

Is there a place for the statutory Independent Football Regulator in governing club finances or are the present regulations set by the Premier League and English Football League sufficient?

*Sport has the power to change the world. It has the power to inspire.
It has the power to unite people in a way that little else does.*
— Nelson Mandela, Laureus World Sports Awards (25th May, 2000)

Public confidence in English football governance is at a crossroads. A YouGov poll conducted just over a year ago revealed that 80% of fans support the introduction of an independent regulator.¹ The 2021 Fan-Led Review reflected a consensus among fans, clubs, and politicians on the need for change.² The Football Governance Bill 2024 responds to this demand, proposing the establishment of an Independent Football Regulator (IFR) with statutory powers to oversee licensing, fan engagement, club ownership, and financial distribution. This marks a departure from the entrenched model of self-regulation historically exercised by the Premier League and the English Football League (EFL).

While the consensus around the need for reform is growing, the complex question is how the IFR will function in practice. This essay argues that the IFR represents a necessary legal and institutional safeguard that addresses long-standing regulatory failures. First, it introduces structural independence and statutory accountability absent under the existing regime. Second, it empowers pre-emptive oversight mechanisms that can prevent crises like the collapse of Bury FC. Third, it embeds principles of the rule of law and human rights into football governance. Yet the IFR's legitimacy and long-term success will depend on its ability to act proportionately, avoid regulatory overreach, and secure meaningful participation from clubs and supporters alike.

¹ YouGov, 'Eight in Ten Football Fans Back an Independent Regulator' (*YouGov*, 14 November 2023) <https://business.yougov.com/content/47883-eight-in-ten-football-fans-back-an-independent-regulator> accessed 28 March 2025.

² Tracey Crouch, *Independent Fan-Led Review of Football Governance: Final Report* (Department for Digital, Culture, Media and Sport 2021)

The Failure of Self-Regulation

The collapse of financial self-regulation in English football is well-established. The current framework, driven by the Premier League and EFL, has persistently failed to uphold financial discipline. It is illustrated by a string of high-profile regulatory breakdowns. Manchester City's successful appeal against Financial Fair Play sanctions exposed enforcement fragility.³ Chelsea's transfer ban case showed Premier League's passivity in protecting competition integrity.⁴ Derby County's 2021 financial collapse, following breaches of EFL accounting rules, demonstrated the lack of intervention at the lower tiers of the football pyramid.⁵ These are the examples of a system failure.

This regulatory dysfunction is further underscored by Manchester City's arbitration against the Premier League's Associated Party Transaction rules, alleging anti-competitive conduct.⁶ Such cases reveal a lack of structural independence, with leagues effectively policing themselves while advancing commercial interests.

While Premier League has expressed concerns that statutory powers may hinder investment and competitive performance, historical precedent suggests otherwise.⁷ For example, the establishment of the Gambling Commission under the Gambling Act 2005 facilitated the growth of online betting by ensuring a transparent framework.⁸ Similarly, effective financial

³ *Manchester City Football Club v Union of European Football Associations (UEFA)* (CAS 2020/A/6785, Award of 13 July 2020) Court of Arbitration for Sport

⁴ *Chelsea Football Club Ltd v Fédération Internationale de Football Association (FIFA)* (CAS 2019/A/6311, Award of 6 December 2019) Court of Arbitration for Sport.

⁵ English Football League, 'Derby County: EFL Statement' (24 June 2021) <https://www.efl.com/news/2021/june/-derby-county/> accessed 28 March 2025.

⁶ BBC Sport, 'Manchester City Launch Unprecedented Legal Action Against Premier League' (*BBC Sport*, 7 June 2024) <https://www.bbc.co.uk/sport/football/articles/cvgpzmj83ljo> accessed 17.03.2025.

⁷ Associated Press, 'Premier League Faces New Oversight as UK Introduces Independent Regulator for Soccer' (AP News, 23 March 2023) <https://apnews.com/article/premier-league-regulator-26eb1b75856ca87ae816df775073cc08> accessed 30 March 2025.

⁸ Gaspar Incze, 'The Growth of the UK Gambling Market' (CMS Law, 27 August 2021) <https://cms.law/en/gbr/publication/the-growth-of-the-uk-gambling-market> accessed 30 March 2025.

oversight and the protection of club heritage through the IFR can foster responsible investment and ultimately support the sustainable growth of English football.

The Regulator as a Preemptive Safeguard

Derby County's collapse underscores that the EFL's regulatory approach is reactive, lacking early intervention capacity.⁹ The Football Governance Bill directly addresses this shortfall, by empowering IFR to demand detailed financial records.¹⁰ It may also impose sanctions for non-compliance.¹¹ The IFR is uniquely positioned to detect financial mismanagement at an early stage and offer clubs an opportunity to rectify issues before they escalate.

This 'pre-emptive action' model mirrors practices in other regulatory domains. The Bank of England, made independent by the 1998 Act, helped stabilise the economy during the 2008 financial crisis.¹²

Further IFR's powers include mandatory financial health reporting and prior approval for high-impact decisions such as stadium sales.¹³ Clubs must notify the IFR of any significant changes.¹⁴ Though The Premier League and the EFL historically held similar powers, their inconsistent use of oversight undermined accountability.¹⁵ The collapse of Bury FC, following prolonged financial mismanagement and inadequate intervention by the EFL, exemplifies such risks.¹⁶ The statutory IFR, backed by law, could become a proactive force capable of preventing the financial collapse of clubs.

⁹ English Football League, 'EFL v DCFC: Agreed Decision' (15 November 2021).

¹⁰ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 65.

¹¹ Football Governance Bill [HL] 2024–25, HL Bill 15, pt 8.

¹² Richard Partington, "Let's not forget the pain of the 2008 crisis in pursuit of growth," warns Andrew Bailey' *The Guardian* (London, 11 February 2025) <https://www.theguardian.com/business/2025/feb/11/andrew-bailey-warns-against-watering-down-city-regulations-in-pursuit-of-growth> accessed 28 March 2025.

¹³ Football Governance Bill [HL] 2024–25, HL Bill 15, sch 5; cl 33(1); cl 50(1).

¹⁴ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 27(1).

¹⁵ Premier League, Premier League Handbook 2024/25, E.3; English Football League, EFL Handbook 2024/2025 (2024), S 16.

¹⁶ Jack Rosser, 'MPs Demand Urgent Reform after "Avoidable Failures" Led to Bury FC Crisis' *Evening Standard* (29 October 2019) <https://www.standard.co.uk/sport/football/mps->

Embedding Rule of Law and Accountability

A key weakness in the current football governance model is the absence of legal authority subject to the rule of law and human rights principles. IFR decisions will be challengeable before the Competition Appeal Tribunal and subject to public law standards of legality, rationality, and fairness.¹⁷

As a public authority, the IFR will be bound by the Human Rights Act 1998. The IFR's investigatory powers, including access to confidential data, entry to premises, and information-sharing, must comply with legal standards of lawfulness, necessity, and proportionality.¹⁸ The IFR's powers to license, sanction, or disqualify club officials must comply with fair trial standards under Article 6. This marks a departure from the current regime, where key disputes are resolved through arbitration mechanisms.¹⁹ Adjudicatory processes may be structurally biased, for example, through the way appointments are made to dispute resolution panels.²⁰

Furthermore, IFR's remit could extend to regulating participation in competitions, as it has the power to deny or revoke licences from clubs engaging in unapproved tournaments.²¹ This step prevents scenarios like the failed 2021 European Super League.²² The CJEU's judgment in *European Super League Company SL v UEFA* demonstrated the challenge of enforcing accountability through private sporting regulators.²³ In contrast, the newly introduced IFR would be better positioned to review these matters to its public authority status.

[demand-urgent-reform-after-avoidable-failures-led-to-bury-fc-crisis-a4278906.html](https://www.theguardian.com/football/2021/apr/20/timeline-the-rise-and-fall-of-the-european-super-league-in-two-days) accessed 28 March 2025.

¹⁷ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 85.

¹⁸ Human Rights Act 1998, s 6.

¹⁹ Premier League, Premier League Handbook 2024/25, rule x.2; English Football League, EFL Handbook 2024/2025 (2024) s 9.

²⁰ Lisa O'Leary, 'Independence and Impartiality of Sports Disputes Resolution in the UK' (2021) 21 International Sports Law Journal 243, 244

²¹ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 45.

²² Marcus Christenson, 'Timeline: European Super League's Rise and Fall – in Two and a Half Days' *The Guardian* (20 April 2021) <https://www.theguardian.com/football/2021/apr/20/timeline-the-rise-and-fall-of-the-european-super-league-in-two-days> accessed 28 March 2025.

²³ *Case C-333/21 European Superleague Company SL v UEFA and FIFA*, paras 75–77.

Regulating Moral Fitness: Club Ownership and the Public Interest

Football clubs are the cultural pillars of local and national identity. The ownership and control of such institutions must reflect standards of integrity. Yet, recent history reveals glaring regulatory failures. One such example is Owen Oyston, the former owner of Blackpool FC, who was convicted of rape and faced criticism for his mismanagement of the club.²⁴

The current system offers no adequate mechanism to prevent individuals with serious criminal convictions or records of financial misconduct from owning clubs.²⁵ In response to this, the Football Governance Bill grants the IFR powers to assess the honesty and integrity of prospective owners, including whether they have been subject to criminal sanctions or have engaged in conduct contrary to public interest.²⁶

In effect, the Bill introduces a form of ‘Clean Hands Doctrine’ into football regulation, ensuring that individuals with histories of dishonesty, regulatory breaches or morally disqualifying behaviour can be disqualified from ownership.²⁷ This is not unprecedented. In charity law, HM Revenue and Customs administers a fit and proper persons test for tax purposes.²⁸ In company law, the Financial Conduct Authority applies a fit and proper test for individuals performing regulated functions in financial firms.²⁹ The same must apply to football, where the reputational and moral stakes are even higher.

Notably, for the first time in English football, the requirement of ‘requisite competence’ in assessing whether officers are fit to hold leadership roles is introduced.³⁰ This marks a vital departure from the past, where the absence of such standards allowed grossly unqualified individuals to assume control of clubs. For example, Steve Dale, who led to the collapse of

²⁴ Ian Burrell, 'Oyston Gets Six Years for Rape' *The Independent* (24 May 1996) <https://www.independent.co.uk/news/oyston-gets-six-years-for-rape-1348681.html> accessed 28 March 2025.

²⁵ Tracey Crouch, *Independent Fan-Led Review of Football Governance: Final Report* (Department for Digital, Culture, Media and Sport 2021) recs 4–5.

²⁶ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 37(2).

²⁷ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 28.

²⁸ Finance Act 2010, sch 6.

²⁹ Financial Services and Markets Act 2000, s 60A.

³⁰ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 26(8)(b).

125-year-old Bury FC, had no previous experience in football.³¹ Empowering the IFR to assess competence, including experience and education, is crucial to ensure clubs are not placed in the hands of those unfit to run them.

The Football Governance Bill notably excludes any requirement for the IFR to consider the UK's foreign or trade policy objectives when assessing club takeovers. Yet English football has already suffered from allowing politically exposed individuals into ownership. For example, Thaksin Shinawatra's purchase of Manchester City, shortly before facing corruption charges in Thailand.³² Roman Abramovich's sanctioned ties to Russia—now at the centre of a £2.7 billion frozen fund dispute—highlight the long-term ethical and reputational risks.³³ How the IFR will approach political affiliations remains an open question, but to be effective, it must consider such ties to prevent future reputational risks.

Reforming Parachute Payments

While parachute payments influence promotion and relegation dynamics, the core problem lies not in their existence, but in their abuse.³⁴ When misused to inflate wage bills rather than manage financial adjustment, they distort competitive balance. The Football Governance Bill's inclusion of parachute payments within the IFR's remit is therefore a significant step forward.

³¹ Paul MacInnes, 'Bury Heading for Liquidation after Owner Steve Dale Defaults on Payments' *The Guardian* (14 February 2020) <https://www.theguardian.com/football/2020/feb/14/bury-heading-for-liquidation-after-owner-steve-dale-defaults-on-payments-cva-debts> accessed 28 March 2025.

³² David Conn, 'Shinawatra Completes £81.6m Takeover of Manchester City' *The Guardian* (21 June 2007) <https://www.theguardian.com/business/2007/jun/21/football> accessed 28 March 2025.

³³ Pippa Crerar and Dan Sabbagh, 'UK May Fight Abramovich in Court to Get £2bn from Chelsea FC Sale for Ukraine' *The Guardian* (6 March 2025) <https://www.theguardian.com/world/2025/mar/06/uk-may-fight-abramovich-in-court-to-get-2bn-from-chelsea-fc-sale-for-ukraine> accessed 28 March 2025.

³⁴ Richard Evans, Nicolas Scelles and Geoff Walters, *The Use and Abuse of Financial Regulation in Professional Team Sports: The Case of Parachute Payments in the English Football Championship* (Birkbeck Sport Business Centre Research Paper Series, Volume 17, Number 1, February 2025)

It is a victory for fans, reform advocates, and the EFL, and strengthens the IFR's ability to ensure fairer financial governance across the football pyramid.

Regulatory Overlap

While the introduction of the IFR promises significant benefits, it also carries the risk of regulatory overreach. The new regime does not replace the existing frameworks established by the Premier League, and the EFL. Clubs are already subject to UEFA's Financial Sustainability Regulations, the Premier League's Profitability and Sustainability Rules, and the EFL's tier-specific financial codes. While Premier League clubs may be equipped with legal and financial teams to navigate this complexity, lower-league clubs might face a disproportionate compliance burden.

One key area of concern is licensing. The clubs will have to obtain a licence from the IFR to participate in core competitions.³⁵ Simultaneously, clubs competing in Europe must meet UEFA licensing requirements under Articles 5–16 of the 2023 Club Licensing Regulations. Many of these requirements overlap—such as those relating to 'financial resources'³⁶ and 'no overdue payables',³⁷ but differ in timing, methodology, and documentary evidence. This creates a risk of duplication.

The challenge arises where clubs satisfy one regime's criteria but fall short under another. If a club obtains UEFA licensing but is denied an IFR licence, it remains unclear how such conflicts will be resolved. This regulatory uncertainty could undermine operational planning and investment, particularly for lower-league clubs on the brink of European qualification. As such, the IFR's success will depend not only on the strength of its provisions, but also on the clarity and harmonisation of its interface with existing governance regimes. The IFR will have to issue clear guidance and harmonise overlapping rules to avoid clubs becoming trapped in a regulatory 'no-man's land'.

The Role of Fans

The Football Governance Bill is explicitly framed around protecting fans, who are at the heart of English football. To obtain a licence, clubs must satisfy certain conditions, including a duty

³⁵ Football Governance Bill [HL] 2024–25, HL Bill 15, cl 15.

³⁶ Football Governance Bill [HL] 2024–25, HL Bill 15, sch 4.

³⁷ UEFA, *Club Licensing and Financial Sustainability Regulations* (2023) arts 70–73.

to regularly consult individuals elected to represent supporters.³⁸ This duty spans key areas, such as strategic direction and objectives, business priorities, club heritage. In theory, this marks a democratising shift in governance.

However, depth of fan involvement remains unclear, especially in financial governance, regulatory compliance, and club ownership. Will the IFR require consultation on financial restructuring, ownership changes, or compliance plans? Without clarity on these matters, the risk is that fan consultation becomes a procedural formality rather than a meaningful check on club decision-making. To truly restore supporter trust, the IFR must ensure meaningful fan involvement in financial governance and broader decision-making processes.

Conclusion

Currently progressing through the House of Commons, the Football Governance Bill is expected to become law later this year. At its best, the IFR can transform football from a self-regulated, commercially driven ecosystem into one that is transparent, accountable, and rooted in the public interest.

Yet legislation alone cannot guarantee success. The IFR must navigate complex regulatory overlaps, avoid bureaucratic overreach, and ensure that its interventions are both principled and proportionate. Its legitimacy will depend not only on statutory powers, but on its responsiveness to the values, traditions, and communities that define English football.

³⁸ Football Governance Bill [HL] 2024–25, HL Bill 15, sch 5 para 1(c).