

THE FAIR GAME VISION FOR A FOOTBALL GOVERNANCE BILL

Delivering a Fairer Future for Football

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A FAIRER FUTURE FOR FOOTBALL

INTRODUCTION

Fair Game represents 34 men's professional football clubs across all levels of the English football pyramid. Backed by leading academics and industry experts, Fair Game campaigns for a fairer future for football.

There is no doubt that the current system is deeply flawed, and we map that out in detail in the appendix. However, we are within a hair's breadth of meaningful reform.

On 19 March 2024, the then-Conservative Government published the [Football Governance Bill](#). It was a landmark moment and the culmination of years of hard work which began with [the fan-led review](#) chaired by Tracey Crouch. For the first time football was on the cusp of much-needed reform and an Independent Regulator. **This is a defining moment.**

Throughout the process, Fair Game has had significant input, including a [Submission to the Bill Committee](#), [a response to the King's Speech in November 2023](#), [a response to the Government Policy Paper in September 2023](#), [a scorecard on the White Paper in February 2023](#), and [our original manifesto](#) published in September 2021 which predated the publication of the fan-led review.

The overarching objectives of the original Bill are to be commended. They are:

1. Improving financial sustainability of clubs;
2. Ensuring financial resilience across the leagues; and
3. Safeguarding English football's heritage

The Bill had cleared second reading and was making its way through the Bill Committee stage when the 2024 General Election was called. The Bill failed to make the "wash up" and fell.

However, the three largest parties in the UK all promised to re-introduce a version of the Bill in their manifestos. Following the election, on 17 July 2024, King Charles III announced that it would be part of the Labour Party's legislative programme for their first Parliamentary session.

For our national game, this represents a chance to truly map out a fairer future for football.

Fair Game's team of experts – combining academics, clubs and four legal firms – have been through the original Bill line by line.

Fair Game agreed with a majority of the content of the Bill. However, there are six essential areas that need to be reviewed and amended if the new Bill is to deliver the original overarching objectives.

1. Ensure a fairer financial flow
2. Establish a new Regulator free of vested interest
3. Provide support for clubs to implement changes
4. Create a stronger owners and directors test
5. Protect club heritage and enshrine fan engagement
6. Embed equality and environmental standards

Below we detail what these amends are, and why they are needed.

IMPROVING THE BILL

1. ENSURING A FAIRER FINANCIAL FLOW

Ensuring a fairer financial flow in football is integral to the purpose of the Regulator and largely centres around the distribution of income that arises from the broadcast deal.

The original draft of the Bill:

- A. Assumed that there would be just two “specified competition organisers” between which the distribution agreement would be made. This Bill must allow for flexibility for the National League (and potentially other competition organisers in the football pyramid) to be party to that agreement;
- B. Gave the specified competition organisers complete autonomy to reach an agreement between themselves without the agreement having to meet any minimum requirements and without the Regulator’s approval;
- C. Only enabled one of the specified competition organisers to refer the deal to the Regulator (and no other stakeholders, including the Regulator itself);
- D. Stated if the mediation process set out in the Bill was unsuccessful, only the specified competition organisers could make proposals to the Regulator for consideration, and the Regulator had to choose between those proposals (with no flexibility to make its own proposals, or invite proposals from third parties);
- E. When considering the proposals, the Regulator had recourse only to some very general principles and not to any specific issues caused by the existing distribution agreement;
- F. Where the Regulator made a distribution order, that order would be revoked if the specified competition organisers subsequently came to an agreement, and there was no requirement that this agreement needs to meet any minimum requirements or be approved by the Regulator; and
- G. It expressly excluded from the Regulator’s remit the issue of parachute payments.

Taken together, these points show that the original Bill, introduced by the last Conservative Government, did not empower the Regulator to ensure a fairer financial flow in football, which is a key part of its role, and crucially it did not look at either rewarding well-run clubs or addressing the growing financial gaps between divisions.

These concerns can be addressed by:

- A. Providing for flexibility in the identity of the parties to the distribution agreement (i.e. not assuming that there will be just two specified competition organisers);
- B. Ensuring that any agreement reached by the specified competition organisers meets **certain minimum requirements**, and requires regulatory approval;
- C. Including in the minimum requirements: closing financial gaps between divisions, incentivising clubs to be well run, and any issues flagged by the State of the Game Survey, which will assess existing distribution agreements against the principles in the Bill;
- D. Enabling the triggering of the mediation process by the specified competition organisers but also by the Regulator independently;
- E. Ensuring that any agreement entered into under the mediation process must meet the minimum requirements and, if the parties fail to reach an agreement, empowering the Regulator to impose its own deal on them;
- F. Ensuring that, if the specified competition organisers enter into an agreement after a distribution order has been made, it must still meet the minimum requirements and be approved by the Regulator; and
- G. Removing the exclusion of parachute payments from the Regulator's remit. It is clear that the distribution of parachute payments from the Premier League to clubs relegated to the Championship is a key point of contention between the Premier League and the English Football League (see [this](#) DCMS report, at paragraphs 40-43) and that they form an important piece of the jigsaw making up a picture of financial flow in football. Whether or not parachute payments are agreed as part of a distribution agreement between those two competition organisers, parachute payments *must* be within the Regulator's remit.

It is worth spelling out clearly how the process for approval would work under the revised Bill. There are essentially three options:

OPTION 1: The parties reach an agreement between themselves. In this case, they would seek regulatory approval. If it is forthcoming, the parties may enter into the agreement. If it is not, then the Regulator self-refers the issue and the mediation process starts. All parties may make proposals to the Regulator and the Regulator may either accept one of those proposals or, if none satisfies the minimum requirements, impose its own.

OPTION 2: The parties are unable to reach an agreement. In that case, any party may submit a notice to start the mediation process, or the Regulator may do so.

OPTION 3: The financial distribution report identifies significant issues which an existing distribution agreement materially fails to address OR other circumstances requiring intervention are present (for example, there is a material change in circumstances). The Regulator shall self-refer the matter to mediation and the mediation process starts.

2. ESTABLISHING A REGULATOR FREE OF VESTED INTEREST

It is essential that the Regulator is free of any vested interests, notably on the board and on any expert panel or committee established by the Regulator's board.

There are four main issues with the Bill as it was initially drafted:

- A. It did not clearly define what conflict of interest is.
- B. The Bill did not say that a person could not be on the board and have a conflict of interest, it just said that the person appointing them had to be satisfied that they did not have a conflict of interest;
- C. The process for declaring a conflict of interest was quite strange, relying on the appointor ensuring to their satisfaction that there is no conflict of interest; and
- D. The process for removal of a board member with a conflict of interest only applied to non-executive directors and is left to the discretion of the Secretary of State.

These issues can be addressed by:

- A. Including a list of circumstances in which a person will be deemed to have a conflict of interest. These **must** include being employed by, or engaged as a consultant by, a specified competition organiser or any of their group companies or any company that they have majority funded in the past year. It should also include anyone connected with a person who has a conflict of interest;
- B. Working with relevant stakeholders to check if this list of potential conflicts of interest is sufficient and exhaustive;
- C. Stating that a person with a conflict of interest cannot be on the board or on the expert panel;
- D. Ensuring all board members must declare their own conflicts and their appointors (for non-executive directors) must also ensure that their appointees do not have conflicts; and
- E. Ensuring, an individual with a conflict should have 30 days to remedy the conflict, failing which membership of the board automatically terminates. Any dispute as to whether they have a conflict of interest is resolved by the Chief Executive (or, if the conflict relates to the Chief Executive, by other executive members of the board, provided that they do not also have the same conflict).

3. PROVIDING SUPPORT FOR CLUBS TO IMPLEMENT CHANGES

The original Bill stated that all licensed clubs must pay a levy, to be determined in accordance with levy rules which are established by the Regulator. We spotted two key issues with this:

- A. The Regulator was given quite wide discretion to determine the extent of the levy. This created a concern that it will not be proportionate to the size of a club (notwithstanding the requirement that the Regulator must "have regard to the financial resources of each licensed club"). We do not think it is appropriate to dictate what the levy should be, but we do think that it is important that it is proportionate to a club's revenue.
- B. The Bill did not include any guarantees that clubs will be given any assistance in transitioning to the new regime, nor in their continued compliance with its requirements. There is a particular concern that smaller clubs will face a disproportionate compliance burden. We believe the Regulator must provide "reasonable and proportionate assistance" to clubs.

4. CREATING A STRONGER OWNERS AND DIRECTORS TEST

The Bill introduced a new owners and directors test. It required clubs to obtain a “determination of suitability” for new owners and directors (sections 28 and 29) and gave the Regulator the power to monitor the suitability of incumbent owners and directors (sections 34 and 35).

Yet, the original Bill also included a provision stating that the Regulator must have regard to “the foreign and trade policy objectives of [the Government].” This was problematic because:

- A. The Regulator’s actions would be dictated by the whims of whatever Government is in power at a particular point in time; and
- B. It would exclude state-owned clubs from the same rigour applied to privately-owned clubs under the owners test, setting a different regulatory standard for those clubs owned by states and with whom the UK Government wants to pursue its interests.

We believe these issues can be addressed, not by removing the reference to the foreign and trade objectives, but by caveating the reference in two ways:

- A. Ensuring that the Regulator has to take into account the UK’s legal obligations in respect of human rights and the environment; and
- B. Outright excluding the possibility that an owner of a club could be a state or state-controlled person or entity.

This links with another big issue with the owners and directors test, which is that it did not accommodate any human rights requirements at all.

Amnesty has written about the existing Premier League “fit and proper person” test and has worked with lawyers [to show how it could be made human rights compliant](#). It has pointed out that this falls far behind other industries and general business practice.

The UN Guiding Principles on Business and Human Rights (UNGPs), which the UK was the first country in the world to officially implement through a National Action Plan, [requires](#) all states and businesses to prevent, address and remedy human rights abuses where they occur. This includes a responsibility to conduct due diligence to identify any risks of contributing to human rights harm. As such, the UK Government should ensure that the Regulator is also compliant.

Another issue with the original Bill was that, while it allowed the Regulator to have regard to whether someone had committed a criminal offence, it did not state what level of offence would be relevant, or whether it would stop someone owning or being a director of a football club. This needs to be clarified.

Finally, we are concerned that the Bill did not adequately address enforcement of the test.

If the Regulator disqualifies an incumbent owner, it is not clear how the owner might be forced to sell their shares. It could, in the case of a difficult owner (or one who is unable to find a buyer at all – or at the right price), result in a situation where the club is unlicensed and therefore unable to participate in the competition in which it plays, but the owner is unable or unwilling to sell up. It is also not clear how the Regulator would force a director to resign from the board of a club. This is not the fan-focused outcome that the Regulator is intended to seek.

To address this:

- A. The Regulator should ensure that clubs have sufficient reserves to meet ongoing operational costs in the event that an owner is disqualified;
- B. The Regulator should maintain a central sinking fund to help cover interim costs; and
- C. The Regulator should insist in its licence criteria that clubs must include a mechanism for the resignation of a director in a club’s Articles of Association in these circumstances.

5. PROTECTING CLUB HERITAGE AND ENSHRINING FAN ENGAGEMENT

The original Bill set out restrictions on what clubs need to do in relation to certain heritage characteristics. These restrictions are welcome, however, there are a few areas that need slight tightening up.

Disposal of a home ground (including its use as security) required the approval of the Regulator, which, under the Bill, had to be given if it would not undermine the club's financial sustainability. It did not require any fan consultation or any assurance that there would still be a home ground for the club to use.

To resolve this:

- A. In the case of a regulated club, the Regulator must be satisfied that either the disposal will not affect the club's continued long term use of the ground, or there must be a suitable alternative home ground for the next season;
- B. A sale of the home ground must only be made with the fans' approval.

Relocation of a club required regulatory approval (which, under the Bill, had to be granted if it would not undermine the financial sustainability of the club and would not cause "significant harm to the heritage of the club") but did not require any fan consultation. It is impossible to determine whether something would cause "significant harm to the heritage of the club" without consulting the fans. A requirement to obtain fan approval must be included.

Changing the crest or home shirt colours required the club to "take reasonable steps to establish that the changes are supported by a majority of the club's fans." However, changing the name required the approval of the FA but not fan approval. Clearly fans should be included in this process.

The original Bill did not deal with the making of any substantial changes to a club's ground or the site on which it is situated. The new Bill must require fan approval of any "substantial changes" to a home ground or the site on which it is located, and the Regulator must also be satisfied that any such changes would "enhance" the facility.

We were also concerned that it was not a condition of the licence for a club to have and maintain a suitable home ground, and nor was there a condition requiring clubs to have security of tenure over those grounds for any specific period of time. The new Bill must require a club applying for a licence to have a suitable home ground for a minimum period of 20 years (or such other time as the Regulator may determine based on relevant factors).

6. EMBEDDING EQUALITY AND ENVIRONMENTAL STANDARDS

The original Bill did not mention environmental sustainability or any issues concerning equality, diversity and inclusion. This is not only at odds with standard business practice, but with the UK Government's own legal and moral commitments. The Regulator has the opportunity to embed good practice and should do so.

There are three reasons why such issues must be included in the Bill:

- A. The recently published 2024 Fair Game Index revealed that the vast majority of clubs in the men's English football pyramid pay lip-service to equality and ethical standards – only 16 clubs out of the nation's top 164 clubs scored over half marks;
- B. Environmental and EDI issues are integral parts of financial sustainability (as explained below); and
- C. The original Bill's long title stated that it is a Bill to:

Establish the Independent Football Regulator; to make provision for the licensing of football clubs; to make provision about the distribution of revenue received by organisers of football competitions; and for connected purposes.^[1]

Therefore, even if it is not accepted that environmental and EDI issues form an integral part of financial sustainability, the Bill already gives the Regulator the right to regulate issues which are "connected" with that purpose, and such issues are certainly "connected".

It is impossible to divorce environmental issues from issues of financial sustainability and there are numerous sources (these include a [UK Parliament Research Briefing](#), [Cambridge University study](#), the [UK Corporate Governance Code](#) and a [Government Consultation](#)), which show that it would be negligent to exclude environmental sustainability from the Regulator's remit. Similarly, EDI issues are [already recognised by the FCA](#) as crucial to its role as a regulator and there are countless [studies](#) showing that EDI is a core part of financial sustainability.

In short, the proposed *State of the Game Report* in the original Bill must include assessments of a club's performance on equality, environmental and ethical standards. In addition, these standards should also be part of the parameters that must be met in any broadcast distribution deal.

Clubs should also have a "corporate responsibility requirement", which would require clubs to:

- A. Incorporate considerations of the society and the environment into their decision-making processes;
- B. Take reasonable steps to improve their performance on environmental and EDI metrics; and
- C. Report in their corporate governance statements on their compliance with these requirements.

CONCLUSION

The original Football Governance Bill has a lot to commend it. The objectives are to be applauded. However, in the detail, there is room for improvements.

We want a future that enshrines fan and community engagement, delivers equality and environmental standards worthy of the name, makes good governance the norm and practical achievable at all levels, and crucially creates a football pyramid that is financially sustainable at all levels by removing the innate gambling culture that currently undermines it.

Fair Game - with its clubs and team of experts - is fully committed to working with the DCMS and the Government to deliver a fairer future for football.

Let's do this together.

APPENDIX

- a) Overview
- b) Executive Summary
- c) Current financial distribution of broadcasting deal
- d) Revenue
- e) Wage spend per point
- f) Divisional comparison of wage spend
- g) Technical insolvency
- h) Parachute payments
- i) EFL's divisional allocations and solidarity payments
- j) Voting structures
- k) Conclusion

a) Overview

The primary objective of the Bill is to protect and promote the sustainability of English football. The financial divide in football is getting worse both between and within divisions at all levels of the football pyramid. At the same time, the current voting structures of the top two leagues mean it is highly unlikely that the divide will narrow.

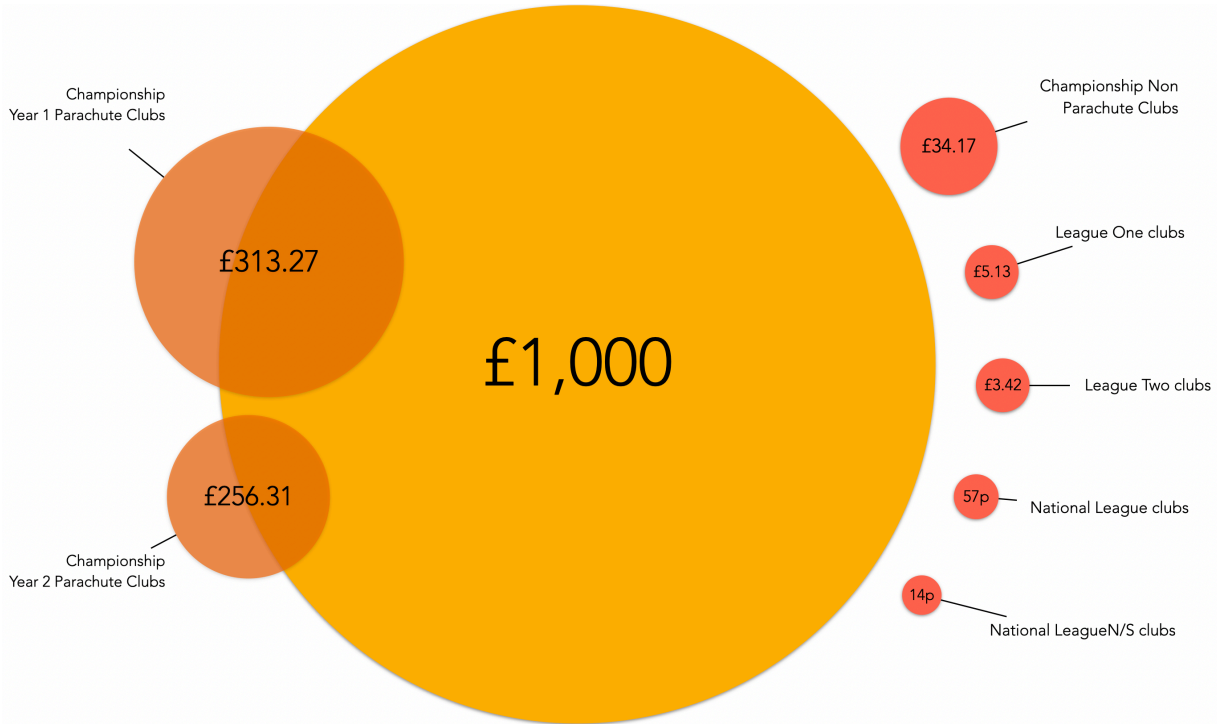
b) Executive Summary

This appendix identifies several key facts that are important to take into account when considering the sustainability of English football:

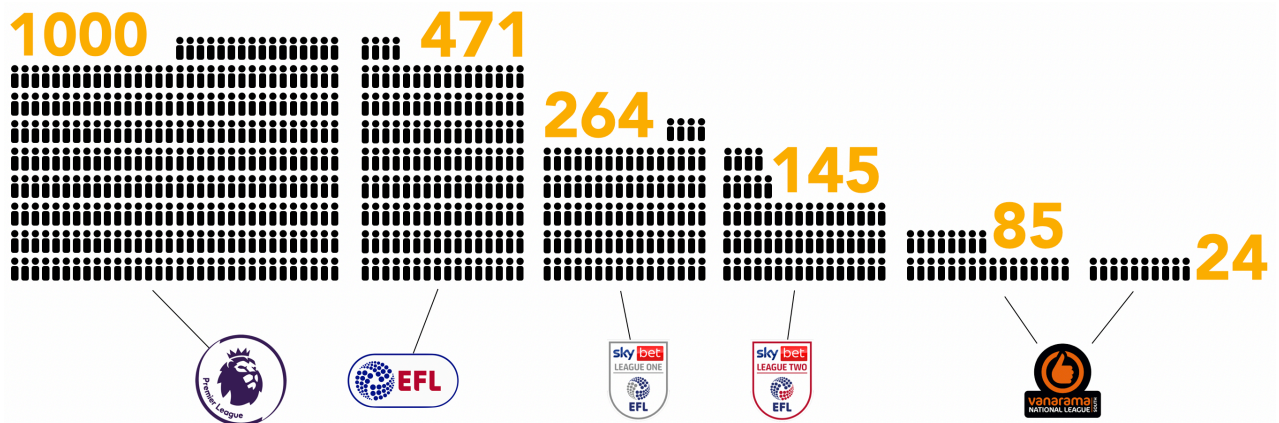
- The current Premier League broadcasting deal is worth around £3.19bn a year.
- The current financial distribution does not reflect the distribution of attendance.
- The divide in terms of revenue and wage spend between divisions is growing throughout the pyramid.
- The importance of parachute payments is growing. In each of the last five seasons, two of the three promoted clubs were in receipt of parachute payments. In the 11 seasons before that only 10 parachute payment clubs were promoted.
- The number of clubs becoming technically insolvent is on the rise.
- The voting structures of the bodies that can address the gaps all favour those who benefit from the growing divide.
- Financial decisions for the Premier League and the EFL can only happen if they are supported by clubs qualifying for Europe or clubs in the Championship.
- The Premier League needs a two-thirds majority to approve commercial deals.
- The EFL's financial distribution is set out in their articles of association. However, the split does not reflect divisional average attendance, and is unlikely to change as they require 75% of clubs to support the change - meaning only 19 clubs are required to block it. With 24 clubs in the Championship, this single bloc can effectively veto any proposal.

c) Current financial distribution of broadcasting deal

The distribution of the current financial deal is weighted heavily towards clubs that often finish at the top of the Premier League, sidelining the clubs at the lower end of the pyramid. Currently, for every £1,000 that a Premier League club gets from broadcast revenue:



The average attendance distribution amongst these leagues is wildly different to their financial allocation. For every 1000 people attending a Premier League match during the 2022/23 season:



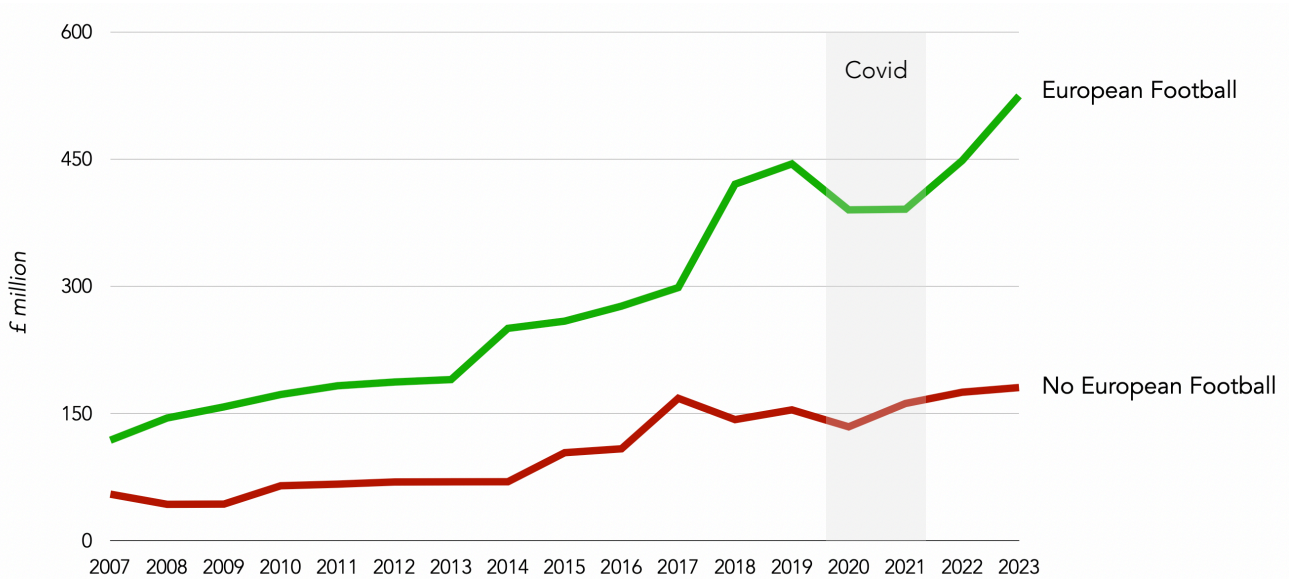
In short, broadcasting revenue between Premier League and National League South clubs splits 7,143:1. However, when it comes to attendances, the ratio is 45:1.

That represents a difference of 158 times. **Hardly a pyramid.**

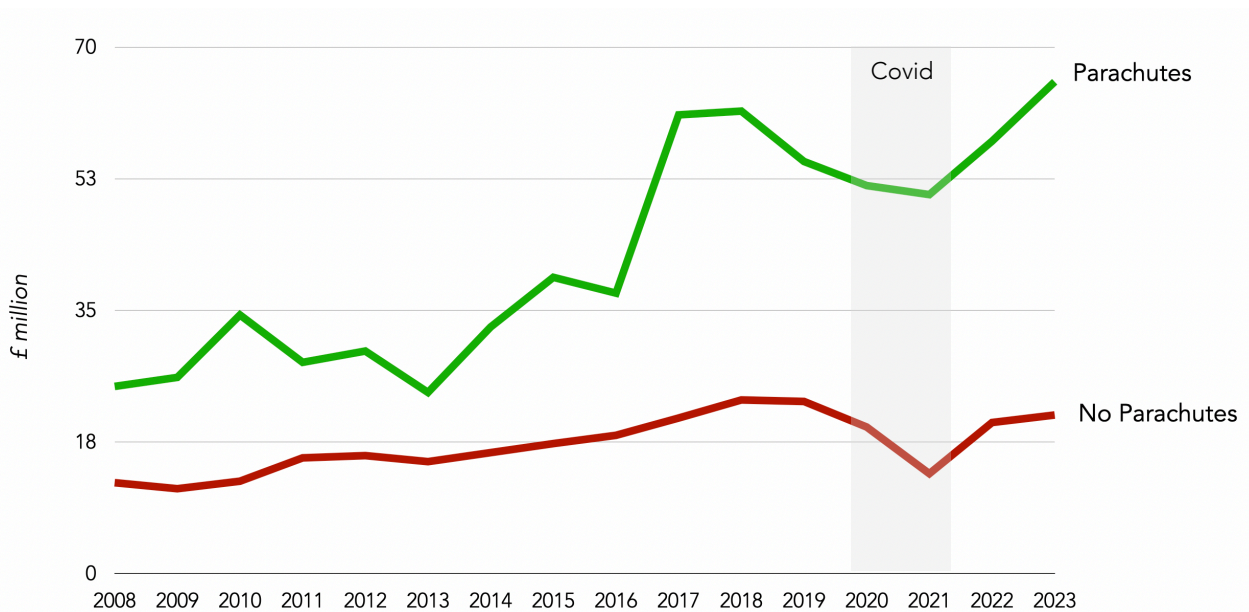
d) Revenue

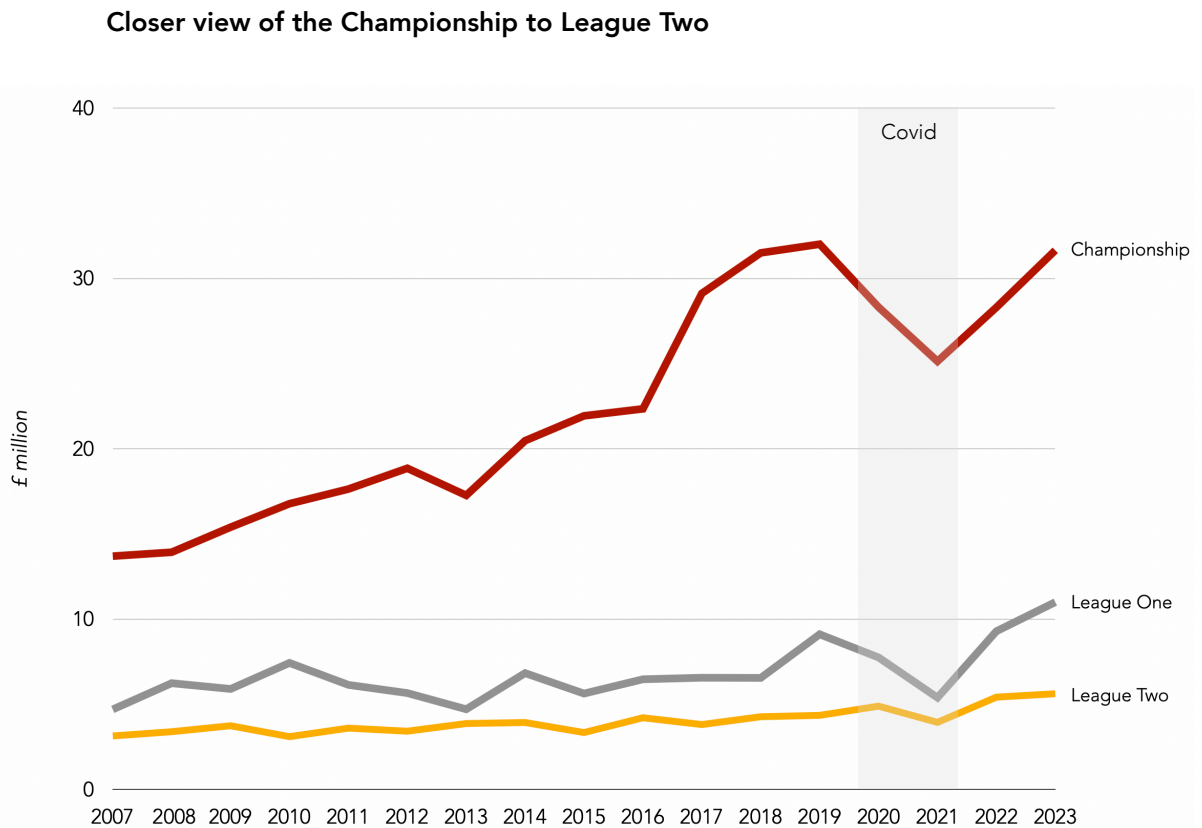
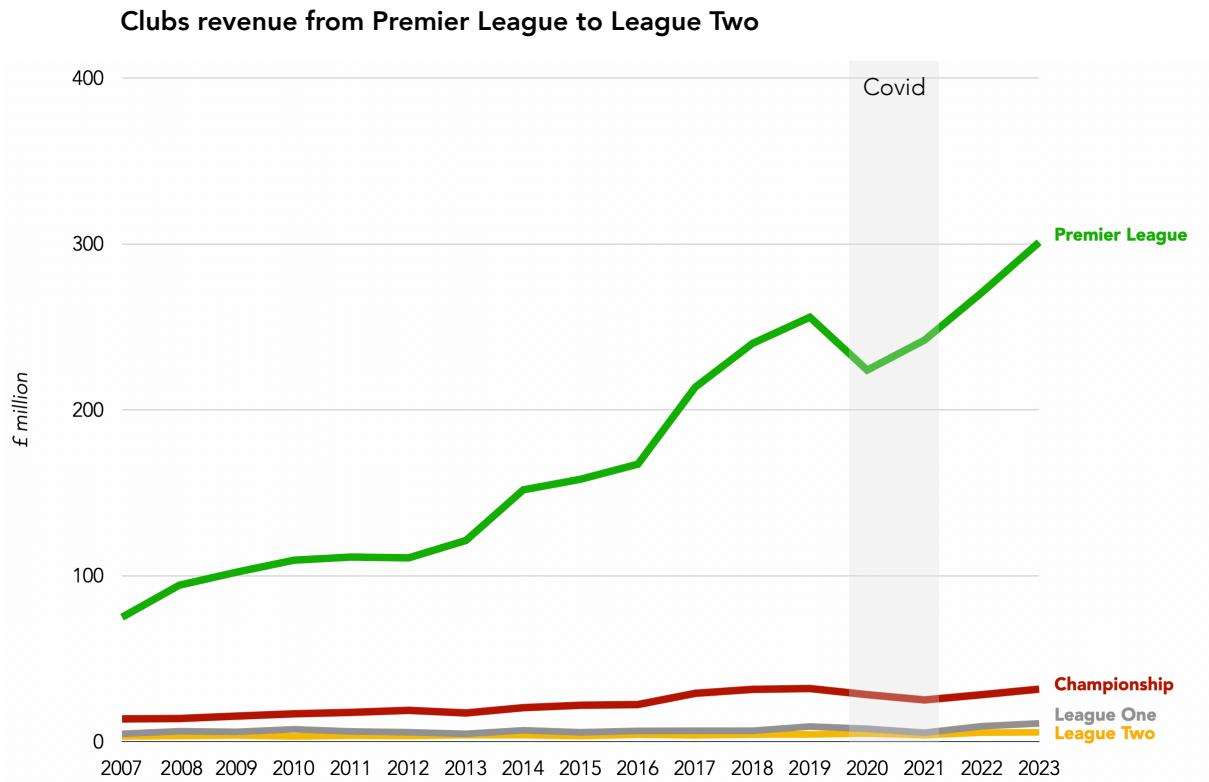
At every level of the English football pyramid, the difference between the average revenue earned by clubs in sub-groups within divisions is widening. This is highlighted by the growing gap between the lines on each of the graphs below:

Clubs playing in Europe vs. Rest of the Premier League:



Clubs getting parachute payments vs. rest of the Championship

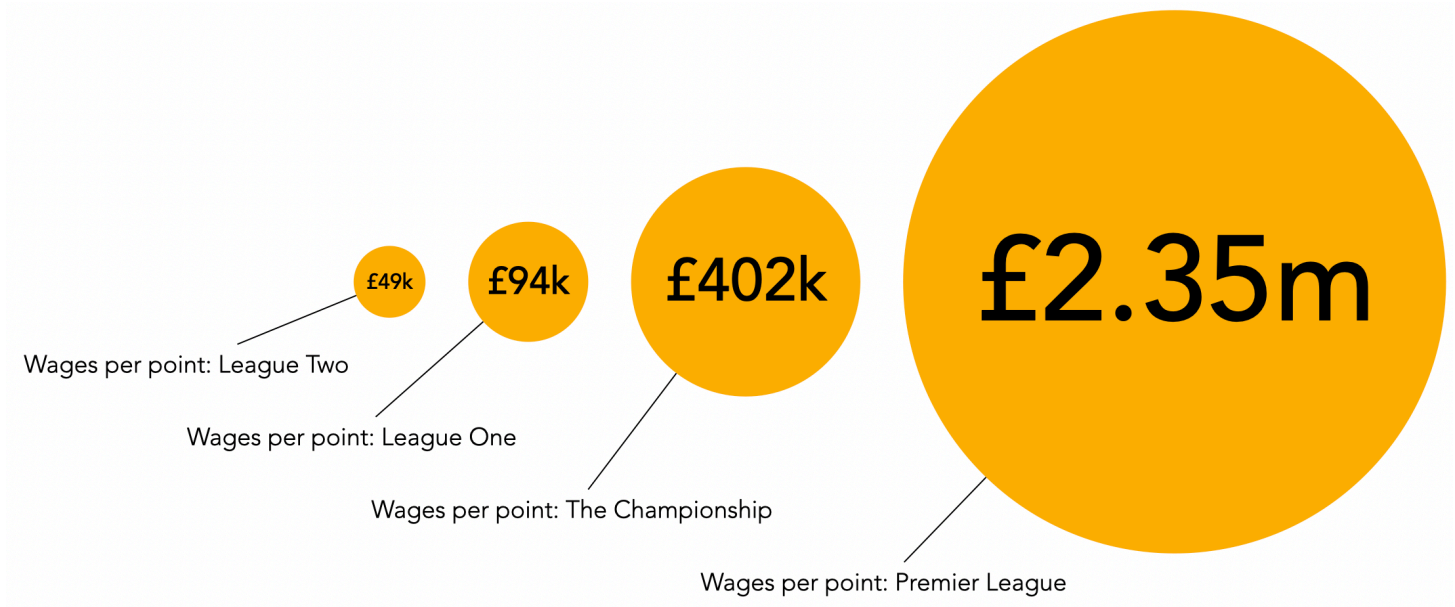




e) Wage Spend Per Point

There is a huge difference between each of the four divisions in terms of how much a club needs to spend on players' wages to be successful. For each division, Fair Game looked at a 10-season period and compared how much a club has spent on wages to the amount of points they won.

To earn one point in League One, a club on average had to spend £94,000 on wages. In the Premier League that figure was £2.35m - exactly **25 times more**.



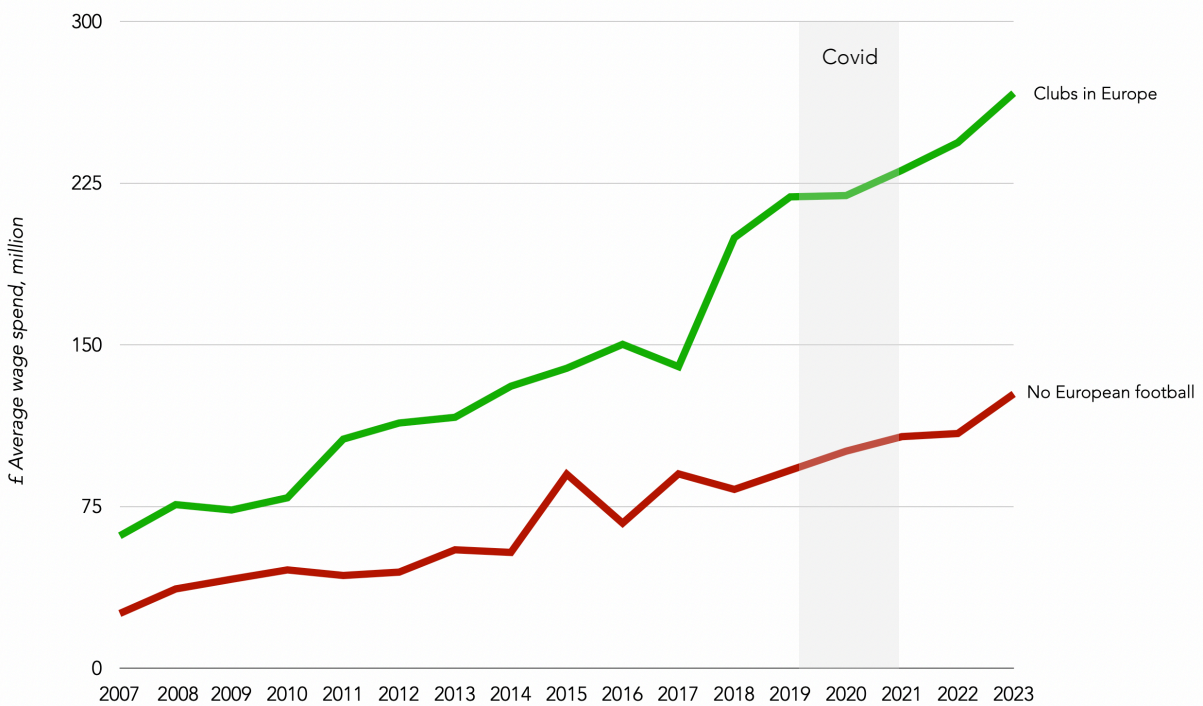
Summary breakdown of WSPP

	Premier League	Championship	League One	League Two
Average 2013-23	£2,350,000	£402,000	£94,000	£49,000
Average '22/23	£3,450,000	£407,000	£120,000	£51,000
Top 7/promoted	£2,570,000	£524,000	£102,000	£42,000
Non promoted	£2,260,000	£386,000	£89,000	£50,000
Median 2013-23	£2,220,000	£371,000	£81,000	£46,000
Median '22/23	£3,220,000	£393,000	£101,000	£47,000

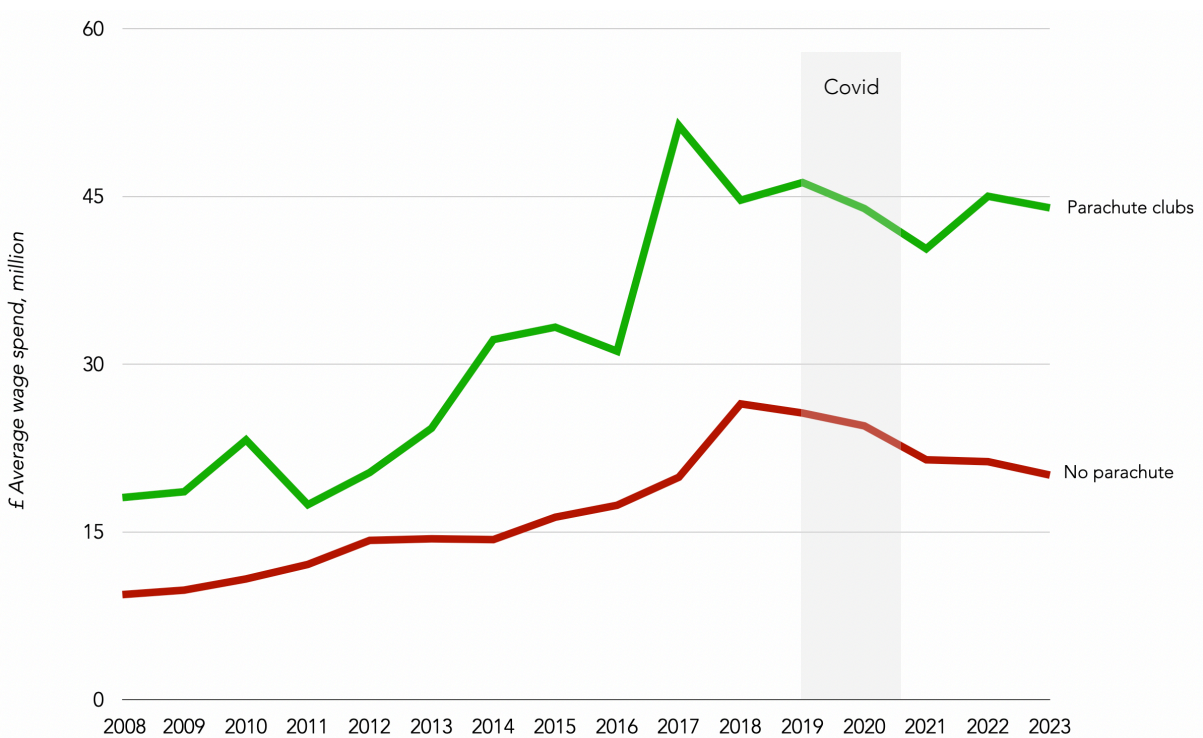
f) Divisional comparison of wage spend

At every level of the English football pyramid, the wage spend differential is also widening. This is highlighted by the growing gap between the two lines on each of the graphs below.

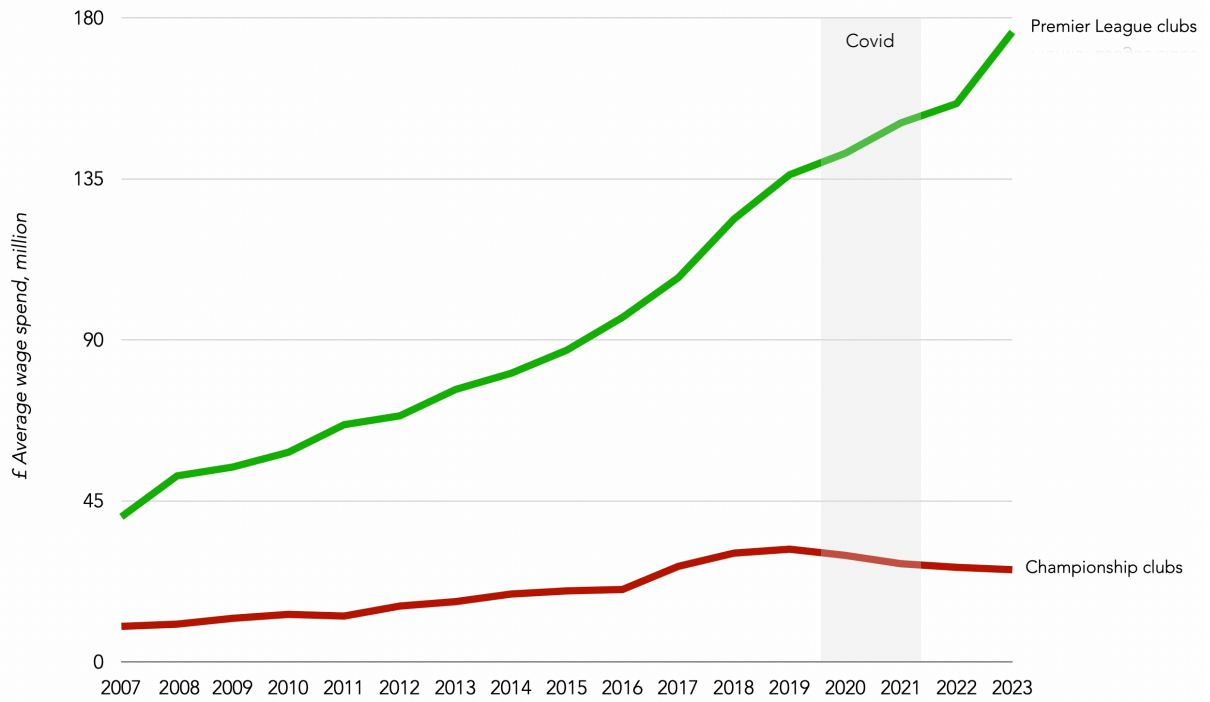
Average wage disparity: Clubs playing in Europe vs. Rest of the Premier League



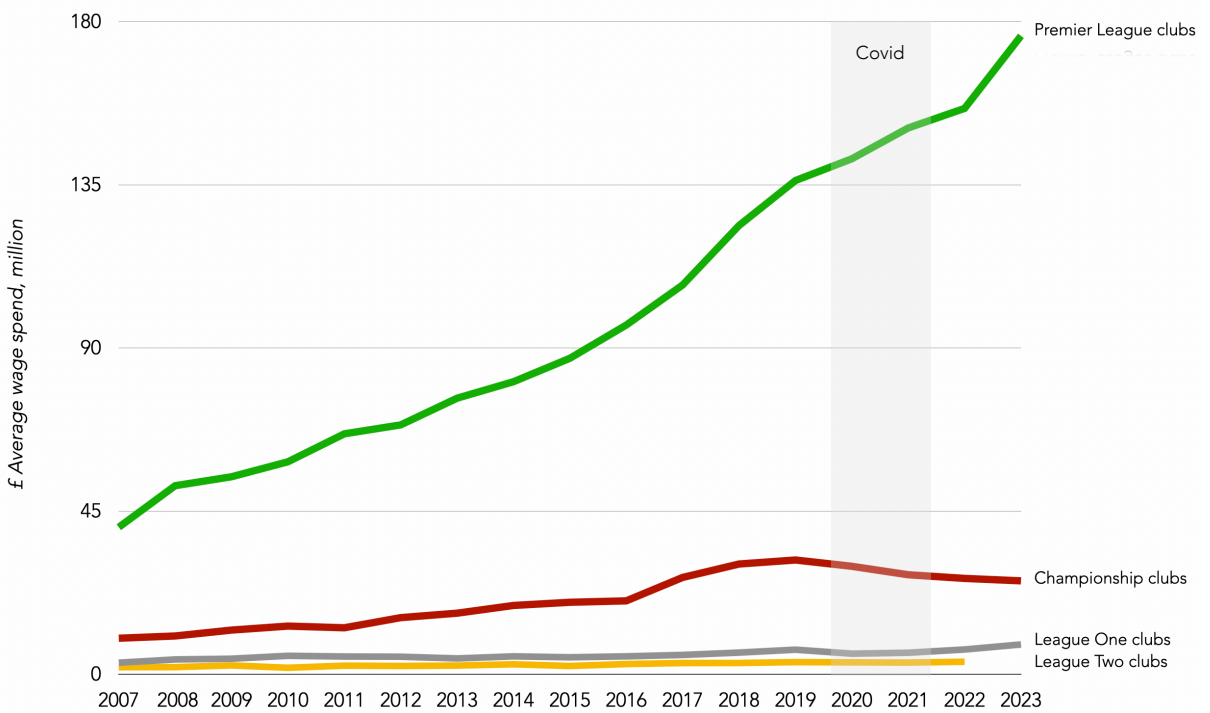
Average wage disparity: Parachute clubs vs. rest of the Championship



Average wage disparity: Premier League clubs vs. clubs in the Championship



Average wage disparity: the Premier League to League Two

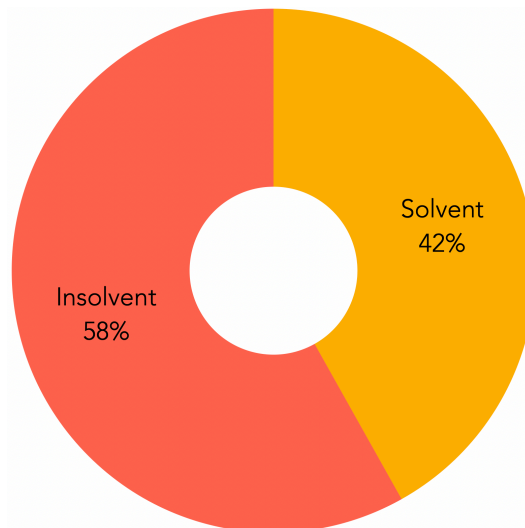


(The data only goes up to 2022 due to a lack of credible data for clubs in League Two for the 2022/23 season. Only four clubs have submitted wage data for this season and therefore the available data is unlikely to paint an authentic picture of the state of wage spending).

g) Technical insolvency

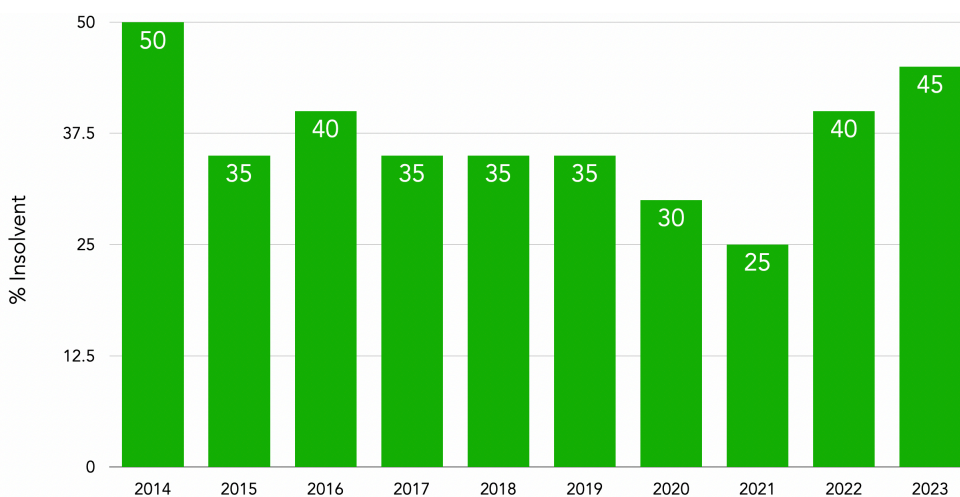
Technical insolvency is a simple balance sheet insolvency test that adds up all a company's assets and takes away its liabilities, and is used in most commercial sectors to describe a situation where a company would be insolvent but for receiving critical financial support.

The latest set of accounts filed at Companies House (22/23) have revealed 50 of the 86 clubs in the top four divisions are technically insolvent (58%). This figure has grown from 2020 when 52% were technically insolvent.

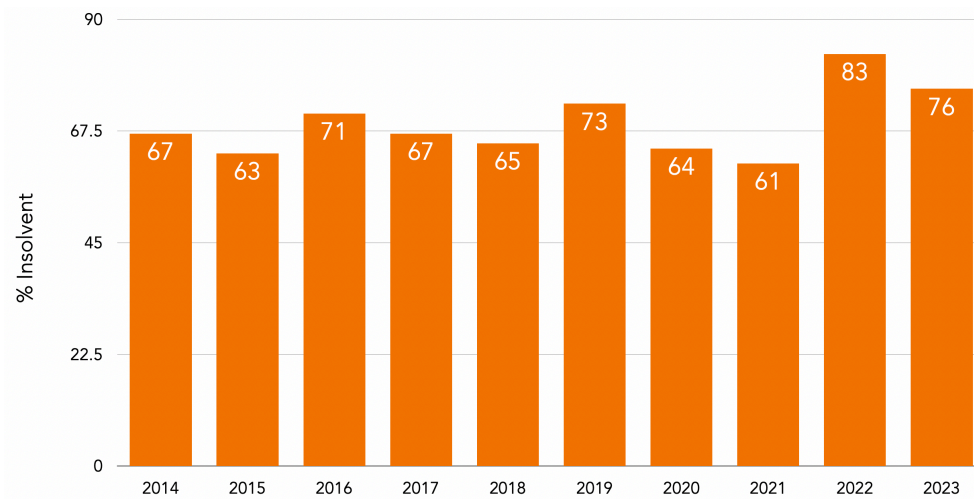


The Premier League: technical insolvency

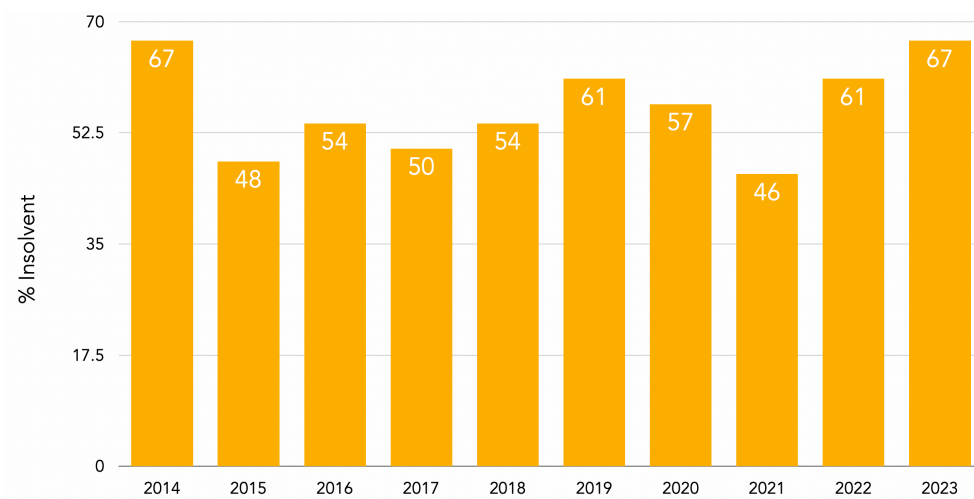
Of the clubs who competed in the 22/23 Premier League season, nine (45%) were technically insolvent. These clubs were: Manchester United, Brighton & Hove Albion, Crystal Palace, Wolverhampton Wanderers, West Ham United, AFC Bournemouth, Nottingham Forest, Leeds United and Southampton.



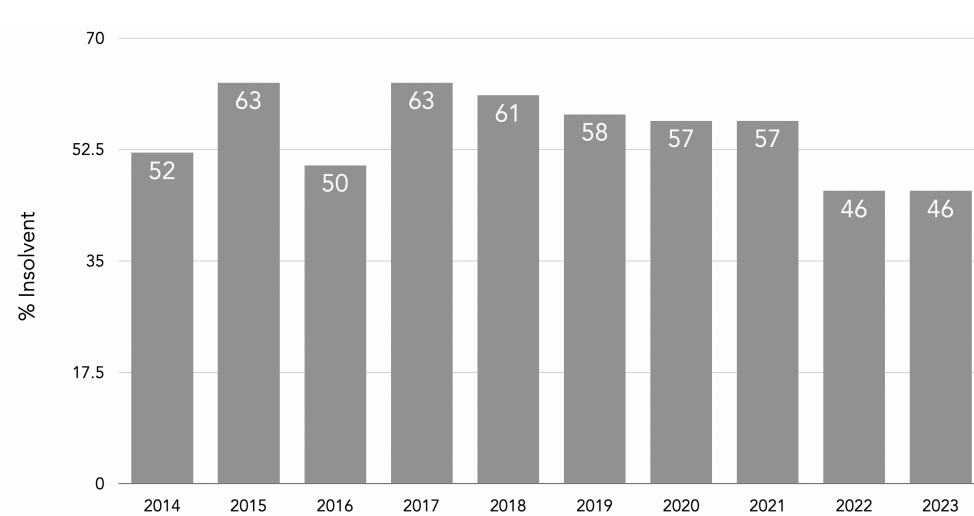
The Championship: technical insolvency



League One: technical insolvency



League Two: technical insolvency



In the 2022/23 season, the level of technical insolvencies in the Premier League and the Championship was the second highest in the last 10 years.

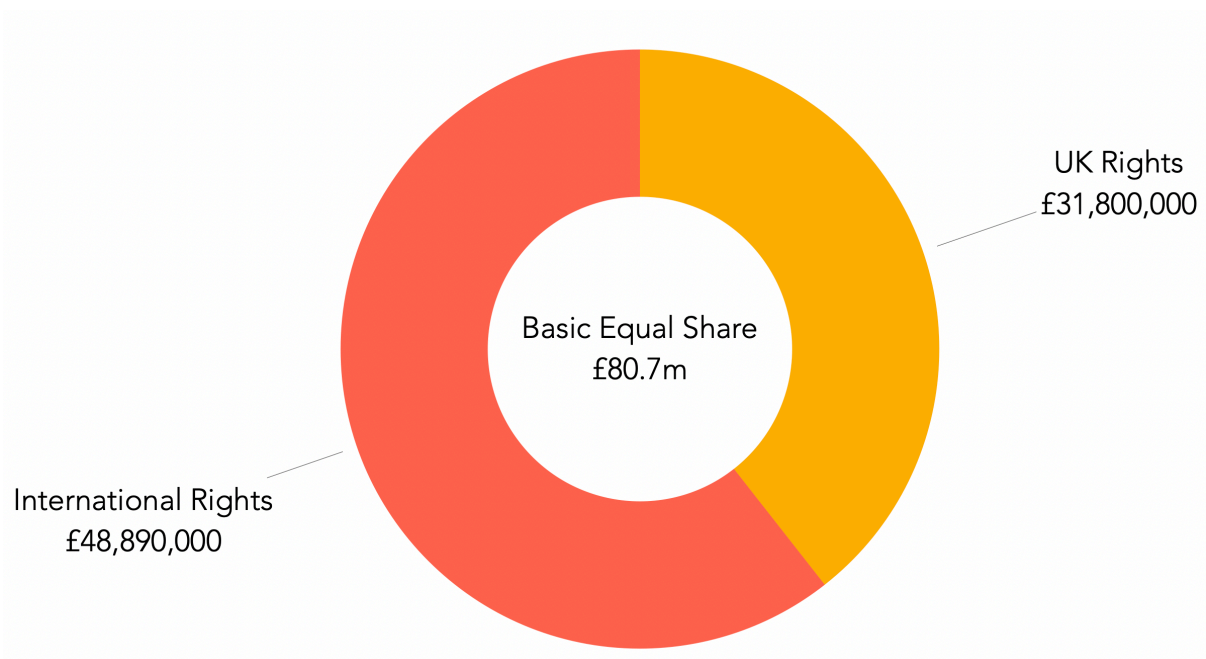
In short, the football authorities have failed to get a grip on how the game is run. And the Premier League and the Championship are setting a bad example.

h) Parachute payments

Parachute and solidarity payments are given out directly by the Premier League to EFL Clubs.

- **Parachute** payments go to clubs that have been relegated from the Premier League in the last three years.
- **Solidarity** payments go to every other EFL club not in receipt of parachute payments.

Parachute and solidarity payments are a set percentage of the “Basic Equal Share” given to Premier League clubs. The Basic Equal Share is calculated as a percentage of domestic and international broadcast rights. For the 21/22 season, the Basic Equal Share was:



Premier League Clubs also get **merit** payments (for league position) and **facility fees** (for their matches being broadcast).

The percentage of the Basic Equal Share given to clubs each year is as follows:

Parachute payments

55% - to clubs in the first year in the Championship after being relegated.

45% - to clubs in the second year in the EFL after being relegated from the Premier League.

20% - to clubs in the third year in the EFL after being relegated from the Premier League.

The importance of parachute payments is growing. In each of the last five seasons, two of the three promoted clubs were in receipt of parachute payments. In the eleven seasons before that, only ten parachute payment clubs were promoted. In the most recent season, 23/24, the champions plus four of the other clubs in the top six were in receipt of parachute payments.

In total there have been 13 'parachute payment' clubs on 19 occasions which have been promoted back to the Premier League. These clubs are:

- Aston Villa (18/19)
- Birmingham City (08/09)
- Bournemouth (21/22)
- Burnley (15/16, 22/23)
- Fulham (19/20, 21/22)
- Hull City (12/13, 15/16)
- Leicester City (23/24)
- Newcastle United (09/10, 16/17)
- Norwich City (14/15, 20/21)
- Queens Park Rangers (13/14)
- Sheffield United (22/23)
- Watford (20/21)
- West Bromwich Albion (09/10, 19/20)

Notably, *all* the teams in the 2023/24 play-offs were in receipt of parachute payments.

This is perhaps not a surprise given the huge financial advantage clubs in receipt of parachute payments in the Championship have over their peers.

Remember; for every £1000 an average Premier League club gets in terms of revenue (this include facility payments for being shown live on TV

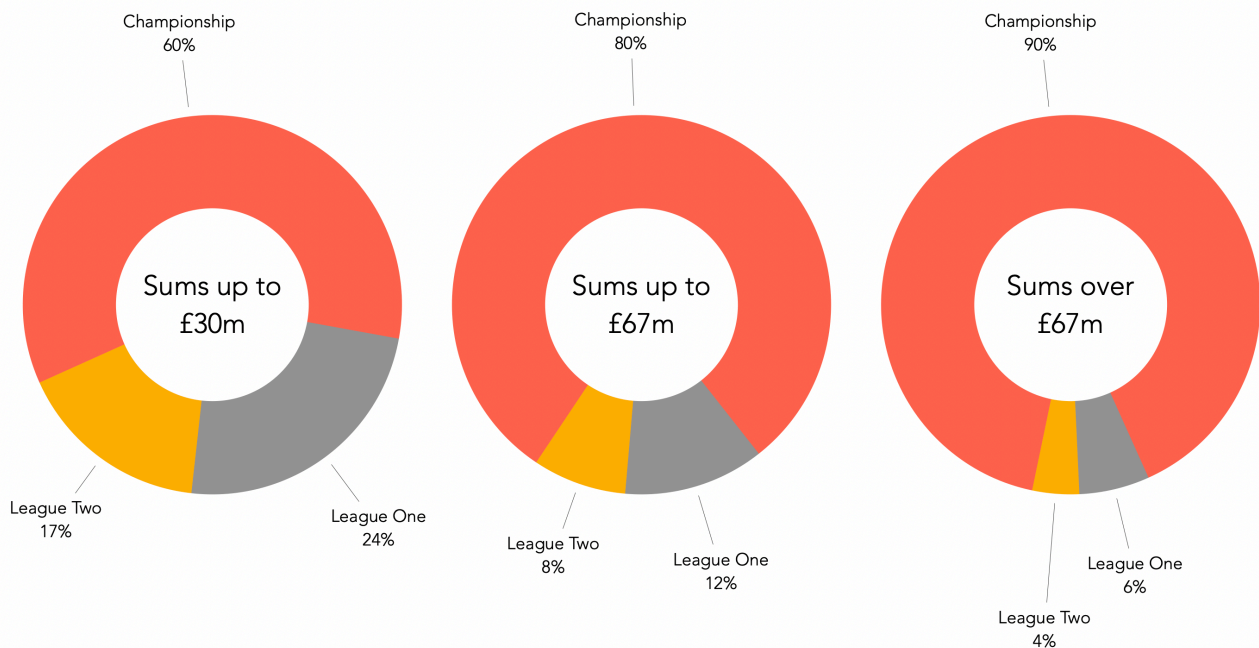
Championship club in receipt of first year parachute payments	Championship club in receipt of second year parachute payments	Championship club not in receipt of parachute payments
£313.27	£256.37	£34.17

This means that a relegated club gets over **9x** the amount given to a club in the same division not receiving parachute payments.

i) EFL's Divisional Allocations

The EFL's articles of association spell out clearly how any funds in its central Pool Account should be allocated. It strongly favours the clubs in the Championship.

Payments from the Pool Account in respect of any season are allocated to each Division in accordance with the following provisions:



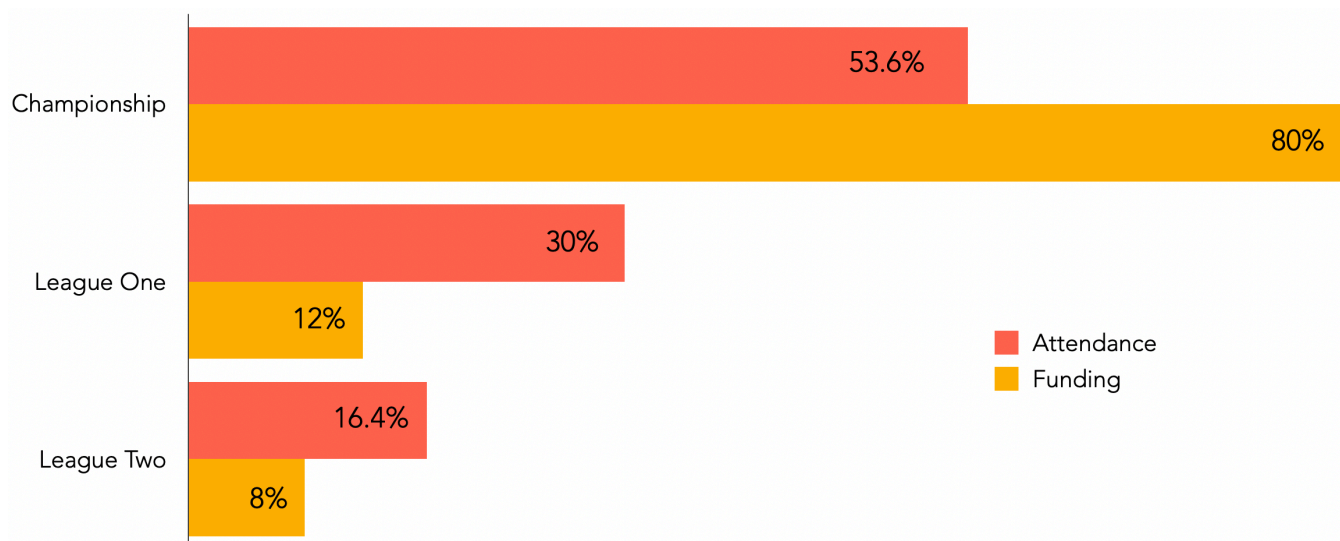
Solidarity payments

Solidarity payments are given to EFL clubs by the Premier League. The payments depend on what division the club is in, and are based on a percentage of the Basic Equal Share given to a Premier League club each year (currently the **£80.7m** as stated above).

The percentage breakdown is as follows: **6%** to clubs in the Championship not in receipt of Parachute Payments, **0.9%** to clubs in League One not in receipt of Parachute Payments, and **0.6%** to clubs in League Two.

Divisional attendances

These splits, however, don't reflect the divisional attendances, and weigh heavily against teams in the lower two divisions. In 2022/23, 847,858 people attended matches in the EFL.



In short, when it comes to solidarity payments (which also reflects the EFL's middle-band distribution model), **League One gets only 40%** of what it should receive if finances were dealt out proportionately according to attendances, while **League Two receives only 49%**.

j) Voting structures

The voting structures of England's two main football leagues are stacked heavily against meaningful reform.

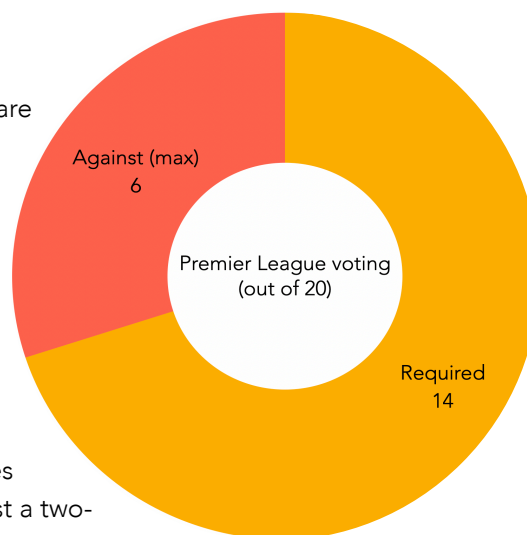
The Premier League

The Premier League is a private company limited by shares and is wholly owned by its 20 Member Clubs who make up the League at any one time.

Clubs have the opportunity to propose new rules or amendments at shareholder meetings.

Each Member Club is entitled to one vote and all rule changes and major commercial contracts require the support of at least a two-thirds vote, or 14 clubs, to be agreed.

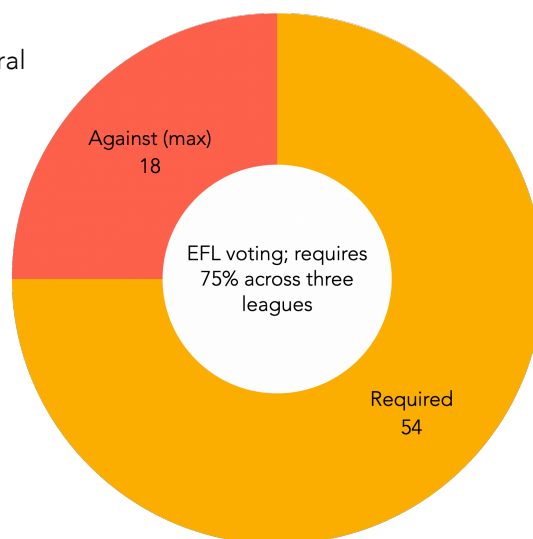
Under current rules, seven clubs qualify for one of UEFA's European competitions, and in effect **these seven have a blocking vote on any changes**.



The EFL

The EFL's articles of association stipulate how the central pot of money from the broadcasting deal is divided.

A change of the articles of association, as per company law, requires the approval of shareholders holding at least 75% of the voting rights clubs to vote for it. As each EFL club holds one share (and therefore one vote) this means that 19 clubs are able to block any change. There are 24 clubs in the Championship and so they, if voting largely in unison, can block any change.



k) Conclusion

Every indicator points to a growing divide within and between divisions. To progress, there is only one answer - to overspend. The consequence is technical insolvency.

In any other sector such high levels of financial mismanagement would not be tolerated. Yet, the only bodies that the Bill considers capable of turning it around are the very same bodies that have overseen a chasm growing within the football pyramid.

The failed financial flow is the number 1 cause of the problems within the game and the only sensible solution is to ensure the regulator has the power to have strong controls over how the money is distributed.

This means enhancing the powers of the Bill's proposed 'Independent Panel of Experts', and giving the Panel the power to set parameters that financial proposals (including broadcast deals and parachute and solidarity payments) must meet.

These parameters must include measures to close the growing financial gaps, rewarding clubs that are financially sustainable, and supporting community and grassroots initiatives.

The Independent Regulator must also have the power to impose a deal if these parameters are not met.

With grateful thanks to the following for their support:



To obtain more background to the proposed amendments, or for any other detail, data or insight about football finance, please contact:

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