

The background of the entire page is a photograph of a large, dense crowd of football fans at a stadium. Many fans are wearing team colors and have their arms raised in celebration. In the foreground, a hand is shown holding a red card, which is a symbol of a foul or misconduct in football. The hand is positioned in the lower-left quadrant, and the red card is held vertically, partially overlapping the crowd. A large, semi-transparent red circle is overlaid on the upper-left portion of the image, containing the title and author information.

IEA Current Controversies No.84

# RED CARD

Why English football doesn't need  
an independent regulator

J R Shackleton and Victoria Hewson  
March 2022

IEA Current Controversies papers are designed to promote discussion of economic issues and the role of markets in solving economic and social problems. As with all IEA publications, the views expressed are those of the author and not those of the Institute (which has no corporate view), its managing trustees, Academic Advisory Council, or other senior staff.

# Contents

About the authors	4
Summary	6
Introduction	8
Background	10
Why a 'Fan Led' review?	14
Why a regulator?	18
The case against an independent regulator	28
The Review's other recommendations	33
Conclusions	45
Postscript: Chelsea FC	48
References	51



**J R Shackleton** is Professor of Economics at the University of Buckingham, and Research and Editorial Fellow at the Institute of Economic Affairs. Len Shackleton was educated at King's College Cambridge and the School of Oriental and African Studies. He has run two business schools and worked as an economist in the UK Civil Service. Len has published widely in academic and policy journals on labour market issues and is a regular contributor to written and broadcast media. He has authored or edited twelve books and edits *Economic Affairs*, the academic journal published by the IEA and the University of Buckingham.

**Victoria Hewson** is Head of Regulatory Affairs at the Institute of Economic Affairs. A practising solicitor, she has specialised in commercial technology and data protection matters across a range of sectors. In the Regulatory Affairs Programme she focuses on regulation and the role of regulators in the UK. Victoria's papers for the IEA include *Rules Britannia*, an examination of regulatory reform initiatives, and profiles of The Information Commissioner's Office, the Financial Ombudsman Service and The Climate Change Committee. She has also published work on trade policy, including *Under Control – What HMRC can do to prepare and optimise customs processes for all outcomes* and *Freedom to Flourish – UK regulatory autonomy, recognition, and a productive economy*. She writes regularly for *The Telegraph* and *CityAM* and appears on television and radio to discuss trade and regulatory policy.

# Summary

- The Fan Led Review of Football Governance calls for major changes in the way English football is run, with the government imposing an independent regulator (IREF). The government has indicated support for an IREF.
- There is tension between the legal and commercial reality of football clubs as private businesses, and the way many fans understand the club they support as a more intangible community that ‘belongs’ to them. Private legal owners sometimes take actions that conflict with the wishes of these fans.
- The Review proposes to address this by way of a formal, state-mandated regulatory system. But rather than protecting the equity stake and preferences of fans in the face of the commercial interests of private ownership, this may substitute the preferences of technocrats and drive out investment from the game.
- Regulating an industry imposes many costs, including compliance costs and disincentives to investment and innovation. It hasn’t protected industries such as energy, water and financial services from regular problems and occasional crises.
- The Review’s concern that football is inherently financially unstable ignores a history which shows very few clubs closing permanently. This industry is almost unique in that most businesses in operation a hundred years ago are still around today.
- The Review recommends that, in addition to the creation of a regulator, the government should mandate a package of measures for an IREF to implement. Several involve substantial new restrictions on private property rights which may be challenged in the courts and could give

rise to substantial compensation claims. If upheld, such measures could deter future investment in football and in the wider UK economy.

- The ability and incentives for new owners to enter football and invest in clubs are crucial. Such investment enables movement up leagues, helps clubs remain competitive, and makes possible development of grounds and facilities.
- As well as undermining property rights and disincentivising investment, the recommendation to give supporter organisations a veto on club decisions raises questions about the representativeness of these bodies in a globalised football environment where fanbases of large clubs are no longer simply local.
- Enhanced checks on potential owners and directors, and mandatory training and qualification for these roles, plus requirements for detailed business plans and equality, diversity and inclusion programmes, will be costly and are particularly likely to deter investors and volunteer workers in smaller clubs.
- The Review does not attempt a cost-benefit analysis; there is only an assertion of the benefits to be obtained from an IREF. The government should not have rushed to endorse the Review's findings without better evidence of the claimed benefits and consideration of the associated costs.

# Introduction

English professional football is a significant industry with revenues running into many billions of pounds and interest on a worldwide scale – albeit one operating in an unusual manner.

Politicians have increasingly taken an interest, often feeling compelled to claim implausible allegiance to a particular club though rarely if ever attending its games. In recent years they have reacted to concerns from football supporters about issues such as foreign ownership of clubs and the financial fragility of many long-established teams (Woodhouse, 2021). One result was the Conservative promise at the last election to set up a review of the way the game is run, drawing on the perceptions and wishes of football supporters.

The review was duly set up under former Sports Minister Tracey Crouch MP. The *Fan Led Review of Football Governance* (Crouch, 2021) was published in November. It calls for an Independent Regulator for English Football (IREF) to be imposed by legislation. The government has indicated<sup>1</sup> it will support this proposal.

The Review also lists specific recommendations an IREF should implement. These include a fan-held ‘Golden Share’, enhanced Owners and Directors’ Tests, new board structures, increased redistribution of TV money and a transfer levy. These recommendations, we are told<sup>2</sup>, must be implemented as a package rather than being a menu from which to select. If the government goes ahead with legislating for an IREF it could find it has

---

1 Nadine Dorries, the Cultural Secretary, endorsed an IREF in principle in a ministerial statement on 25 November 2021. See also HM Government (2022a) p. 252.  
2 ‘It is important to stress that the recommendations should be considered holistically and not as a set of individual options from which football can cherry pick’ (Crouch, p.9).



endorsed a number of detailed proposals, some of which, we argue, need closer scrutiny.

We examine the case for and against government intervention to impose a regulator. We do so by considering not only the particular and peculiar features of the football industry and its perceived problems, but also general principles underlying government regulation of any economic activity in a free society. The potential pitfalls of having a regulator are also outlined.

We then look in detail at the Review's specific proposals about how football should be regulated. These proposals do not seem to have been fully thought through and could face costly legal challenges.

We conclude that the government should not have rushed to endorse the Review's findings without better evidence of the claimed benefits and consideration of the associated costs.

# Background

Organised football has a long history in England<sup>3</sup>. From the earliest days, teams have had to cooperate to produce regular fixtures and agree rules and procedures, a classic example of the emergence of self-regulation in a period before the state was expected to involve itself in most aspects of people's lives.

The Football Association, still responsible for playing rules, licensing of teams, registration and disciplining of players and organising international teams and various domestic cup competitions, dates back to 1863 (Walvin, 1994). The Football League began in 1888 and, despite the partial breakaway of the Premier League in 1992, endures as the English Football League (EFL) today.

The Premier League remains linked to the EFL by a system of promotion and relegation, through continued participation in competitions such as the FA Cup and the Football League Cup, and various forms of financial support. The EFL in turn is linked to the National League and a host of semi-professional regional competitions forming a pyramid. In principle a club can start right at the bottom of this pyramid and progress, through promotion, to the heights of the full-time game.

The English game is nowadays also subject to FIFA (Fédération Internationale de Football Association, founded 1904) and UEFA (Union of European Football Associations, founded 1954) jurisdiction. UEFA is particularly significant as it runs the lucrative Champions League.

---

3 The game has been separately organised and administered in Scotland, Wales and Northern Ireland, which have their own leagues and representative teams in international tournaments. The Review concentrates on England, although there are said to be lessons for other home nations.

This complex system of self-regulation has grown up over more than a century and a half. The state has never been directly involved in the regulation of the game: indeed, FIFA's rules prohibit government direction of the sport.

However, particular issues have from time to time required government intervention. Most obviously, safety concerns following the Heysel and Hillsborough disasters of the 1980s led to the creation of the Football Licensing Authority (later the Sports Grounds Safety Authority) to ensure stadia are safe for spectators.

Furthermore, various court decisions have had a considerable impact on football. Examples include the 1963 case of Eastham versus Newcastle United<sup>4</sup> (the High Court ruled illegal the archaic 'retain and transfer' system tying players to clubs indefinitely) and the European Court of Justice's 1995 Bosman ruling<sup>5</sup> allowing players to move at the end of their contracts without a fee. Then there were the 1998 attempt of the Office of Fair Trading to seek to prohibit the collective selling of football rights to TV companies (Veljanowski, 2000) and the OFT's more successful action on price-fixing of replica shirts<sup>6</sup>.

Governments and Parliamentarians have also from time to time taken a more general interest. The first major review of football was undertaken by Norman (later Sir Norman) Chester (1968) on behalf of the Department of Education and Science. The report produced interesting information on football at a time when there was little systematic collection of data on the finance and governance of clubs. But Chester and his colleagues did not see a significant role for government intervention: their recommendations were mainly for the football authorities to act on if they wished.

---

4 [https://ebrary.net/125684/law/challenging\\_transfer\\_system\\_george\\_eastham](https://ebrary.net/125684/law/challenging_transfer_system_george_eastham)

5 <https://www.thelegalside.co.uk/post/how-the-cjeu-s-bosman-ruling-changed-football>

6 <https://www.gov.uk/cma-cases/replica-football-kit-price-fixing>

More than half a century after Chester reported, the game has changed considerably. Attendances have greatly increased, there are new sources of revenue such as satellite TV, sponsorship and European competition, players' earnings and transfer fees have reached unprecedented levels and club ownership at the top end of the game looks very different<sup>7</sup>.

There has been an accompanying explosion of academic and business analysis of football's economics. This has given rise to sharp differences of opinion about the future of the game, the formation of new pressure groups such as the Football Supporters' Association - and increased government scrutiny.

### ***Growing scrutiny***

For example, on coming into office in 1997, Labour set up a Football Task Force under Conservative ex-minister David Mellor. This produced several reports and had some achievements, such as securing a Premier League donation of television money to lower-level football. But when wound up at the end of 1999 it had reached no real agreement on major issues such as the governance of the sport.

Politicians' interest in football governance did not go away; a major report was published by the Culture, Media and Sports Committee in 2011. One of its recommendations was a reform (subsequently implemented<sup>8</sup>) of the Board and Council of the Football Association to improve diversity and simplify decision-making. Another report came from the then Department for Culture, Media and Sport (2015) on Football Supporters and Ownership. The House of Lords has also weighed in with examination of racism in football and a critical view of betting sponsorship<sup>9</sup>.

Against this background of cross-party concern, both the Labour and Conservative Parties went into the 2019 election with football pledges.

- 
- 7 It is, however, possible to exaggerate the extent of the game's significance: the Review arguably does so. Despite football's high visibility, the number of individual people attending a match in a year is probably less than those attending a theatre or concert performance in the same period. Moreover, although in total football is a sizeable industry, all but a handful of the individual businesses making up the football ecology can be classified as SMEs, employing less (often considerably less) than 250 people.
  - 8 Although not until 2017. <https://www.thefa.com/news/2017/may/18/fa-governance-reforms-180517>
  - 9 Gambling in football: Betting sponsorship on shirts should be banned – Lords Report. BBC website 2 July 2020. <https://www.bbc.co.uk/sport/football/53261364>

Jeremy Corbyn had a list of proposals<sup>10</sup>, including supporter representation on boards and a levy of 5% of Premier League TV rights to support grass-roots football, while the Conservatives promised a Fan Led Review of football governance.

Following the general election there was some delay in announcing the Review, unsurprisingly given Covid-19, but in April 2021 the Secretary of State for Digital, Culture and Media announced its launch. Oliver Dowden told the Commons that developments such as the proposed European Super League (see later) left him ‘no choice’ but to trigger the Review. His position was overtly populist. Clubs had put ‘money before fans’, while ‘we are the People’s government. We are unequivocally on the side of fans’<sup>11</sup>.

This statement was an unusually strong statement for a government to make before seeing the outcome of a publicly-funded report.

---

<sup>10</sup> <https://labour.org.uk/press/corbyn-football-clubs-important-left-hands-bad-owners/>

<sup>11</sup> <https://hansard.parliament.uk/commons/2021-04-19/debates/A5981B60-CFE0-4758-BE91-B43DDFDE6EB6/EuropeanFootballProposal>

## Why a 'Fan Led' review?

There is a tension between the *de facto* and *de jure* structure of football clubs as private businesses, and the way many fans understand the club that they support as a more intangible community that 'belongs' to them and to which they belong.

Most of the time, there is no immediate conflict between the legal and commercial reality and the worldview of the committed, local fan who sees their emotional investment as giving them a stake in the club. But sometimes the interests of owners and fans (and in particular, this class of highly emotionally invested fans) can diverge, most notably in recent times with the proposed European Super League (discussed below).

There have long been calls for owners and administrators of the game to better reflect the interests of fans and to ensure that the common 'heritage' of football as an institution is not lost in pursuit of short-term commercial priorities.

Even so, that the government should appoint a 'Fan Led' review, let alone accept its recommendations, seems odd. While consumer interests are rightly taken into account by government enquiries, they are weighed against other interests. To give consumers - or rather a particularly vocal and organised section of consumers - the dominant voice in determining legislation is unusual. It is rather like giving railway enthusiasts a determining influence on train services and timetables.

The assumption would have to be that football's 'consumers' have a commitment which gives them rights beyond those consuming breakfast cereals, vacuum cleaners or streaming services. The intellectual buttressing of this position involves a variant of stakeholder theory, the idea that business success and ethical legitimacy depend on recognising the

---

interests not only of shareholders, but of all those who contribute to the business or are affected by its activities<sup>12</sup>.

In this variant, a specific form of ‘stake’ in the business is provided by what is sometimes called ‘fan equity’, where the loyalty of a football club’s dedicated supporters is a key element in a club’s success. Hamil (1999, pp. 29-30) writes

The core component of the ‘fan equity’ phenomenon is the opportunity it offers to supporters to engage in solidaristic behaviour with other fans with whom they share a common identity. Not only is it about a shared solidarity with those who support your team, crucially it also incorporates a competitive relationship with those who don’t. The football club is the vehicle for this ‘shared’ experience, for this ‘community’ of interest. Its essence is the collective and not the individual.

This semi-mystical rendering of the experience of football supporters may strike a chord with many, but it is a contestable political position. In reality fans are not a homogenous group and may have different views about how football should be organised and delivered. The Review itself seems conflicted between the corporeal and incorporeal vision of football clubs – both calling for the professional game to be regulated as an industry equivalent to banking, and for the intangible equity stakes of the fans and the English (and some Welsh<sup>13</sup>) people as a whole to be protected.

### ***But who are the fans?***

Two demands of organised fans such as those affiliated to the Football Supporters Association are mentioned in the Review: ‘safe standing’<sup>14</sup> and the ability to drink alcohol in sight of the playing area. These are reasonable demands, which would bring football back into line with other spectator sports. Yet they are mainly the demands of younger male supporters, rather than those of older supporters or families with children (Purves et al. 2021).

---

12 Stakeholder theory, systematised by Freeman (1984), is favoured by the social democratic left and many on the centre-right. For a robust critique, see Mansell (2013).

13 Three Welsh teams play in the EFL; two others play lower in the English pyramid.

14 [Safe Standing - Football Supporters' Association \(thefsa.org.uk\)](https://thefsa.org.uk)

Another difference is between supporters who can attend every game (a third of those in the online survey run by the Crouch Review attend more than 20 games a season) and those whose location or personal circumstances mean attendance is necessarily less regular. They may have different attitudes to the pricing and availability of tickets.

Moreover the traditional supporter, living locally and part of a defined community, is becoming less typical, given wider social and geographical mobility and the advent of satellite television. The close-knit world of Bury FC (of which, more shortly) and the expansive constituency of Manchester United fans are very different. Old Trafford is a big ground, but it only holds 73,000 people. United has 170 million social media followers. The club must bear in mind that a large part of its fanbase may visit the ground rarely if ever – but by buying merchandise such as replica shirts, supporting sponsors<sup>15</sup> and paying subscriptions to their dedicated TV channel, they also contribute to the club's success.

Much scorn has been directed at advocates of the European Super League who allegedly distinguished between 'fans of the future' and 'legacy fans'<sup>16</sup>, but there is a serious point that football supporters should not be treated as part of a homogenous group with identical interests.

The composition of the Review panel itself shows some of the difficulties of defining 'fans'. While the members are worthy folk, only one – Kevin Miles, the Chief Executive of the Football Supporters' Association<sup>17</sup> – has a claim to be representative of fandom in general, the people occupying the terraces and stands or watching Match of the Day.

Otherwise we have politician Tracey Crouch, ex-England manager Roy Hodgson, Chief Executive of Everton Denise Barrett-Baxendale, former Chair of the Professional Footballers Association Clarke Carlisle, Dan Jones from Deloitte's Football Finance, Dawn Airey of the FA Women's Super League, David Mahoney of the England and Wales Cricket Board, Godric Smith (director of Cambridge United) and football administrator

---

15 There is little mention of sponsors in the Review, but for top clubs sponsorship income dwarfs matchday revenue. There is no suggestion, however, that sponsors should have a role in football governance.

16 <https://www.football365.com/news/european-super-league-liverpool-manchester-united-legacy-fans>

17 The Football Supporters' Association, resulting from a merger of earlier supporter groups, claims 500,000 members and over 300 affiliated club supporter groups. <https://thefsa.org.uk/about/>



James Tedford. Bringing up the rear is all-purpose politician and journalist (Lord) Danny Finkelstein. Most of these people will spend much of their time at football matches in executive suites; few will pay for themselves or queue for pies and a cup of Bovril.

So the 'Fan Led' review may be something of a misnomer. Perhaps more importantly, for people who are going to demand legislation on behalf of fans, no panel member seems to have experience of industry regulation or the legal training to spot possible dangers in their proposals.

## Why a regulator?

The idea of having a football regulator has been around for more than twenty years amongst both academics (Hamil, 1999) and politicians (Burnham, 2003).

The increasing popularity of this solution to football's supposed problems reflects both the rising ambitions of reformers and their frustration at the slow progress and limited impact of those reforms which have taken place, for instance those to the FA's governance.

### ***General arguments for regulation applied to football***

Football clubs are private commercial entities which normally operate without any government subsidy<sup>18</sup>, and do not have a massive environmental impact or (unlike, say, banks) a significant impact on other businesses. So why do they need an independent regulator?

All businesses are nowadays subject to a welter of regulation on matters such as health and safety and employment practices. But in order for government to impose a specific regulator (as, for instance, in communications, energy supply or water) there is usually reference to a 'market failure' framework.

Economists often argue that markets tend to produce broadly efficient outcomes, where competition minimises costs to the consumer, provides

---

18 In rare circumstances governments have assisted clubs. One example is Bolton Wanderers, in which the government now has a financial stake. The League One club used a Covid-19 measure enabling businesses taking out loans to substitute shares in the company for repayments. This was not a measure specifically aimed at football, however. <https://www.telegraph.co.uk/business/2022/01/26/taxpayers-left-stake-bolton-wanderers-5m-pandemic-loan-turned/>

---

appropriate returns to investors and employees, and generates incentives for innovation.

However, if conditions necessary for markets to work at their best are absent there can be a case for government intervention. There is a range of potential market failures (Bourne, 2019) but of most relevance here would be issues of market power and externalities.

Market power can take two forms. One is where a business is the sole provider of a good, or in cahoots with other major producers, and in the absence of competition can charge very high prices and exploit the consumer. Another possibility is where a business is the sole purchaser (or one of only a very few purchasers) of an input, and can force the price of the input below what it would be with greater competition.

Applying these possibilities to football does not provide a convincing case for an independent regulator. Yes, some Premier League clubs are able to charge very high prices where there is an excess demand for attendance. However, like other businesses which want to maintain and build market share, many clubs make available discounted tickets for some groups of supporters, and it is often possible to obtain cheaper tickets for less popular games such as those in the League Cup and the early rounds of the FA Cup. And it could be argued potential spectators can watch their favourite teams on television, while they also have the option of watching other teams: England has a plethora of professional and semi-professional sides in most areas of the country. There is some evidence that many younger fans in particular follow more than one club<sup>19</sup>, so the monopoly power of clubs may be more limited than is sometimes thought.

The fundamental reason some clubs can charge high prices is that demand exceeds a supply of places which is fixed in the short run by the capacity of stadia, and may not be possible to increase even in the long run because of planning or other restrictions. Football is not alone in this. West End theatres are able to charge very high prices for seats for popular shows, and tickets for concerts by top recording artists are typically on a par. It is unclear what a regulator could do which would improve matters. If lower prices were imposed this would simply exacerbate the problem of excess

---

<sup>19</sup> Study shows 46% of 16-24-Year-Olds in the United Kingdom Support More Than One Football Club. Sport Bible 10 January 2021. <https://iframe.sportbible.com/football/news-pub-talk-reactions-study-shows-46-of-16-24-year-olds-support-more-than-one-club-20210110>

demand. It would require some rationing system making potentially arbitrary distinctions between the strength of individual fans' commitment, and would reduce club revenue compared with competitors elsewhere in Europe.

As for the second type of market power, involving exploitation of players by setting wages below the competitive level, this is impossible for any single club. Cartel-like arrangements where leagues impose maximum wages have existed in the past, but can no longer be sustained in law. Players are now able to negotiate very high pay – although, as we shall see later, 'Financial Fair Play' rules may indirectly attempt to moderate player remuneration.

The other main area of potential market failure arises through externalities – where the costs<sup>20</sup> of an activity fall on other parties and are therefore not taken into account by those making decisions. The familiar example is externalities arising from pollution, but other examples include negative effects on a community if a major employer such as a steelworks or shipbuilder closes. Although governments have sometimes intervened to shore up failing enterprises on these grounds, they are increasingly reluctant to do so, as the relief is often only temporary, can be costly to provide and can undermine the competitiveness of other enterprises.

This argument was used when Bury FC's financial problems forced the club's closure in 2019. While the closure of the club will have damaged the business of pubs, cafes and takeaways in the immediate vicinity of Bury's ground, any wider effect on the Greater Manchester area must have been minimal.<sup>21</sup> The major impact was on the owner, players, officials and supporters of the club – just as the major impact of closure of any other type of failing business is normally on shareholders, employees and customers.

There is also a 'heritage' argument, referenced by Oliver Dowden in his speech announcing the Review, that arises out of the dualism between the legal and commercial reality of a football club and its incorporeal form as an object of loyalty, pride and affection. In this account, football clubs

---

20 Or benefits. Not all externalities are negative. A pertinent example is vaccination, where benefits arise not just for the vaccinated person but also for others.

21 It has been claimed (Barlow and Forrest, 2015) that contingent valuation methodology suggests that supporters would be willing to pay substantial amounts to ensure survival of smaller clubs, and this justifies local authority subsidies. However this may be true of a host of institutions such as theatres, swimming pools, public libraries, banks, post offices and so on, and would be an open-ended commitment which would carry significant moral hazard problems.

are, like National Trust properties, part of our common heritage to be preserved for the common good. But surely in reality, few football fans, even those deeply attached to the incorporeal form of their club, would welcome the game being transformed into a sporting National Trust.

### ***An immediate crisis?***

Tracey Crouch tells us the Fan Led Review 'was the result of three points of crisis in our national game' (Crouch, 2021 p. 12). These were first, Bury's collapse and expulsion from the EFL; second, the Covid-19 pandemic which forced the temporary closedown of most football and the banning of crowds from games which took place; and third, the attempt to set up a European Super League.

This is misleading, as only the Bury collapse had occurred when the Conservatives drew up their 2019 election manifesto<sup>22</sup> which committed them to the Review. Nevertheless, let's consider these points of crisis in turn.

#### ***Bury FC's demise***

Bury FC had been a member of the Football League since 1894. Although in its early years the club had some success, having 17 years continuous membership of the old Division One and even winning the FA Cup twice in the first decade of the twentieth century, it had not in more recent times achieved very much, spending most of its time in the two lower divisions of the EFL. It had struggled financially and in early 2019 was in danger of closure when it was bought for a nominal sum by businessman Steve Dale.

In order to avoid a winding-up petition, Dale put some money into the club and it staggered on for the rest of the 2018-19 season – even bizarrely winning promotion from League Two to League One. But Dale found the financial position of the club was worse than he had anticipated and he did not have the resources to support it. Despite attempts to sell the club to new owners, the EFL did not receive sufficient reassurance about the future financial position of the club and it was expelled from the competition.

---

22 See p.26 of Get Brexit Done, Unleash Britain's Potential. <http://assets-global.website-files.com/5da42e2cae7ebd3f8bde353c/5dda924905da587992a064ba-Conservative%202019%20Manifesto.pdf>

While Bury supporters would obviously have preferred the sorry sequence of events outlined in the Box not to have occurred, there is no strong public interest in preventing badly-run and bankrupt businesses from closing. Government intervention would not be entertained in any other commercial field, and as we will come to, seems likely to have adverse consequences from the 'heritage' perspective as well.

In any case, Bury has now been reborn as fan-owned Bury AFC, is currently at the top of its league, is getting gates averaging well over 1000 at a temporary base a few miles away and has just signed a deal to begin playing again at its historic ground, Gigg Lane.

The second issue to which Ms Crouch draws attention is the Covid-19 pandemic. This certainly created big problems for clubs unable to play in front of paying crowds, or indeed unable to play at all for long periods. These problems were particularly acute for lower-league teams which depend heavily on gate receipts and associated bar and food revenue, much less so for Premier League teams where only about a quarter of their revenue now comes from match attendance.

However clubs at all levels survived the pandemic through a combination of grants and loans (and the furlough scheme), increased redistribution from the Premier League to the EFL, and self-help fundraising. Following the end of lockdowns and the return of crowds, attendances are up. Unless further lockdowns are required, which currently appears unlikely, football's pandemic crisis is nearly over.

The third factor Tracey Crouch invokes is the short-lived plan for a European Super League (see Box), which would have involved six of the richest clubs leaving the UEFA Champions League, breaking their agreement with the Premier League. As she points out, this proposal was crushed by a wave of opposition and is unlikely to be revived any time soon. The relevant (self-) regulators – the Premier League, the FA and UEFA – made it clear that considerable penalties would follow from proceeding with the ESL, and there was no need for an independent regulator to intervene.

Thus none of the three elements of 'crisis' adduced to support the proposal for an independent regulator provides any sound basis for re-ordering the entire governance of the game.

### ***The European Super League***

The European Super League (ESL) was a proposed midweek competition in which elite clubs (including six from the Premier League) would participate, alongside continuing membership of domestic leagues. Conceived as replacing the UEFA Champions League, it would have offered member clubs more European games and much more revenue. In the case of the initial 12 clubs who participated in the plan's launch in April 2021, it would have meant permanent participation without the need to qualify through success in domestic leagues. This feature, replicating in part the closed leagues operating in many US sports, provoked the greatest opposition from fans in the UK, where promotion and relegation have been a feature for well over a century.

There had been several proposals in the past to implement similar schemes, each time headed off by UEFA but nevertheless leading to reforms which expanded European competitions, increased revenue and benefited the leading clubs. A cynical view might be that, for some clubs, the ESL project was seen as a means of putting pressure on UEFA to change the existing Champions League rather than completely to replace it.

Much attention focused on Boris Johnson's threat to use legislation to block the scheme, but opposition to the ESL was widespread across the continent, with many leading clubs refusing to join and French, Italian and Spanish politicians stating strong opposition. Reprisals were threatened by domestic leagues and by UEFA against both clubs (which would be banned from domestic leagues) and participating players (who would be banned from international football).

Faced with these threats and a wave of hostility from other clubs and fans, the English would-be rebels backed down, withdrew from the project and apologised to supporters. The scheme collapsed.

In future other breakaway schemes may be put forward. While it seems unlikely they will succeed any time soon, it would be unwise to give an IREF powers to block any potential competition to UEFA's European monopoly. European football of any kind was resisted in England in the 1950s, the Premier League was opposed by a majority of clubs and fans when it was first conceived. But attitudes change. Some innovations will catch on, others not. This means clubs should not be prevented by force of law from testing new ideas.

### ***Financial instability***

The Review sees Bury's collapse as exemplifying endemic financial instability in English football.

The Review purports to identify a structural, systemic problem: first, the incentives of the game are to achieve one of the limited prizes on offer – championships, promotion, places in Europe. Many clubs are said to gamble for success<sup>23</sup>, spending in excess of their revenue in the hope they will win rewards which will justify their spending; others do so to stave off the threat of relegation<sup>24</sup>. Second, 'reckless' behaviour by unconstrained and insufficiently vetted club owners leaves others to pick up the pieces when the money runs out. Third, while the football authorities are aware of the problem, self-regulation has proved unequal to the task of ensuring a 'sustainable' future for football.

From outside, this certainly looks hair-raising. Crouch gives the example (p. 27) of Brighton, which made an operating loss in every year from 2011 to 2017; in its promotion season (2017) it made a record loss of £38.9 million, with a wage bill/income ratio of 138%. On promotion to the Premier League, the increase in revenue from higher gates, TV and sponsorship led to a profit of £12.8 million, but in the next two seasons the struggle to maintain its position led to renewed losses of £19.4 million and £63.9 million.

But does this matter? Football clubs have never systematically attempted to maximise profits. Indeed the FA positively discouraged profit-seeking. In 1899 it introduced rules allowing clubs to form limited companies but prohibiting payment of directors and restricting dividends to shareholders. It was not until 1983 that these rules were circumnavigated by Tottenham Hotspur, which received permission to set up a holding company of which the original company was a subsidiary. The holding company was then floated on the stock market. Other major clubs followed Spurs in this, although most subsequently delisted and, as private entities, can now be bought and sold with few restrictions.

---

23 However there is nothing new in this. Norman Chester pinpointed similar financial issues in his 1968 report (pp. 40-41). Yet of the 92 teams in the Football League in 1968, *all* of them still exist in some form or another; most are still in the EFL or Premier League, although some are in non-league football and may have undergone temporary closure and rebirth, like Bury, at the bottom of the pyramid.

24 But gamblers/investors are not irrational in doing this, rather they are less risk-averse than the Review team would wish. Evidence (for instance Szymanski and Kuypers (1999)) clearly shows that spending on footballer wages is the best single predictor of league position.



---

Whatever the institutional form, clubs have tended for the last 120 years to be controlled by one individual, family or small group of investors.<sup>25</sup> In the 1950 and 1960s the scale of the football economy was still modest, so that local businessmen such as Bob Lord of Burnley and Louis Edwards of Manchester United – both butchers by trade – could use their relatively limited resources to subsidise clubs and thereby acquire status in their community. Nowadays the scale is so much greater that you need more than a few butchers' shops to buy a club, but the principle is similar. Clubs are still subsidised by what Stefan Szymanski (2015, pp.153-54) calls 'sugar daddies': people prepared to pay large amounts of their own money chasing trophies supporters crave.

Most clubs make a loss in accounting terms, as they have always done. This is sustainable so long as the owner's money doesn't run out, just as a charitable trust is sustainable even though it relies on a flow of funds from other activities. Even if owners decide they can no longer support the drain on their wealth, somebody else is usually willing to step into the breach.

If this proves impossible, and the club's existence is imperilled, supporters naturally regret the club's improvidence and consequent debts. But should governments really be concerned? As Szymanski (2015 p. 262) puts it

the fact that clubs almost never die no matter how small, but are perpetually resuscitated to fight another day, suggests that we should be less concerned *in general* about financial distress in this particular economic activity.

Bear in mind fan pressure often drives this supposedly 'reckless' behaviour. There can have been few more unpopular club owners in recent years than Mike Ashley, until recently the owner of Newcastle United. Yet Newcastle made profits in eight out of the last ten years (the only years when a loss was made were in a season spent in the Championship and in the first year of Covid) and was rated the fourth most profitable club in England during that period. Despite – or perhaps because of- being a paragon of financial stability, Ashley was derided for not spending enough on transfer fees to attract the best players and managers. There was

---

25 Fans have occasionally stepped in to shore up failing clubs, but few clubs have been run by fans for any considerable period of time, AFC Wimbledon perhaps being the most important example. By contrast Portsmouth and Brentford are two teams which were fan-owned for a short time, but are now back in the hands of private owners who are able to provide levels of investment which are beyond fans' capability.

general rejoicing amongst supporters when he sold the club. Ashley would have likely been a fully compliant owner under the system proposed by the Review, precisely because of his parsimony, while the new, wealthy and wildly popular, owners would be constrained from investing in the club. The supposedly populist recommendations of the Review seem more likely to substitute the preferences of MPs and regulators for those of the fans they claim to speak for.

The existing football authorities do not ignore the dangers the Review highlights. They try to rein in excessive risk-taking. Financial Fair Play regulations, intended to make clubs spend no more than they are generating in revenue, operate at European level, although they have not made a great impact. The Premier League and the Championship have notional limits on 'permissible losses', while the EFL also operates a similar policy below the Premier League. Again these measures have not been very effective, because of the difficulties of defining sponsorship revenue and the use of clever accounting ruses such as changing the basis of amortising transfer fees<sup>26</sup>.

The Review team believes current measures are insufficient and the case for an independent regulator is thus clear. But the underlying pressure to spend in excess of revenue will not go away, and clubs will attempt to get round any restrictions that are imposed. The Review does not demonstrate that an IREF could be any better at resolving this than the existing football authorities.

Spending in excess of revenue, the basis of most investment, may anyway be a good thing, making it possible for positions within the hierarchy to change<sup>27</sup>. Fifty clubs have featured in the Premier League in its less than thirty years of existence, with some such as Chelsea and Manchester City rising from the ranks of also-rans to their current exalted status in European football. Meanwhile many small clubs such as Salford City and Forest Green Rovers have risen from regional leagues to the EFL. Few could do this without investment by sugar daddies who can afford to take the associated risks.

---

26 Arbitrator red cards Derby's amortisation policy. AccountingWEB 14 May 2021. <https://www.accountingweb.co.uk/business/financial-reporting/arbitrator-red-cards-derbys-amortisation-policy?amp>

27 It also boosts government revenue, with professional football in England and Wales paying £2.2 billion in taxes in 2019-20 (Deloitte, 2021).

The likely consequence of a rigorously enforced restriction on clubs spending beyond their current income would be less competition and the entrenchment of currently dominant clubs.

## The case against an independent regulator

In considering the case for a regulator, we should always remember what Harold Demsetz (1969, p. 1) termed the 'nirvana fallacy', where people looking at private solutions

seek to discover discrepancies between the ideal and the real, and if discrepancies are found, they deduce that the real is inefficient

and must therefore be superseded by government intervention. But whether an independent regulator is likely to improve outcomes cannot be inferred simply from analysing the limitations of self-regulation, but must also look at likely influences on the behaviour of the regulator.

The Review puts great faith in government-appointed independent regulators. Economists, however, have mixed feelings (Shackleton, 2000). The Organisation for Economic Co-operation and Development, while accepting independent regulators may have a role to play in some sectors, cautions against their wider use. They are subject to 'capture' (where regulatory bodies set up to protect consumers gradually shift to serving producers), they can be costly to run, and they need a clear mandate. Setting down clear rules often involves a lot of detail, and once detailed rules are laid down they are difficult to change. When change is very rapid, the 'density and specificity of regulation can hold back innovation, investment and technical progress'.<sup>28</sup>

---

28 'Technical progress' may seem an irrelevant concept in football, but it *has* occurred in the game – eg in ball, kit and boot design, goal line technology and VAR, and in health and performance monitoring and matchplay data collection. This has come from private investment, by clubs and other businesses, which might be discouraged by excessive regulation.

There should be a clear assessment of the costs against the benefits, for

the possibility of modest improvements in operation of a sector is not alone a justification for increased government intervention. Absent a compelling justification...expansions of regulatory mandates should be weighed with great care, due to their intervention in normal market processes, and potential investment- and innovation-stymieing effects of the expansion of...mandates (OECD, 2019 p.12).

### ***Should financial services be the model?***

The Review sees its proposed IREF as being similar to regulators in the financial services sector – indeed, it sees this sector as both a model of good practice and a source of expertise. It believes (p.58) that its proposed new system should be based on the capital and liquidity requirements used by the Financial Conduct Authority (FCA) and its financial resilience supervision model.

However, opinions differ on the effectiveness of regulation in financial services (and indeed in other sectors, such as energy and the railways). Booth (2022), for example, points out that extensive regulation of financial services prior to the crash did not prevent it occurring. This regulatory system then had to be revamped, with the scrapping of the Financial Services Authority, establishment of the FCA and bank regulation moved to the Prudential Regulation Authority.

The FCA's stewardship has become notorious for its massive expansion of detailed regulation and reporting requirements, necessitating costly expansion of compliance functions in financial services businesses<sup>29</sup>. As Booth points out, the FCA has the power to determine its own burden of proof, levy fines which have at time run into £billions, and prevent people working in the sector. But it is subject to little accountability and does not offer the guarantee of due process which exists in criminal or civil courts. It has also expanded its remit to take an interest in the 'culture' of organisations rather than simply financial metrics, and insist on the provision of information about firms' climate policies.

---

29 <https://assets.kpmg/content/dam/kpmg/xx/pdf/2019/06/transforming-compliance-in-financial-services.PDF>

Some of the FCA's powers may be justified in relation to the supervision of banks and financial institutions whose probity and security impact on millions of households and businesses. It is less clear this is a model appropriate to a sporting sector where financial catastrophes are rare, are usually recovered from, and have little impact on the rest of the economy.

### ***Burdensome requirements***

The proposed regulation model will involve frequent submission of financial and other information, the preparation of regularly updated business plans and equality, diversity and inclusion plans. All will have to be approved before a licence, which must be renewed each season, can be granted. Monitoring and collating this material, and investigating clubs for potential breaches, which in serious cases could involve the IREF temporarily taking over the running of a club, will require a substantial number of regulatory staff.

Although the Review says the reporting requirements will be greater for Premier League clubs than for EFL and National League teams, it also says (p.79) there will be a 'ratchet' which means that when a club is relegated it must continue to provide documentation appropriate to the division it has been relegated from. Over time this will lead to unfairness when clubs in the same division are subject to different reporting rules. It seems likely tighter requirements will then be imposed down the divisions, possibly even further down than the National League which is at present where the requirements are planned to end.

The cost of the IREF will be paid for by clubs seeking licences. The licence fees will be on a sliding scale with Premier League clubs paying more. The report does not suggest any figures for this, but given the extent of proposed detailed monitoring, the fees will have to be quite substantial even for lower-league teams. It is also likely the compliance costs will be considerably greater than the licence fee cost. To provide the detail required by the IREF, including regular financial updates, diversity and inclusion schemes and training of staff and board members will require extra administrative and accounting staff, as well as the time of busy board members who may well have other demanding jobs outside the club. It is difficult to put a figure on this in advance, but it would not be unreasonable to suggest the costs to Premier League clubs could run into hundreds of

---

thousands of pounds, while even a National League team might face annual costs of tens of thousands of pounds.<sup>30</sup>

Experience of regulatory bodies suggests that information demands tend to increase over time. Career regulators move between jobs in different sectors and there is a 'regulatory culture' where practices from one sector inexorably spread to others.

### ***Expanding role***

Alongside this problem is the phenomenon of 'regulatory creep' where regulators widen their interest to matters outside the original purpose when the body was set up. We have already mentioned the FCA; another example is the advertising industry, where the Advertising Standards Authority has moved from its original aim of ensuring adverts are 'legal, decent, honest and truthful' to a wider purpose of combating gender and racial stereotypes by banning certain types of representation (Shackleton, 2021).

One obvious area for expansion of the IREF's role is in relation to the playing side. The Review sees the main purposes of the regulator being to ensure financial stability, a bigger role for fans in influencing business decisions, and improvements to governance. The role of the FA and the leagues is to handle playing matters such as competition rules, player registration and discipline. But it is easy to see there need not be hard and fast distinctions. An active regulator could well push the boundaries over time.

There is a hint of such 'boundary disputes' over the question of artificial pitches. Renting out these pitches for community use has been an important part of the business plan of National League teams such as Harrogate and Sutton United. As they have been promoted to the EFL, these clubs have been required by league rules to remove the artificial turf and substitute grass. This involves a substantial capital cost and also abandoning a continuing revenue source, which could upset the viability of clubs. The Review (Recommendation 44) suggests the EFL's rules be changed. Other footballing decisions – for example, changes in the permitted size of squads,

---

30 Compliance costs are often ignored by advocates of regulation. A KPMG report (2014) estimated that hedge funds were spending 7% of their operating costs on compliance, with this percentage expected to rise. Regulatory compliance in football would be unlikely to cost so much, but a figure of 2% seems plausible. For a modestly sized National League club with spending of £1-2 million, this would amount to perhaps £30-40 thousand per year.

increases in the number of substitutes, the imposition of a winter break, wider use of VAR – could have substantial impacts on club budgets, particularly at lower levels. Would an IREF stand aloof from such matters?

The case which the Review puts for an independent regulator should be balanced by a consideration of the potential downside. The Review does not attempt to quantify the financial risks which it believes an IREF would mitigate – risks which for most clubs, most of the time, are quite small – against the certain costs which regulation would impose. It is far from clear that a cost-benefit analysis would support government intervention of this kind in an industry which is, by international standards<sup>31</sup>, highly successful and has managed for a century and a half without it.

---

31 As Mavroidis (2018) indicates, no other European country has gone down the regulatory route, although several face similar football finance issues.



## The Review's other recommendations

We turn now from the IREF proposal to specific measures the Review seeks to impose. Several of them may be perfectly sensible and indeed desirable, for instance the improvements to player welfare sketched in Chapter 11 of the Review. However clubs voluntarily agreeing to these proposals is one thing: imposing them on clubs is quite another. The Review team seems unaware – unsurprisingly, in view of its membership - that some proposals amount to expropriation of property rights, which may create legal difficulties.

### ***Expropriation and measures equivalent to expropriation***

A number of recommendations would involve outright expropriation (such as the 'Golden Share' for fan groups), or effectively expropriate the owners by depriving them of the management and enjoyment of their assets.

The imposition of shadow boards (Recommendation 35) would significantly diminish the right of owners to manage their business. The imposition of licence conditions for owners (Recommendations 10 and 13) could result in the owner being deprived of control of the club (or even conceivably the expulsion of the club from the league) if they do not meet the new conditions. Controls on cash injections by owners (Recommendation 8),

and on player salaries (Recommendation 39)<sup>32</sup> prevent owners from financing and managing their clubs in the ways they consider will bring them the most success and best returns on their investment. The sanctions the Review envisages being available to an IREF include forcing owners to hand 'stewardship/control' to an administrator appointed by the regulator.

The proposed measures could inflict substantial monetary losses on an owner by reducing the value of club assets such as stadia, and limiting the range of potential buyers. These losses would be greater if the owner was forced into a 'fire sale' divestment consequent on having a licence removed.

International tribunals have found that even a regulatory measure that does not actively transfer ownership of an investment may be equivalent to expropriation if it 'substantially impairs the investor's economic rights, i.e. ownership, use, enjoyment or management of the business, by rendering them useless' (OECD, 2004).

If it could be argued that proposed measures would have the effect of reducing the resale value of the club, or depriving the owners of control, overseas investors might be able to claim compensation under bilateral investment treaties (BITs) between the UK and their home country<sup>33</sup>. This is far from clear cut, as 'there is no uniform definition of what measure constitutes an indirect expropriation. [Treaties] generally require a case-by-case, fact-based inquiry' (UNCTAD, 2012). However, under the UK's BITs, compensation for expropriation should be 'prompt, adequate and effective'

---

32 This recommendation would require player contracts to have clauses automatically increasing pay when a club is promoted, and reducing it on relegation. It is of course open to clubs to do this already, but few do so. There is a reason for this. While it might seem to reduce the costs of relegation and therefore be advantageous to clubs, this would disadvantage players. Their response to it would likely render the measure counter-productive. Suppose a relegation-threatened club tries to bring in new players in the transfer window. Knowing that there is a strong possibility of a pay cut in a few months' time, players will seek higher pay now and the club may be no better off. The inability of the panel to understand that economic actors respond to rule changes is a general problem with the Review.

33 Distinguishing between non-compensable regulation, that falls within a state's right to regulate on the one hand, and indirect expropriation 'is one of the key issues in modern international investment law' (UNCTAD, 2012). States have a wide margin of discretion in international investment law. Regulations that cause an investment to decline in value will not generally be found to require compensation, and even complete neutralisation or loss of control of an investment may not be compensable if proportionate, and done with due process, in pursuit of bona fide public welfare objectives such as health or the environment. Actions in pursuit of narrow interests of groups of football fans may still be argued to fall within the right to regulate but a full analysis of this is beyond the scope of this paper.

and 'amount to the genuine value of the investment expropriated immediately before the expropriation'<sup>34</sup>. The current owners of clubs such as Manchester City, Leicester City and Wolverhampton Wanderers are from countries with which the UK has a BIT in which it has committed to compensate investors for expropriation<sup>35</sup>. If the Review recommendations, in particular those that would undermine the rights of owners to manage and dispose of their assets, are adopted, the Government might conceivably have to implement a compensation scheme for owners to head off claims under BITs. If so, rather than discriminate in favour of foreign owners, this would likely be extended to domestic owners. Given that we estimate the current value of Premier League clubs at £16 billion, the cost could be considerable.

Aside from the possible cost to taxpayers, this attack on property rights could lead many owners to exit the game, rather than be bound into such an onerous and uncertain regime. New investors would be deterred and those that proceeded under the proposed regime could be disincentivised from further investment, when important commercial decisions could, in practical terms, be taken out of their hands. Implementation of these recommendations in such a high-profile field would inevitably send a very negative signal to investors across all sectors, that the government is prepared to impose intrusive and disproportionate regulation as a result of pressure from noisy interest groups. The Department for International Trade should also be concerned that this could potentially undermine its efforts to maintain the UK's credentials as a reliable trade and investment partner.

The consequences for the Premier League, the EFL and the FA are also significant. The licensing requirements and financial controls would deprive them of important responsibilities and discretion in managing their competitions.

---

34 <https://investmentpolicy.unctad.org/international-investment-agreements/treaty-files/2847/download>

35 <https://investmentpolicy.unctad.org/international-investment-agreements/countries/221/united-kingdom>

### ***Tests for Owners and Directors***

The Review devotes Chapter 4 to proposals for ensuring what it calls ‘the right people’ (p. 66) are in charge of football clubs. Existing Owners’ and Directors’ Tests<sup>36</sup> concentrate on objective factors such as criminal convictions, previous bans by sports bodies and proven breaches of regulations. But the Review claims these tests have not screened out irresponsible individuals whose decision-making places clubs at risk.

The introduction of IREF provides an opportunity to take a fresh look at who is permitted to be an owner or director of a football club. If sustainability of clubs is to be achieved, IREF will need to ensure that any prospective owner is a suitable custodian of this valuable community asset and that any directors have the skills and experience to contribute to the day to day running of the club (p. 66).

Owners are to be defined as those owning or controlling 25% of a club’s shares, and transparency will be required on the ultimate ‘beneficial owner’. The new Owners’ Test would involve a wider range of background checks, including FCA-style integrity tests, examination of the sources of investment funds, and checks with the Home Office and National Crime Agency, before an owner could take charge of a club.

It would include (p. 69) an assessment of the potential owner’s behaviour in past business dealings (using information from any ‘credible and reliable sources’). Importantly, it would also involve IREF approval of a detailed business plan, financial projections, proposals for the club’s corporate structure, and commitment to an approved Equality, Diversity and Inclusion action plan. To ensure nothing had changed to affect the suitability of the owner, a three-yearly review of each owner would be conducted.

Directors, too, would be subjected to an integrity test, have to demonstrate suitable ‘skills and experience’ and attend an approved directors’ course. The club would be required to demonstrate what ‘recruitment process’ had been followed in appointing them.

Only if clubs’ owners and directors meet these criteria would licences be granted. The IREF would have power to block owners and directors, to

---

<sup>36</sup> There are currently three separate but similar tests operated by the Premier League, the EFL and the FA (in relation to the National League and three steps below in the pyramid, and for women’s football).

impose a 'range of disciplinary sanctions' (p. 72) including revoking licences and appointing an administrator to run a club.

Whether these tests would succeed in improving the quality of financial management or make a club's economics more sustainable is debatable. What is clear is that the tests involve a degree of subjectivity which gives the regulator considerable discretionary power. If a potential owner or director is rejected because 'reliable sources' suggest they have a history of disputes with other businesses, employees or regulators, or if their business plan is regarded as unrealistic, the IREF's judgment may face legal challenge.

The checks and procedures outlined in the Review could take considerable time to complete, and this would be problematic when there is an urgent need for new ownership, perhaps when owners become ill or suffer a collapse in their other businesses which have previously helped support the club.

Should an already installed owner be excluded from the club, and an IREF-appointed administrator with the power to make spending cuts and other changes be imposed, litigation is almost certain to follow. Lengthy periods of administration are unlikely to be welcomed by fans, and the IREF could rapidly become unpopular, undermining the popularity and ultimately the legitimacy of the entire system.

It is not clear whether the full set of checks and procedures would be required for all clubs, or just those at the top of the footballing hierarchy. At one point in the Chapter, reference is made to 115 clubs being covered by the new tests, which takes us down to the National League. However the existing Owners' and Directors' Tests go down three levels below this.

What the review ignores is that at lower levels most clubs are essentially small businesses, with few employees other than the players, run in part by volunteers and with small boards and owners and directors who may have little wider business experience, least of all in regulated industries. They may be doing a favour to friends or out of a sense of community responsibility. Imposing the same tests and rules as those applied to Manchester United, or even a modified version of them, to Altrincham or Boreham Wood FC could make it very difficult to recruit new owners and directors to run smaller clubs.

### ***Protecting Club Heritage: the 'Golden Share'***

In Chapter 8 of the Review, it is claimed certain features of football teams 'are part of the heritage and culture of their local communities and the country more generally' (Crouch p.98). These items include the club's name, its stadium, colours and badge, and the league system it plays in.

It is proposed fans be given a veto over changes to 'heritage' items by the device of a 'Golden Share' which overrides the rights of the owners of the team. Recommendation 28 (p.99) is that the IREF should impose

a licence condition that all licenced clubs should include within their articles of association a Golden Share requiring democratic consent to proposed actions relating to identified heritage items.

Golden shares are unusual. They were briefly popular in the 1980s when the UK government began privatising previously nationalised industries. At that stage a government holding of such a share was seen as a precaution to forestall takeover by foreign owners that could raise security or other issues. However this power has rarely been used. In 2003 the government's golden share in BAA, the airports authority, was ruled illegal by the European Court of Justice<sup>37</sup>, as were similar provisions in other European countries. This was on the grounds that such shares breached Single Market rules by restricting the free movement of capital.

A company can of course voluntarily insert a golden share provision by consent of its shareholders. Current Premier League club Brentford FC is a case in point. In 2006 the club, which had just finished bottom of League One, was temporarily being run by a Supporters' Trust. The Trust could not fund the club's revival itself, and struck a deal with a wealthy supporter. He would take ownership of the club, but the Trust would have a board member and retain a golden share<sup>38</sup>.

This is, however, a different matter from imposing a requirement for a golden share on clubs whose owners have not agreed. While Single Market rules no longer apply, the imposition of a veto on important aspects of a club's business, including disposing of assets, could be seen as a significant breach of the property rights of the owners.

---

37 <https://eur-lex.europa.eu/legal-content/HR/TXT/?uri=CELEX:62001CJ0098>

38 <https://www.beesunited.org.uk/in-focus/why-the-brentford-model-of-a-fan-director-and-a-golden-share-could-work-at-your-club/>

A fan-held golden share would require setting up a formal system for registering fan preferences. The Review suggests setting up a Community Benefit Society with a complicated and expensive structure, regulation by the FCA and mandatory training for all office holders. It suggests defining the voting constituency as season ticket holders and those who have attended at least one home match in the previous season (which would be difficult to monitor and open to abuse) and with some unspecified provision for international supporters. It is unclear from the Review whether clubs are expected to finance this.

Leaving these bureaucratic issues aside, would allowing fans a veto be good for a club in the long run? In recent years several clubs have changed their stadium, expanding capacity and improving facilities, but against initial opposition. Would a fan veto have kept Arsenal at Highbury indefinitely, in a place where capacity could not be increased, rather than moving to the Emirates? Would Manchester City still be at Maine Road, or West Ham at the Boleyn Ground?

Arming fan groups with golden shares will deter investment, both by existing owners and potential new investors. Investors will not wish to risk capital in a venture where third parties, taking no financial risk themselves, could overrule management on important decisions, or simply tie them up in consultations and meetings. Most of all, the 'sugar daddies' who pour money into their club with little expectation of commercial gain will not wish to have their hands tied in this way, with the risk of constant, attritional negotiation between the board and the golden shareholders and shadow board.

This could hold back developments such as new or improved grounds and facilities and discourage entrepreneurial owners from developing new ideas and innovations which could ultimately benefit current and future supporters.

### ***Corporate governance and a shadow board***

Chapter 5 sets out recommendations for corporate governance of football clubs. It mentions with approval the Sport England and UK Sport Code for Sports Governance<sup>39</sup>. This detailed code includes procedures for appointment and reappointment (with a term limit) of directors, a requirement that 25% of board members should be non-executives, that there should be an audit committee and a nominations committee, an ESG requirement, a Welfare and Safety board member, annual reporting and so on.

This Code was developed for sports bodies in receipt of public funding and may be defensible in those terms. But ‘unfortunately the Sports Governance Code has not reached into professional men’s football as clubs are not generally in receipt of public funds’ (p. 77). The Review seeks to remedy this (Recommendation 16) by introducing a Code for Football Governance, based on the Sports Governance Code. Compliance would be a licensing condition for clubs, and evidence of compliance would have to be produced each year for the licence to continue.

The Review recognises these requirements could be onerous, and proposes there should be three Tiers, with the Premier League and Championship facing the highest requirements and the National League the lowest. But even the lowest Tier would require boards to have 30% non-executive directors, a Welfare, Safety and Safeguarding Director, an Equality, Diversity and Inclusion Plan (see next subsection), a ‘board skills matrix’, a rigorous appointment procedure, full financial disclosure and a ‘people plan’.

There are some apparent contradictions in these proposals. One is, as noted earlier, that there would be a ‘ratchet’ effect, so a Championship club relegated to League One would still have to meet Tier 1 requirements, and a League Two club relegated to the National League would still have to meet Tier 2 regulations.

Another issue relates to foreign ownership:

It is proposed that the licence will be held by the English incorporated entity that is the member of the relevant league, the governance requirements will apply to that entity and not any overseas parent company (p. 79).



It is unclear how this would operate. If the parent company has the ultimate say on matters, having non-executive directors on a board which simply nods through policy imposed from above falls into the chocolate fireguard category.

The Review adds another requirement for a licence (Recommendation 26): that a 'Shadow Board' be set up. This would be an elected supporter body which clubs would be required to consult on all 'non-football' business and financial matters, such as the strategic vision, the business plan, investment in the ground, marketing strategy, and relevant operational matchday issues. It would receive club Board papers, albeit perhaps redacted, and members would have to enter into a confidentiality agreement.

What penalties could be imposed for breaching confidentiality is unclear, as members would not be employees or have any legal responsibilities to the club. The Review refers vaguely (p. 94) to shadow board practices in other industries. But shadow boards elsewhere are very different animals (Jordan and Sorrell, 2019). They are usually internal boards consisting of younger non-executive employees, with the idea of getting insights from a different generational perspective. They are not made up of outsiders whose ideas and interests may be radically different from members of the 'proper' board and with no need to defer to them.

Moreover the football shadow boards would be separate from the Community Benefit Societies set up to exercise the Golden Share. This is a recipe for expensive duplication of time and effort - and potential conflict if the opinions of supporters on the shadow board differ from those in the Community Benefit Society.

Shadow boards might also be subject to lobbying by other interest groups to put pressure on clubs; it is not difficult to imagine that activists might try to influence clubs via their fans on matters such as overseas tours to politically controversial destinations, or the ESG stance of kit suppliers.

These recommendations go well beyond those currently imposed on major listed companies, let alone the sort of small to medium enterprises (not all of which are even traditional shareholder-based companies) which make up most of professional football in England.

### **Diversity**

Recommendation 23 of the Review would mandate a ‘robust and challenging’ equality, diversity and inclusion plan as one of the licence conditions for clubs. The IREF would have the power to impose ‘financial or regulatory sanctions’ on clubs deemed to have made ‘insufficient progress’ in implementing its plan. The FA’s current Football Leadership Diversity Code is said not to go far enough as it only includes ‘ethnicity and gender’. It should go further to include groups such as ‘LGBTQ+, disabled people and people from lower socioeconomic groups’.

While some organisations voluntarily adopt affirmative action policies, a legally enforceable mandate, and associated enforcement powers, would be intrusive and unprecedented in any other field. Even the FCA (the Review’s preferred model regulator) does not go as far in its proposals for women and minority directors on the boards of listed companies.

The Review asserts that ‘improving diversity is ... a key aspect of driving better business decisions by football clubs’. However the results of the McKinsey studies cited in support of this assertion have been shown to be highly questionable (Green and Hand, 2021). The FCA’s examination of the effects of diversity (by which it meant only representation of women and members of minority ethnic groups) on companies’ financial performance or stability concluded that there is no good evidence of any positive effects<sup>40</sup>.

Mandatory diversity and equality plans, assessed by a regulator, could have perverse outcomes and foster tokenism and a costly ‘compliance culture’ (as has been seen with other laws in pursuit of diversity and inclusion, such as gender pay reporting<sup>41</sup>) rather than improving opportunities for women and minorities in the management of the game. It would swell the size of boards, which could negatively impact rapid decision-making, and add further costs for smaller clubs.

---

40 Diversity and inclusion on company boards and executive committees Consultation Paper CP21/24 FCA July 2021 <https://www.fca.org.uk/publication/consultation/cp21-24.pdf>. See also Yu and Madison (2021).

41 See for example <http://www.epicenternetwork.eu/wp-content/uploads/2021/08/Mind-the-Gap-Pay-Transparency-Provisions-in-the-EU-1.pdf>

---

### ***'Fair' distribution and a transfer levy***

Redistribution of money within football has long been part of the set-up in England. It is not without its critics. As the Review points out, the 'parachute payment' to teams relegated from the Premier League to the Championship<sup>42</sup>— the largest part of this redistribution - may give relegated teams a strong financial advantage relative to other teams in the division and encourage the sort of gambling on success which it deplores.

It does not, however, recommend scrapping parachute payments, but does advocate (Recommendation 38) further redistribution from the Premier League's broadcasting revenue towards Leagues One and Two (and undefined 'grassroots football'). It argues (p.110) this could help 'secure the long-term financial future of League One and Two clubs'. It admits, however, that 'raising revenues is no guarantee that clubs will become more viable', glossing over the possibility that receiving a larger unearned transfer payment from richer clubs will just encourage lower league teams to spend more.

If such redistribution is to occur, it would be better if the Premier League agreed voluntarily to make further contributions to lower-level football. But the Review insists (p.112) 'IREF must have backstop powers in legislation which allow it to intervene', which means the Premier League teams would have little choice in the matter.

In addition, headline Recommendation 40 of the Review is that a 'solidarity transfer levy' should be introduced further to support the football pyramid. The levy would be paid 'by Premier League clubs on any player transfer within the Premier League or any international transfer'. This levy, additional to similar transfer levies already paid by Premier League clubs to the Professional Footballers' Pension Scheme and a possible further FIFA 'solidarity payment', would not be paid by Championship clubs, some of which are wealthier than some Premier League clubs. It might marginally reduce the ability of Premier League teams to attract players from abroad.

---

42 A similar, though much more modest, scheme operates between League Two and the National League.

The Review also displays a certain naivete in assuming the tax would raise as much as it suggests (£160 million a year, based on a 10% levy). Clubs will try to find a way round it, for instance new types of player loan agreements. But whatever its outcome, the point to note is that if the government supports these recommendations it would give the new regulator power to impose a form of arbitrary redistributive taxation on clubs with no clear benefit having been established.

## Conclusions

The Fan Led Review is an unusual way to approach possible legislation. It represents a particular partisan position on matters which, despite their interest to a sizeable and very vocal minority of voters, have little broader significance. If adopted, its poorly substantiated recommendations will bring significant costs and many possible unintended consequences. It arises from supposed crises which are in fact nothing of the sort. The English game is not at the edge of a precipice.

It seeks to address the tension in the professional game between the legal and commercial reality of private ownership of football clubs, with the feeling that many fans have that their favourite club 'belongs' to them. The recommendations seek to bring stability and transparency, but seem more likely to substitute the preferences of regulators for the desires of fans. It seems plausible that the interests of owners and fans are in reality more closely aligned than the interests of regulators (favouring financial caution and governance) and fans (who favour drama, romance and expensive players).

The proposal to appoint an independent regulator for football does not meet normal criteria for government intervention in a specific industry. Football does not present comparable problems to those in regulated industries such as water, energy, communications, and the financial sector, where there are clear concerns about matters such as public health, possible exploitation of the consumer, or wider issues such as financial contagion.

The Review places much emphasis on the peculiar economics of professional football. For decades, this has involved clubs spending more than their immediate revenue in pursuit of footballing objectives. But the Review fails to justify its claim that this behaviour represents an existential threat to the game. Financial disasters for individual clubs occur from time

to time, but their significance is exaggerated: almost all clubs survive, or are reincarnated at a lower level, and the impact on the rest of the football pyramid remains minimal. In reality, football clubs have remarkable longevity and resilience.

Placing restrictions on the freedom of owners to spend in excess of revenue, and requiring IREF approval of strategies and business plans, would go beyond the requirements in other regulated sectors. If effective, it would reduce competition and make it far more difficult for clubs to move up the football hierarchy. However, given the strong motivation to spend more as a means to success, it is likely clubs will try to find a way round this restriction, and some will surely succeed.

Another key point in the Review is the need to protect 'heritage', the most important element of which is club stadia. The idea that 'fan equity' should give a subset of football supporters a right to a veto on change is debatable, and the proposed procedures and infrastructure to support this veto raise important issues about the property rights of owners and investors – issues that could be very costly to the taxpayer if challenged in court. As importantly, it is far from self-evident that there is unanimous supporter view on heritage issues, and there is also a danger that it would lead to a conservatism which would not benefit future generations of football supporters.

The detailed recommendations in the Review would impose costly and irksome structures and procedures on football clubs. Some recommendations would impose requirements on very small private businesses going beyond those currently placed on FTSE-listed companies. The proposed new Owners and Directors requirements are in part subjective rather than clear and unambiguous. All of the measures proposed could deter investment, not just in things that the Review considers risky, such as player salaries, but in assets such as ground improvements, training facilities and innovations to improve fan experiences.

The Review recommends that an IREF should have the power to require greater redistribution from the Premier League to lower-league football, and to place taxes on certain types of transfer. These arbitrary powers could again act as a deterrent to investment.

Throughout, the Review places great faith in regulators without reference to the experience of other sectors. None of the Review panel members had relevant experience to attempt an assessment of whether the putative

benefits of regulation are likely to exceed the certain costs of regulation, normally a necessary test before the government decides to intervene in a market.

Regulation in theory is one thing: in practice it is another. Those wishing for a strong IREF should reflect that, as Szymanski and Kuypers (1999) wisely pointed out years ago:

the problem with regulation is that it seldom pleases anyone. Companies feel it is too intrusive, while consumers often fail to see any benefit.

The proposal for an independent regulator, and the accompanying detailed recommendations for policy and procedure, lack sufficient justification, would be expensive and open to legal challenge, would deter investment and probably not achieve all that much.

The Review's recommendations do not seem to adhere to the government's newly announced 'proportionality principle', which includes a commitment to regulate only where 'absolutely necessary' (HM Government 2022b). They would narrow still further the scope for independent economic activity and self-regulation, and set a precedent for yet more incursions into the private sphere. The government should not have endorsed the findings of such a partisan and weakly-evidenced report and should reconsider its commitment, repeated in the 'Levelling Up' white paper, to work on delivering the new regulatory structure.

## Postscript: Chelsea FC

After this text was completed, the Russian invasion of Ukraine led to Roman Abramovich being sanctioned, and on March 10<sup>th</sup> Chelsea Football Club, which Mr Abramovich had owned since 2003, was made subject to government control.

Freezing the assets of sanctioned individuals by the Office of Financial Sanctions Implementation, a little-known branch of the Treasury, relies for its legal basis on the Russia (Sanctions) (EU Exit) Regulations 2019<sup>43</sup>. These regulations forbid a 'designated person' such as Mr Abramovich from engaging in economic transactions or selling their assets. Other individuals and organisations which buy goods and services from businesses owned by such a person, or sell to them, are breaking the law. Mr Abramovich had tried to insulate Chelsea from sanctions by vesting control of the club in a trust, but it was not enough to take it out of his control for the purposes of sanctions rules.

A strict interpretation of the 2019 regulations would make it impossible for Chelsea FC to continue to operate. Consequently, the club has had to be granted a special licence<sup>44</sup> enabling it to complete its fixtures, pay its players and other staff and receive revenue from broadcasting rights. But this licence strictly limits the permitted operations of the club. For example no new tickets can be sold, so only existing season ticket holders - and no away fans - can attend matches while the rules are in place. No transfers can take place, nor can players' contracts be extended or revised.

---

43 <https://www.legislation.gov.uk/uksi/2/855/regulation/6/made>

44 [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1059929/10032022\\_OFSI\\_General\\_Licence\\_Football\\_Matches\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1059929/10032022_OFSI_General_Licence_Football_Matches_.pdf)



There have also been some quite detailed specifications, for instance limiting what the club can spend on travel to away games, and how much on stewarding. The club shop has to remain closed. Those attending games will generously be allowed to buy a pint of lager and a packet of crisps at half-time, but won't be able to purchase a match programme. There have been some predictable knock-on effects as sponsors have withdrawn support, and even Chelsea's bankers, Barclays, temporarily froze their bank account<sup>45</sup> and credit cards. As Mr Abramovich had been substantially subsidising the club on a day-to-day basis, and the club reputedly has cash reserves which amount to less than a month's wage bill, the current situation is unsustainable. It has predictably proved unpopular with Chelsea's fans, with many of whom Mr Abramovich is still popular: a government minister<sup>46</sup> has had to appeal to fans not to chant his name at games.

The government has indicated that it wants to arrange a quick sale of the club, for which there are likely to be a number of potential buyers. Given Chelsea's high profile, it ought to be possible to sort out some sort of deal reasonably quickly. If not, the government will have to allow more of Mr Abramovich's money to be released so the club can continue to operate, or pump in more money itself. Alternatively it will have to wind the club up.

The special circumstances surrounding this event, and the ability of governments to vary rules as they go along, should surely enable Chelsea FC to survive, albeit perhaps in reduced circumstances. The situation with Chelsea and its owner has arisen from unusual circumstances. But the wider possibility of a regulator removing individuals from the control of clubs for a variety of reasons is very much part of the Crouch Review proposals<sup>47</sup>.

As the Chelsea example shows, an IREF would have to take on the responsibility of running clubs which may face rapidly-falling revenue. As the bureaucratic process of approving new owners – absent the government's ability to fudge these matters - would take much longer than at present, and fewer potential owners and directors are likely to come

---

45 <https://www.insider.com/report-barclays-freezes-chelsea-fc-bank-account-2022-3>

46 <https://www.thetimes.co.uk/article/roman-abramovich-sanctioned-by-british-government-over-links-to-russia-x8rjdmwgh>

47 As hinted in the Department for Digital, Culture, Media and Sport press release announcing the granting of the 'general licence' allowing Chelsea to continue playing <https://www.gov.uk/government/news/chelsea-fc-granted-licence-to-continue-operating>.

forward than in Chelsea's case, it may be that the number of clubs facing ultimate closure would increase rather than diminish as the advocates of regulation promise.

The Premier League, the EFL and the FA, whose competitions face disruption, would have no role in this and would simply be left to pick up the pieces. Supporters of the Fan Led Review of Football would have to learn the bitter lessons of the Law of Unintended Consequences. The IREF could rapidly become very unpopular.

Our paper cautions that while imposing a regulator to act in the common good may appear superficially attractive, the reality of regulatory intervention in the ownership and operation of football clubs seems more likely to bring cost and discord than stability and sustainability. Whatever view is taken of the sanctioning of individuals such as Mr Abramovich, empowering a regulator to take similar steps in the normal course of running the game is surely not appropriate.

---

## References

- Barlow, A. and Forrest, D. (2015) Benefits to their communities from small town professional football clubs. *National Institute Economic Review* 232, R18-R29.
- Booth, P. (2022) Private regulation versus government regulation – the example of financial markets. *Economic Affairs* 42 (1) 30-49.
- Bourne, R. (2019) 'Market failure' arguments are a poor guide to policy. *Economic Affairs* 39 (2) 170-183.
- Burnham, A. (2003) Regulation, redistribution, and mutualisation: a redin-tooth-and-claw cure for football's ills. In *Trust in Football*, ed, Jackson, M. and Maltby, P. IPPR.
- Crouch, T. (2003) Fan Led Review of Football Governance [Fan led Review of Football Governance - November 2021 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/212222/fan-led-review-of-football-governance-november-2021.pdf)
- [Department for Culture, Media and Sport \(2015\) Government Expert Working Group on Football Supporter Ownership and Engagement.](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/212222/fan-led-review-of-football-governance-november-2021.pdf)
- Freeman, R. E. (1984) *Strategic Management: A Stakeholder Approach*. Boston: Pitman.
- Green, J. and Hand, J. R. M., (2021) Diversity Matters/Delivers/Wins Revisited in S&P 500 Firms. Available at SSRN: <https://ssrn.com/abstract=3849562> or <http://dx.doi.org/10.2139/ssrn.3849562>
- Chester, N. (1968) Report of the Committee on Football. Department of Education and Science.

Deloitte (2021) Annual Review of Football Finance. <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/sports-business-group/deloitte-uk-annual-review-of-football-finance-2021.pdf>

Demsetz, H. (1969) Information and Efficiency: Another Viewpoint. *Journal of Law and Economics* 12 (1) 1-22.

Hamil, S. (1999) A Whole New Ball Game? Why Football Needs a Regulator. In *The Business of Football: A Game of Two Halves?* Ed. Hamil, S., Michie, J. and Oughton, C. Edinburgh and London: Mainstream Publishing.

HM Government (2022a) Levelling up the United Kingdom. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1052706/Levelling\\_Up\\_WP\\_HRES.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052706/Levelling_Up_WP_HRES.pdf)

HM Government (2022b) The Benefits of Brexit: How the UK is taking advantage of leaving the EU. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1052148/benefits-of-brexit-document.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052148/benefits-of-brexit-document.pdf)

Jordan, J. and Sorrell, M. (2019) Why You Should Create a Shadow Board of Younger Employees. *Harvard Business Review* June 4.

KPMG (2014) The cost of compliance: 2013 Global Hedge Fund Survey. <https://assets.kpmg/content/dam/kpmg/pdf/2014/07/Cost-of-Compliance.pdf>

Mansell, S. (2013) *Capitalism, Corporations and the Social Contract: A Critique of Stakeholder Theory*. Cambridge: Cambridge University Press.

Mavroidis, P. C. (2018) All Quiet in the Western (European Football) Front: Regulation of Football in the European Continent. European University Institute, Robert Schuman Centre for Advanced Studies, Global Governance Programme Working Paper RSCAS 2018/26.

OECD (2004) "Indirect Expropriation" and the "Right to Regulate" in International Investment Law. OECD Working Papers on International Investment, 2004/04, OECD Publishing.

OECD (2019) Independent Sector Regulators and their Relationship with Competition Authorities. Directorate for Financial and Enterprise Affairs Competition Committee.

---

Purves, R. I., Critchlow, N., Giulianotti, R., Hunt, K., Morrow, S. and Bancroft, A. (2021) Sport Fan Attitudes on Alcohol: Insights from a Survey of Football Supporters in Scotland and England. *Journal of Sport and Social Issues*. Published online <https://journals.sagepub.com/doi/full/10.1177/01937235211067192>

Shackleton, J. R. (2000) Football as a Business. *Football Studies* 3 (1) 80-89.

Shackleton, J. R. (2021) Ad Break: Why curbs on advertising harm free speech. Institute of Economic Affairs Cultural Affairs Paper 3.

Szymanski, S. (2015) *Money and Football: A Socceronomics Guide*. New York: Nation Books.

Szymanski, S. and Kuypers, T. (1999) *Winners and Losers: The Business Strategy of Football*. London: Viking.

UNCTAD (2012) *Expropriation*. UNCTAD Series on Issues in International Investment Agreements II. New York and Geneva: United Nations.

Veljanovski, C. (2000) Is Sports Broadcasting a Public Utility? Case Associates [https://www.researchgate.net/publication/228733877\\_IS\\_SPORTS\\_BROADCASTING\\_A\\_PUBLIC\\_UTILITY](https://www.researchgate.net/publication/228733877_IS_SPORTS_BROADCASTING_A_PUBLIC_UTILITY)

Walvin, J. (1994) *The People's Game: The History of Football Revisited*. Edinburgh: Mainstream.

Woodhouse, J. (2021) Football governance: time for change? House of Commons Library Research Briefing 10. December.

Yu, J. J. and Madison, G. (2021) Gender quotas and company financial performance: A systematic review. *Economic Affairs* 41 (3) 377-390.

# Notes



The Institute of Economic Affairs  
2 Lord North Street  
London SW1P 3LB  
Tel 020 7799 8900  
email [iea@iea.org.uk](mailto:iea@iea.org.uk)

