage
The Golden Share, localised licensing and centralised licensing

Report prepared by Josh Bland (Lead), Chris Flanagan, Sam Banks and Niall Couper

AUTHORS

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Author Bio
Josh Bland is an MPhil student in Heritage Studies at the University of Cambridge. His PhD will be focussing on the implications of considering England's football clubs as post-industrial cultural heritage, exploring the use of heritage legislation to protect clubs as cultural assets. Aside from academia, Josh has gained several years' experience as a football journalist and podcaster with credits in the Metro, Birmingham Mail, Express & Star, Sky Sports, BT Sport, 5 Live and Talksport.

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A practising commercial and regulatory solicitor with experience working in regulated industry. He is the Managing Editor of The International Sports Law Journal, and has published a number of works in law journals and textbooks relating to the regulation of football. His specialist areas include strategy, regulation, governance, troubleshooting, business development and HR.

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Sam Banks has a keen interest in governance, in the corporate, charitable and public sectors, and has spent his career working in regulation. Sam is currently the secretary of Fair Game.

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Niall is the Director of Fair Game. He is the author of two books on the history of Wimbledon, and is currently on the Board of the Dons Trust, owners of AFC Wimbledon. He is a former sports journalist.

OUTLINE OF THE ISSUE

The loyalty of fans and football clubs' significance and impact in their local communities make it clear that clubs are far more than entertainment businesses.

They are built on our national sporting history and each club is a custodian of its own heritage, which often goes back over 100 years.

The significance of this heritage is particularly apparent when clubs go into administration and have to cease to operate.

In the current setup, this not only deprives a community of its football club, it also leads to the often permanent loss of the distinctive heritage of that club, such as the name, badge and colours.

The story of Bury AFC is a poignant example of this, but it is by no means the only one.

It has become all too common for owners to take unilateral decisions to change their clubs "crown jewels" without consultation:

- The owners of Cardiff City, the Bluebirds, decided to change the clubs' colours to red
- Hull City were poised to be renamed the Tigers on the whim of their owners
- The legal entities of Aston Villa, Derby County and Sheffield Wednesday have all sold their grounds to their owners
- And of course, Wimbledon's league place was given to a town in Buckinghamshire

A few clubs, such as AFC Wimbledon and Luton Town, have arrangements in place which require the approval of the supporters' trust before any changes can be made to the core heritage or "crown jewels" of the club. But this is a tiny minority, and recent events demonstrate an urgent need for this heritage to be protected.

In many ways, football clubs are like listed buildings – they are privately owned and run, but they have a significance to wider society which merits robust legal protection.

A building's contribution to the skyline, distinctive features or connections to historical figures can all merit protection, to preserve the heritage for future generations. In the same way, each club has distinctive features and community and holds the memory of fans' shared experiences, which should be preserved for future generations.

The core assets of the club, which enable the preservation of heritage, include name, badge and colours, location and potentially a range of club property (e.g. stadium, trophies). As with listed buildings, any system to protect heritage should balance the property rights of the owners with the public interest in the heritage.

In the wider game, the integrity of the pyramid is a key part of what makes our national game special. The debacle of the European Super League undermined this.

Financial sustainability is key, as it enables the club to avoid situations in which heritage could be lost. But sadly, it is not sufficient on its own, as other historic failings and controversies have shown that heritage can be lost when clubs are financially viable. And there is always the risk of financial failure in any regime, unless innovation is completely stifled. So we need ways to protect the heritage of the club through financial distress, up to and including insolvency.

It is important that there is never an incentive for clubs to become insolvent, particularly not as a way of shedding debts but continuing the club as before. Phoenixing, or the resurrection of a company by its controllers post insolvency, is often justifiably criticised by agencies such as the Insolvency Service and the Financial Conduct Authority. There should be no easy route to bail out insolvent clubs without fair compensation to creditors.

DESIRED OUTCOME

A system which protects the core heritage of each club, to ensure the club's legacy can be sustained in perpetuity.

OPTIONS TO CONSIDER

Firstly, we need to define the heritage assets of a football club - what are the "crown jewels"? Everyone has a slightly different answer to this, but it is likely to be some or all of the following.

- The name of the club
- The nickname of the club
- The club colours
- The badge
- The location of the club
- The club's properties

At a high level, there are broadly two approaches to protecting heritage or other community interest assets.

One is to transfer ownership of the assets to an entity well placed to look after and preserve that heritage. This could be a specialist entity, such as an approved supporters group, a museum or the National Trust, or an entity with broader goals such as a local authority or a university.

The second is to place controls around transfer and alterations to the heritage - as with planning permission for listed buildings, asset locks for community interest companies and ORR approval to close railway stations and routes. Either or both of these tools could be used to preserve heritage assets of football clubs.

In any case, there needs to be a clear way to consider the public interest in the heritage of the club before making significant decisions about it, including meaningful consultation with fans and other stakeholders.

Restrictions on changes and transfer – a "conditions" model
Some clubs, such as AFC Wimbledon and Luton Town, already have arrangements that mean that the approval of the supporters' trust (by special resolution of its members) is required before certain changes and sales can be made.

- **Golden Share:** Grant a golden share with the power to veto certain heritage-related actions could be simple. But at many clubs, there may not be a suitable entity to hold the golden share. Such an entity does not necessarily need to be a supporters' trust but it does need to have a clear legal structure and meaningful accountability to fans (and the wider community).

- **Regulatory approval:** A licensing or regulatory approval mechanism, to attach conditions to any changes to the "crown jewels", or to require approval before they happen, as currently happens with changes in control in financial services. This would require the club to make an application to a regulator. This could then be followed by either a period of consultation with fans and other stakeholders before the regulator makes a final decision, or it could go directly to a recognised fans' body for approval. Ultimately, such an approval system is likely to need a judicial or quasi-judicial process to sit over it, to ensure fairness and consistency. But it should still be possible for the regulator or another suitable body to make a determination, which could then be appealed if either party were dissatisfied.

And in any system, it is likely to be valuable to create a rule which requires all of the "crown jewels" to be owned by a single entity, and prevents them from being broken up.
A "conditions" model would need clear sanctions against directors, and potentially owners, to provide a deterrent against poor behaviour, as exist in other regulatory models. This could include transfer embargoes, fines as a percent of revenue and points' deduction.

A "licensing" model
If the "crown jewels" were not owned by the club, creditors and owners would be forced to evaluate the risks differently, as administration would likely prove fatal to the club. Along with abolishing the football creditors rule, this would encourage all potential creditors to be more careful before signing up to terms that are likely to prove unaffordable. The big question is who should own these "crown jewels". Again, there are broadly two potential approaches.

- **Localised licensing:** Heritage assets to be protected and held by a local organisation, such as a supporters' trust or local authority. By deeming assets as essential parts of a community heritage, local authorities could make the protection of any "crown jewels" mandatory in any planning application made by a club. The issue here lies with the individual nature of local authorities. To be effective and consistent across England and Wales, a unified approach – whether through legislation or a new "voluntary code" would need to be adopted.

- **Centralised licensing:** The other approach would be to move towards a system where the assets are owned centrally by the league, the regulator or another designated body. This would work particularly well if the main regulatory model were a licensing model. Clubs would then be licensed both to play in the league and to use the core heritage assets. The licenser would then monitor the club for its sustainability with the ultimate sanction of removing the playing license and the heritage assets that go with it, and running the entity until a suitable new owner was found.

- **Interventions and insolvency:** While interventions and insolvency would be easier to handle in a "licensing" model, it is difficult to see English football moving to this model wholesale, particularly given the wide variation in ownership models. In the Dutch licensing model, rather like Ofsted, clubs are graded on a regular basis and it is possible to place distressed or underperforming clubs into "special measures". The ultimate sanction would be the transfer of the licence (along with the heritage) to another entity.

Any model needs the right incentives and support to assist clubs in safeguarding their heritage.

There also needs to be further consideration as to the situations in which sale of the heritage assets could be forced by the regulator. Consideration should be given to amending insolvency rules to require that the “crown jewels” be sold collectively as a single item within a set time period (e.g. 12 months). There may also be other circumstances in which it is appropriate to trigger this requirement. It may also be possible to create a right for appropriately constituted supporters’ trusts to bid for the heritage in these circumstances, and potentially to treat them as a preferred bidder, depending on the costs involved.

SOLUTION 9

Sustainability – Synthetic turf (3G) pitches

Report prepared by Nigel Fletcher (Lead), Olvier Ash, Mike Gilham, Stuart Larman and Nigel Travis.

AUTHORS

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CEO of the International Sports Convention, a media, events and education company. Nigel also spent 5.5 years at FIFA overseeing a number of investment, facility and legacy programmes. Currently Nigel also advises the Football Association of Wales, Southampton FC, LTA on Diversity and inclusion. Nigel is co-chair of the campaign group FAEQUALITY Now – with a core aim of changing the governance and structure of The Football Association.

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Oliver is currently Joint-Owner of Maidstone United FC, a National League football club, Director of Brive, a Top 14 French rugby club and former Heineken Cup winner and Director of UK Sports data and insight company Goodform. He is the founder and spokesman for 3G4US, an association of UK football clubs seeking to promote the benefits of synthetic turf in English football. He has been a board member of Jones Cable, The National League, The Franco-British Chamber of Commerce, and the St Andrews University Court.

Nigel Travis
Policy Advisor

Author Bio
Nigel Travis is the Chairman and Co-owner of Leyton Orient Football Club. In his past, he has graduated from Middlesex University with a bachelor's degree in business administration. Before channelling his focus on his beloved boyhood club, Leyton Orient, Nigel worked in numerous international companies like Burger King, Papa Johns, Blockbuster Inc. and most recently Dunkin' Brands. As of 2017, he is the Chairman & Co-owner of Leyton Orient FC.

Mike Gilham
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Mike will be advising Fair Game on governance and equality standard issues as well as 3G pitches. Mike spent 10 years working within the FA and County FA network. He is now a coach for Fulham Football Club's academy, a football lecturer at St Mary's University; a Board Member at Basingstoke Town; and a Director of a local leisure trust.

Stuart Larman
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Author Bio
Stuart joined FIFA in 2010 where his initial focus was the management of football infrastructure projects, spanning pitch construction and maintenance, infrastructure research and stadium development across FIFA's Member Associations. With a comprehensive understanding of the strategic, governance, financial and technical challenges of football organisations, he also introduced an education programme for Asian football administrators and the Advance 11, a "Quality Standard" for football associations. Stuart is currently the Director of Club Licensing and Club Development at the UAE Pro League and is also a member of the Task Force for a Professional League in the Oceania Football Confederation.

OUTLINE OF THE ISSUE

Football club facilities and community relations
A football club must utilise its facilities as a hub for the community to gather, exercise and socialise. A synthetic turf pitch is a vital tool to drive community integration and financial benefits for the club, yet the current top-down system of English club football prevents clubs that are the heart of the community from utilising such pitches.

No single example illustrates better the lack of cohesion and modernisation of English club football than the issue of synthetic turf pitches. The popular term for these pitches is a reflection of advancements that English club football refuses to keep up with over the last twenty years – a throwback to the negative feelings around the first generation of those pitches that were installed in the 1980s.

Since those days, these pitches have been specifically designed for football use with playability and safety the focal point of the FIFA Quality Standard requirements first introduced almost two decades ago. During this time, such pitches have become recognised as the best option for community-orientated professional football clubs the world over.

"Fans, players, club owners, local communities have all embraced Pro-quality synthetic pitches at National League level over the past ten years and seen how their clubs have been transformed into sustainable, thriving, sporting hubs. It's time the EFL jumped on the bandwagon and gave their League 2 clubs the same opportunity."

Oliver Ash, Co-Owner – Maidstone United

The two decades of research that have accompanied the industry developments have provided consistent evidence that dismisses any outdated ideas of increased injury risk and unfair advantage. Yet these are still the misguided reasons for countering any positive discussions on the usage of synthetic pitches.

Inconsistent regulations across competitions
The myriad of competition organisers for English club football have regulations on the usage of synthetic pitches that are inconsistent not only amongst themselves but also with the rest of the United Kingdom and world football:

Premier League	**Top tier**	**Not permitted**
Football League	**Tiers 2-4, League Cup**	**Not permitted**
The Football Association	**WSL, FA Cup, Tiers 5 and below**	**Permitted**

In contrast, FIFA, UEFA, and other top football competitions have permitted the use of synthetic surfaces since changes to the Laws of the Game in 2004.

Over the years the topic has been put forward to the various decision-making bodies in English club football. Ultimately, the reluctance of those in the Premier League and Championship to allow matches to be played on synthetic surfaces has resulted in clubs with ambitions to move up the Football League to back down on having access to a tool that would bring them closer to their community, as well as provide cost savings and additional income. This further illustrates the detachment of the elite game from the realities around football in England.

"In 2007 whilst representing FIFA, I and UEFA, along with two technical experts from the medical and technical field were given 5 minutes by the FA Challenge Cup committee to present the benefits of synthetic turf to English Football. The FA Cup seating plan and luncheon got more time, dedication, and interest."

Nigel Fletcher, CEO – International Sports Convention and Co-Chair of FAEQUALITY Now

The impact of non-aligned regulations
The situation is so severe that the clubs with synthetic pitches that are promoted from the Conference to the Football League are forced to dig up their pitch and replace it with a natural grass pitch. The impact felt by Harrogate Town and Sutton United in the last two years has not been the high cost of the work involved but also the disturbance created, often at very short notice, to established youth development, women's football and community programmes that are hosted at these facilities.

The additional cost required to reallocate those programmes to alternative facilities further burdens clubs that have been forced to lose income generated from being able to operate the football facility to the benefit of the local community seven days a week.

"We went to a synthetic surface in the May 2016 and the impact was instant. Community bookings filled in a breath and the club became a 7-day business with a revenue stream that grew sustainability."

"The first team players took to the surface immediately and over the next four seasons our medical team reported that there had not been an increase in player injuries or any evidence in new types of injuries."

"The synthetic surfaces today run as close to the grass as you can imagine, 10 minutes into a match and you forget the teams are competing on a plastic surface."

"As each season passed the crowd grew, the community use of the pitch gave the club greater reach, and we were able to engage with a wider audience. No fixtures had to be postponed and we did not have to purchase fertilizer or engage at any end of season pitch renovations. We were advocates of the Plastic Revolution."

Garry Plant, General Manager – Harrogate Town

In summary, the financial burden created by the lack of alignment across club football is exacerbated by the impact on the relationship with the local community that is enhanced by having a pitch that enables the stadium to become the true focal point of the community.

The big advantage of synthetic turf is its durability, the increased usage this allows, and the relatively low maintenance costs compared to a natural grass pitch. As far as playing surfaces are concerned, synthetic turf can be exposed to more heavy-duty use than natural grass which allows clubs to then use the pitch more often, thus creating commercial opportunities through pitch hire, community usage, academy training and kids coaching etc. Maintenance costs for a synthetic turf pitch are lower than the cost of maintaining a natural grass field. Most notably, there is a reduced need for watering the pitch and no need to mow synthetic turf. In the long term, the reduction of watering and the lower levels of required manpower to manage the maintenance will support the business model of professional clubs as human resource costs are reduced while access to the pitch increases. Availability and use of synthetic turf ensure identical and fair competitive conditions as far as the surface is concerned. It is therefore now impossible to imagine top-class hockey today without synthetic turf.
In football, the synthetic turf supports dynamic, technically sophisticated play, while modern synthetic football turf also ensures consistent playing conditions in differing weather conditions. This means the technology used in synthetic football turfs is way more efficient when it comes to supporting and maintaining stable gameplay, and external influences like stormy weathers leave the surfaces unaffected.

The Football Association objectives
As the sport's national governing body, The Football Association (The FA) is responsible for all regulatory aspects of football in England. Described as the country's 'National Game', English football has never experienced such high numbers of spectators and participants - as well as vast levels of revenues and media interest - in its history. Consequently, the scope of the game across all levels of participation is considerable:

- 7 million participants plus 5 million in schools
- 37,500 clubs
- 125,000 FA affiliated teams
- 45,000 pitches within 21,000 facilities

As part of its responsibility to develop and regulate the sport at all levels throughout England, The FA cites one of its key activities as: "Promoting the development of the game amongst all ages, backgrounds and abilities in terms of participation and quality. This also involves promoting the availability of the sport to the greatest possible number of people." Therefore, the ability to ensure high-quality football facilities throughout both professional and amateur levels is of utmost importance to the delivery of such objectives. Aims and targets working in partnership with England's largest sports charity, the Football Foundation, The FA has so far developed more than 5700 projects to the value of over £630m to improve playing facilities. In an increasing number of cases, such projects involve the installation of synthetic turf pitches.

"We currently have around 450 full-size synthetic turf pitches in England, of which The FA has helped to fund at least 30% of these," confirms Mark Pover, National Facilities & Investment Manager for The FA. "Our aim is to provide every team with access to a synthetic turf pitch, which we initially equate to approximately an average of 60 teams per pitch to meet their training or playing requirements."

Whilst The FA understands the benefits of synthetic turf, the challenge remains to ensure that clubs, managers and players alike are provided with the knowledge and factual awareness to make informed decisions regarding playing surfaces.

"We do have an issue whereby there is a lack of knowledge and understanding concerning synthetic turf. One of The FA's main aims is therefore to increase such levels by providing factual information directly to key decision-makers, especially leagues. As a result, this will encourage informed decision-making regarding a club's use of synthetic turf." explains Mark.

Players' research

The importance of sports psychology is playing an ever-increasing role in influencing and maximising peak performance for the professional player. The line between success and failure is very thin and players who are mentally strong and have the will to win stand a greater chance of tasting success, than those only relying on their physical and technical ability. The influential role, chiefly by managers and coaching staff, is essential in the preparation of the player and the creation of a positive state of mind for both player and the team. Furthermore, there can be "key influencers" within the team group, as well as experienced players and a captain, and it's important that they all realise the impact they may have on their peers, whether positive or negative.

An alternative, not a substitute

FIFA has always maintained that "Football Turf" should be an alternative and not a substitute for top-quality natural grass. However, top-quality natural grass in the global environment is not always possible. This can be the case for various reasons:

- Lack of sufficient finances to maintain a grass pitch in adverse climatic conditions.
- Modern, spectator-friendly stadia design, which creates a micro-climate and makes it difficult to grow good quality natural grass.
- Club development and increased use that has an impact on the durability of the surface.

The problem – Managing change

Many of the "key influencers" to players had experienced a different generation of synthetic turf surfaces – the so-called plastic pitches. This was mainly in England during the 1980s – and very much a negative experience. However, if these "negative experiences" are communicated to players preparing to play on a football turf, in turn, this will mean that the players would not be in the correct mental state, as a negative vibe has been created. Those who play football accept that defeat often stems from the inability to manage anxiety, fear, anger, or despair. With the synthetic football turf surfaces being more widespread and challenging, the former use and scepticism regarding synthetic turf and the issues of anxiety, fear, anger, and despair may become more prevalent. Having a strong and committed coaching philosophy that supports the use and benefits of synthetic football turf playing surfaces will help alleviate the potential fears and anxiety of professional players.

For the sake of every coach, manager, or player, they must embrace technological innovation and look at the positive change that has taken place. Additionally, it is the duty of the coach/manager to pass on such information to his players. A useful source of information is FIFA's website where all the latest research is published on www.FIFA.com or email football.turf@fifa.org

CONCLUSIONS

There is little doubt that synthetic pitches have come a long way since the 1980s. Where introduced they have become an important asset and have helped clubs deepen their relationships with their communities and introduce much-needed additional revenue. However, the stigma is still there.

That stigma has led to inconsistent regulations. The competing interests in English Football Governance and a Football Association which cannot even decide on synthetic turf usage in their country (decision moved to different competition regulations and bodies, PL, EFL, National League etc) means there is no certainty that investing in synthetic turf is sensible.

A good recent example is that of Harrogate Town. Promoted to League 2, they had to rip up their synthetic turf to conform to League 2 EFL regulations. Club Development, Youth Development, Community Development, and important commercial income was reduced significantly. Is this the sustainable football model in English Football we would like to maintain?

In the long-term, psychology and coach education has a significant role to play in facilitating and supporting the implementation of new technology such as synthetic football turf and in opposing inaccurate perceptions. As key influencers in the game, managers, coaches, and some players are instrumental in communicating the potential impact of synthetic turfs in football.

In the short-term clubs that are promoted to the EFL using synthetic pitches must be compensated for having to rip them up. No club with a 3G pitch should suffer economically as a result of success on the pitch.

Options to be considered

- EFL accept a grace period of three years before a promoted National League club has to replace a 3G pitch.
- League 1 and League 2 permit 3G pitches.
- The full cost of replacing the pitch is met by the Trust fund and the club adequately compensated for loss of community revenue.

FINAL THOUGHTS

"Our goals are simple. We want a sport that has integrity, sustainability, independent regulation and community at its heart.

"This, I believe, is a once-in-a-lifetime opportunity. Time is of the essence as Tracey Crouch has announced a fan-led review to address governance of football in the UK.

"If we want to achieve our goals then we need to grasp this moment and join together."

Gavin Foxall, Newport County AFC Chairman & Fair Game's Interim Chair

" As one of the smallest clubs in the EFL it is paramount that Accrington Stanley communicate to and listen to their supporters and between the two, build a community club for future generations to enjoy.

"Blowing huge amounts of money to win the 'golden ticket' to the Premier League is putting some clubs into a financial abyss without a thought of what they are doing to the heritage of their community football club.

"Now is an ideal opportunity for change and a chance for the football family to look after its own, right down the football pyramid. We want other football clubs to join Accrington Stanley as part of 'Fair Game' and to be part of the future changes to make football for everyone, not just the elite few."

Andy Holt, Owner of Accrington Stanley

"Fair Game's core principles align with our own. We can be rivals for 180 minutes a season, but when it comes to improving football we need to act as one – and that is why we have joined Fair Game"

Mark Palios, Chairman of Tranmere Rovers

"The collapse of Bury and Macclesfield, and the European Super League have shown very clearly that there needs to be changes within the game to safeguard the core components that make it special to us all.

"Right now there is a small window of opportunity to do this with widespread feeling within the game and the fan-led review of the game that is taking place currently.
"Upon hearing about this campaign we could instantly see a natural alignment between their core values and our strategic approach at the football club.

"As custodians of the club, our responsibility is not only to do all we can to make the ongoing improvements to the football club, but we also have a responsibility to protect the integrity of the wider game and the football pyramid that makes football in this country so special.
"This is a view that we hope will be shared by clubs across the country and we hope that through this campaign we can come together to help affect positive change and that is why we have chosen to join and play an active role in the 'Fair Game' campaign."

Tom Gorringe, Commercial Director of Bristol Rovers

"Carlisle is a great community club. The recent European Super League debacle, and the long standing instability from parachute payments have all shown that we need to act.

"We need to use this opportunity to look at what needs to change, and we need to look at what needs to be protected within the game."

Nigel Clibbens, CEO of Carlisle United

"The structure of football is in desperate need of reform. The game is the richest sport in the UK yet we continue to see clubs post eye watering losses leading to the collapse of many. As we emerge from the pandemic there is an opportunity to reset how football operates. We should not waste this chance and we are keen to work with other like-minded clubs to help shape the organisation of the sport which gives so much joy to so many communities."

Ian Mather, CEO of Cambridge United

"We're very pleased to join Fair Game. We will be working closely with all the associated clubs in the coming weeks and months, to achieve long term sustainability for the football pyramid, that is beloved in this country."

Danny Macklin, CEO of Leyton Orient

"Having read what Fair Game stands for, it was a simple decision for us to sign up.

"Football needs far better governance. A good example of this is last week's National League EGM, where half the clubs voted for a motion of no confidence in the chairman and board, yet the league pass it off as a convincing result in their favour because of an unfair voting system.
"The events of the past year and the government review into football have given us a once in a lifetime opportunity to change the game."

Oliver Ash, Joint Owner at Maidstone United

"I urge all club owners to join. Fair Game. Let's implement a structure that is more responsible, fairer and more equitable.

"Let's not wait for bad stuff to happen. Let's not be dictated to. Let's implement a structure that is more responsible, fairer and more equitable. Let's shape our own future. Together we can be powerful."

Xavier Wiggins, co-chair of the Dons Trust Board, owners of AFC Wimbledon

"Given what we as a club and a wider football community have experienced the last 12 months, a sustainable, well-governed sport is something we all aspire to.

"With that in mind, Fair Game is absolutely the right vehicle to ensure mature, measured and meaningful debate and lobbying where needed. Their core principles mirror our own as a club and what we aim to reflect on behalf of our investors, partners and supporters."

Damian Irvine, CEO of Ebbsfleet United

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Damian Irvine, CEO of Ebbsfleet United

"Fair Game epitomises the values of Chester.
"Football needs far better governance. We need to take sustainability seriously. We need integrity in the football pyramid. And we need to work with our community.

"We can all be rivals for 180 minutes but for the rest of the season we need to come together.
"The pandemic, the European Super League, the demise of Bury and Macclesfield, and the new government review into football, have given us a once in a lifetime opportunity to change the game.

"We need to grasp that. We want Chester to be part of that. And that's why we've joined Fair Game."

Mike Vickers, Director at Chester FC

"The clock is ticking. The last year has been tough on football and has seen an unprecedented amount of financial pressure put on clubs like ours.

"And we have joined forces with several other 'like-minded' clubs through Fair Game to put pressure on the government and the football authorities to deliver real change.

"I am acutely aware of how much our club means to our fans. Long-term security rests with working with our communities.

"As clubs, we need to work together to make that happen and that is why we are endorsing Fair Game."

Kristine Green, Grimsby Town Fan Elected Director

"This is really a once in a lifetime opportunity to save the game we love and change the way football operates.

"The demise of the likes of Bury and Macclesfield, and the recently proposed European Super League are real wake-up calls.

"It is time to put aside our rivalries and for clubs to work together and turn the game that we love into one that is sustainable."

Dave Netherstreet, Tonbridge Angels Chairman

"We can't think of anything more wasteful than for the demise of Bury FC to be just a sob story. We set up Bury AFC to help point the way to a better future for football, and remind the country that supporters can and should have a sense of agency in the clubs they follow.

"When we saw the other clubs involved in Fair Game we had no hesitation in joining, as many of them provided the inspiration for us to pick ourselves up and start again."

Phil Young, Chair of Shakers Community, the owners of Bury AFC

FAIRGAME

In the wider interests of football

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Designed by Jonny Kerr