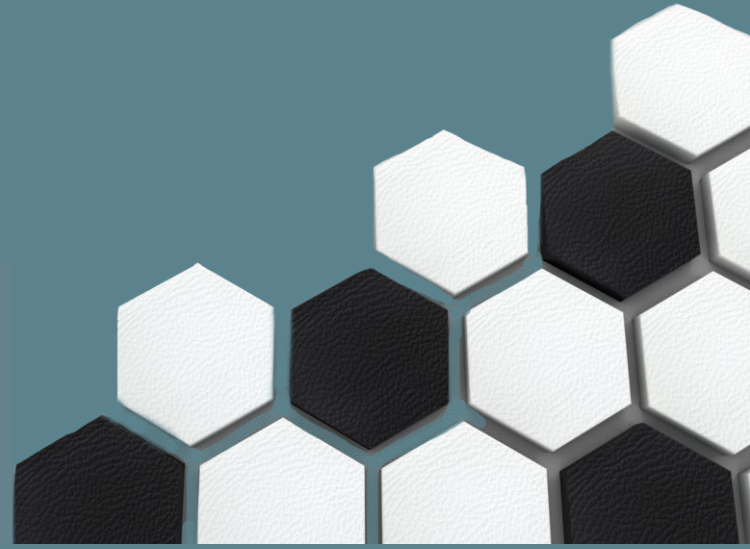




Department
for Culture,
Media & Sport

Shadow Football Regulator

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Interim Chief Operating Officer



The story so far: the case for regulation

Fragility of the football pyramid, with many clubs facing financial distress

Detrimental impact on fans and local communities when clubs go into administration

Failed attempt to join a breakaway European Super League

Football Governance Bill introduced to Parliament



Football Regulator: key aims

- Ensure men's football in England is sustainable and resilient for the benefit of the fans and local communities
- Address systemic financial issues in football while providing certainty and sustainability required to drive future investment and growth
- Give fans a voice in the running of their clubs by setting a minimum standard of fan engagement
- Safeguard the heritage of English football, such as through regulation around the selling of stadia and the protection of club colours



Functions of the Football Regulator

The IFR will operate a licensing system where it is intended all clubs in the top five tiers of men's English football will require a licence to operate. Licensed clubs will need to meet conditions, including on:

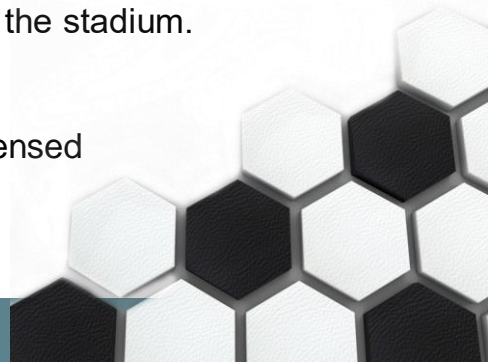
Fan Engagement: Giving fans a stronger voice in the running of their clubs by setting a minimum standard of fan engagement.

Owners' and Directors' Tests: Introducing stronger, statutory tests to make sure a club's custodians are suitable and protect fans from irresponsible owners.

Football Club Corporate Governance Code: Clubs will be required to report on corporate governance, setting out how they are applying the Code.

Heritage: Clubs will need to seek the Regulator's approval for any sale or relocation of the stadium. It will also need to seek approval for the changing of club colours or emblems.

Breakaway leagues: Powers to prevent English clubs from joining breakaway or unlicensed leagues.

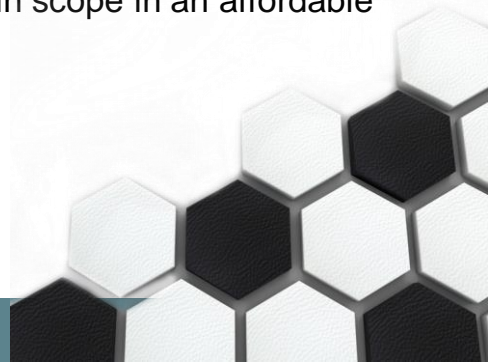


Funding of the Football Regulator

The cost of regulation will be covered by the industry through a levy on licensed clubs, and will be set out in the Regulator's annual accounts.

How will it work?

- The regulator has a statutory requirement to take into account a club's financial resources. As such, the levy payments will not be equally divided among the 116 clubs in scope.
- A proportionately designed levy ensures payments are divided among the clubs in scope in an affordable manner.
- The precise details of the levy will be determined independently by the regulator



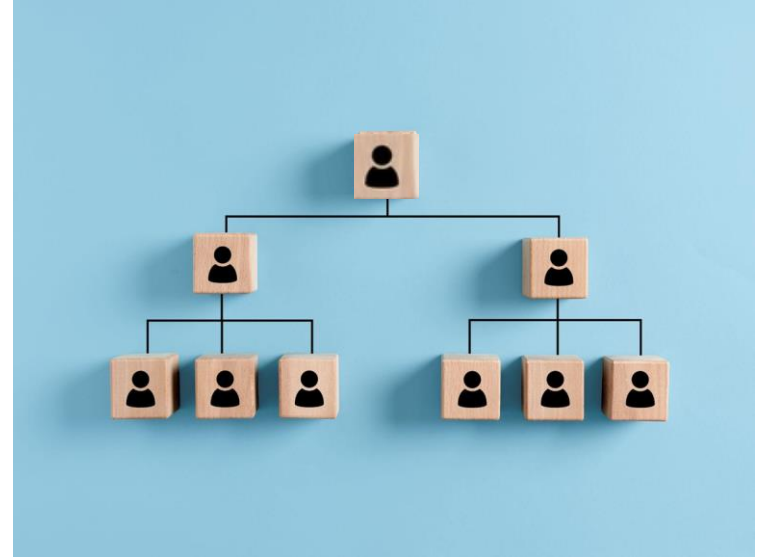
Shadow Football Regulator

The Shadow Regulator is laying the foundations to deliver a world class regulatory regime through building an agile, skilled and efficient organisation

In the current financial year, the Shadow Regulator's workforce will grow to around 50 roles.

Its activities fall into three core functions:

- Corporate set-up
- Strategy, governance and design
- Policy and guidance



Thank you