

IFR Guidance Licensing

Draft

Introduction

The Football Governance Act 2025 (the Act) establishes a licensing regime for clubs in the top five tiers of English football. This regime helps the Independent Football Regulator (IFR) meet its statutory financial objectives of promoting clubs' financial soundness and the systemic resilience of English football, and safeguarding the cultural heritage of the game.

This document provides guidance to clubs on how to comply with their ongoing licensing obligations. This includes requirements on financial regulation, corporate governance and fan engagement. It should be read alongside:

- separate guidance on how to apply for a provisional licence¹
- the IFR Licence and Mandatory Licence Condition (MLC) document (Annex A)²
- reporting templates and guidelines for: the corporate governance statement (Annex C) and the annual declaration (Annex D)
- the IFR's Licensing Rules, which supplement the Licence³

Who this document is for

- clubs in the top five divisions of English football
- clubs playing in National League North and National League South that may be promoted to the National League (Step One)
- club owners, directors and senior executives responsible for licence compliance
- the Premier League, the English Football League (EFL), the National League and the Football Association (FA)

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^{1, 2} A link will be added on final publication of the Licensing Guidance in July 2026.

³ There are also indicative examples of discretionary licence conditions at Annex B.

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1. Licensing overview

This chapter should be read together with:

- the Football Governance Act 2025, in particular Part 3 (Operating Licences), Schedule 4: Threshold Requirements and Schedule 5: Mandatory Licence Conditions
- the IFR's licence and MLCs (Annex A)
- the IFR's provisional licence application guidance
- the IFR's licensing rules

Context

- 1.1 This chapter gives an overview of the licensing framework. The IFR will support clubs to give them every chance to obtain and maintain a licence. Clubs can contact their supervisor with any questions about the licensing process.

Licensing – the basics

The scope of licensing

- 1.2 From the start of the 2027/2028 football season, clubs will need a licence from the IFR to participate in the top five divisions of English football (the Premier League, the Championship, League One, League Two and the National League).
- 1.3 This includes clubs that are promoted into the National League every year from the National League North and South.

Provisional licence

- 1.4 Clubs will first apply for a provisional licence, which will last up to three years. That provisional licence period can be extended by the IFR in certain circumstances.
- 1.5 The provisional licence enables clubs to operate while working towards meeting the requirements for a full licence (see below). Clubs must comply with ongoing licence conditions. Licences do not need to be renewed.
- 1.6 There is separate guidance on applying for a provisional licence, including a draft application form.⁴
- 1.7 Annex A is an example of a standard licence.

⁴ A link will be added to this guidance on final publication in July 2026.

Transition to full licence

- 1.8 After being granted a provisional licence, clubs will need to work towards obtaining a full licence. The IFR will grant a licence once it is satisfied that the club meets the 'full licence test' as set out in the Act, that is if:
- a. the IFR is satisfied that the club
 - is operating a relevant team
 - meets all the Threshold Requirements
 - complies, and would continue to comply with, the MLCs and freestanding duties
 - b. the IFR has not made a determination that any of the club's owners or officers are unsuitable under Part 4 of the Act
- 1.9 The IFR will not be able to grant a full licence until the club has completed at least one round of reporting. This means submitting a financial plan, a corporate governance statement, a fan consultation report, an annual declaration and an attestation on non-financial resources. The earliest point at which a club's full licence may be granted is:
- a. for clubs licensed ahead of the 2027/28 season, June 2028 following the submission of the annual declaration
 - b. for clubs promoted to the National League from the National League North or South in subsequent seasons, 12 months after the provisional licence is granted, following the submission of the annual declaration
- 1.10 Once the IFR determines that a club is meeting the full licence test, it will notify the club and grant them a full licence.
- 1.11 If, after three years on a provisional licence, a club has not yet met the full licence test, the IFR will notify the club that it has not met the relevant criteria for a full licence. The IFR can extend a club's provisional licence period if it believes the club would meet the full licence test within a reasonable period. If not, or if after any extension the IFR considers that the full licence test is still not met, the IFR will revoke the club's provisional licence and refuse to grant the full licence. Details of the IFR's approach to licence refusals and revocations are set out on page 11.
- 1.12 If a licensed club is relegated from the National League, its licence (provisional or full) will cease to have effect. If the club is subsequently promoted back into the National League, it must reapply for a provisional licence.

Licence requirements

1.13 This section sets out three types of requirements that clubs must follow:

Requirement	Applicable clubs
Mandatory Licence Conditions	All clubs must comply on an ongoing basis from the date of receiving a provisional licence
Threshold Requirements	All clubs must meet to be granted a full licence and continue to meet once on a full licence
Amended Mandatory Licence Conditions and Discretionary Licence Conditions	At the IFR's discretion

Mandatory Licence Conditions

1.14 Once on a provisional licence, and continuing on a full licence, all clubs must comply with four MLCs:

MLC	How to comply	Relevant guidance
<p>Financial plans</p> <p>Clubs are required to submit and comply with a financial plan.</p>	<ul style="list-style-type: none"> Submit a financial plan annually by 31 May using the IFR forecasting template⁵ and in line with guidance Act in accordance with the financial plan Re-submit material changes to the financial plan to the IFR 	Chapter 2
<p>Corporate governance statement</p> <p>Clubs are required to submit a corporate governance statement to the IFR.</p>	<ul style="list-style-type: none"> Submit a corporate governance statement by 31 October 2027 (or in the year of promotion for clubs promoted subsequently from the National League North and South) in line with reporting guidance (Annex C) Explain in the statement how the club applies the IFR's corporate governance code and what actions they are taking to improve equality, diversity and inclusion Publish that statement online Submit an updated statement to the IFR every two years from 2029 (or after any material change) and publish the updated statement 	Chapter 4

⁵ The financial plan template is being consulted on in autumn 2026.

MLC	How to comply	Relevant guidance
<p>Fan consultation</p> <p>Clubs are required to consult fans on relevant matters.</p>	<ul style="list-style-type: none"> Establish a group of persons to act as representatives of the club's fans (elected or appointed) and carry out regular consultation with those representatives on relevant matters Submit an annual fan consultation report to the IFR by 15 August each year, setting out how the club has consulted with fans and intends to do so in the coming year Provide further information or evidence to the IFR to demonstrate compliance if requested 	Chapter 5
<p>Annual declaration</p> <p>Clubs are required to submit an annual declaration to the IFR.</p>	<ul style="list-style-type: none"> Submit an annual declaration by 1 June using the IFR template (Annex D) Attest whether or not the club has appropriate non-financial resources 	Chapters 3 and 6

Threshold Requirements

1.15 Clubs must meet three Threshold Requirements before the IFR can grant a full licence. Once on a full licence, clubs must continue to meet these requirements:

Threshold Requirement	How to comply	Relevant guidance
<p>Appropriate financial resources</p>	<ul style="list-style-type: none"> Clubs must have appropriate financial resources relative to their individual circumstances Clubs can demonstrate that they have appropriate financial resources by submitting financial plans and other financial data required by the IFR and by acting in accordance with those plans 	Chapter 2

Threshold Requirement	How to comply	Relevant guidance
Appropriate non-financial resources	<ul style="list-style-type: none"> Clubs must have appropriate non-financial resources, for example human capital, management and governance structures, physical assets, technological resources and intellectual capital relative to their individual circumstances Clubs must attest in the annual declaration whether they have appropriate non-financial resources Clubs can further demonstrate that they comply with this Threshold Requirement through the financial plan and corporate governance statement 	Chapter 3
Fan engagement	<ul style="list-style-type: none"> Clubs must have adequate and effective means of consulting their fans on relevant matters Clubs must take fans' views into account when making decisions about those matters Clubs must report annually to the IFR by 15 August on how the club has consulted and engaged with fan representatives and how it will do so in the upcoming season. The IFR may request further information and/or evidence to demonstrate that the club is meeting the fan engagement Threshold Requirement 	Chapter 5

Amended Mandatory Licence Conditions and Discretionary Licence Conditions

1.16 In addition to the standard requirements set out above, which apply to all clubs, the IFR can amend a club's licence to reflect its specific circumstances and risks. This can take the form of:

- a. an amended MLC
- b. a DLC

Amended MLCs

1.17 The IFR may amend elements of the MLCs for a particular club, or sets of clubs, to reflect their specific circumstances and risks. The table below provides examples of how this could work.

MLC	Amended MLC
Financial plan	<ul style="list-style-type: none"> The IFR may require more or less detail in a financial plan The IFR may require more frequent reporting of the club's financial plan
Corporate governance statement	<ul style="list-style-type: none"> The IFR may require greater frequency of reporting of the club's corporate governance statement
Fan consultation	<ul style="list-style-type: none"> The IFR may require a club to consult fans at certain intervals and/or by certain means The IFR may require a club to form an elected group of fan representatives

1.18 The process of amending MLCs may occur at any date following the receipt of the provisional licence application.

1.19 This process will broadly follow the same approach as for DLCs, set out in detail in Chapter 7:

a. **Notification:** The IFR will give the club a notice, detailing the proposed amended MLC

b. **Representation:** Clubs will be able to make representations on the proposed amended MLC

c. **Decision:** The IFR will consider representations made and make a decision on whether to amend the MLC

d. **Supervision:** Ongoing supervisory engagement will monitor compliance and the continued effectiveness and/or necessity of the amended MLC

1.20 The IFR will engage with the relevant competition organiser where appropriate. However, it will not formally invite commitments in lieu of MLCs, as it does for financial DLCs.

Discretionary Licence Conditions

1.21 The IFR can apply a DLC where compliance with the DLC would:

a. help the club meet or continue to meet one or more of the Threshold Requirements

b. advance the IFR's statutory objective to promote systemic financial resilience

1.22 DLCs are an important part of the IFR's supervisory approach and can be applied to clubs on both provisional and full licences. Chapter 7 sets out the IFR's

approach to DLCs in further detail. Non-exhaustive examples of DLCs can be found at Annex B.

Freestanding Duties

1.23 Alongside licensing requirements, clubs must comply with several freestanding duties, set out in Part 5 of the Act. Clubs must demonstrate that they would comply with these duties to obtain a provisional licence and must continue to comply with them to move onto a full licence.

Applicable clubs	Freestanding Duty
Regulated clubs and formerly regulated clubs (up to 10 years previous)	<ul style="list-style-type: none"> duty not to operate a team in a prohibited competition (Section 45)
Regulated clubs and formerly regulated clubs (up to five years previous)	<ul style="list-style-type: none"> duty not to dispose of the club's home ground without approval (Section 46) duty not to appoint an administrator without approval (Section 47)
Regulated clubs	<ul style="list-style-type: none"> duty not to relocate where a club plays its home matches without approval (Section 48) duty not to change a club's crest, home shirt colours, or name without approval (Section 49) duty to notify the IFR of changes in circumstances relevant to the IFR's functions (Section 50) duty to keep fans informed of insolvency proceedings (Section 51)
Licensed clubs	<ul style="list-style-type: none"> duty to publish a personnel statement (Section 52) duty to pay a levy (Section 53)

1.24 Most of the freestanding duties, except those on licensed clubs (that is, to publish a personnel statement and pay a levy), are live as of July 2026.⁶ As they are clear in the Act, we do not intend to provide guidance on most of the freestanding duties. Instead, information sheets are available from May and July 2026⁷ to help clubs comply.

^{6,7} This will be updated ahead of final publication of this guidance, once the freestanding duties have gone live and the information sheets have been published.

- 1.25 There is guidance on one freestanding duty (Section 49): the heritage duty for clubs not to change their crest, home shirt colours or name without approval, set out in Chapter 8. Guidance on the duty to publish a personnel statement can be found in the provisional licence guidance.

Refusing or revoking a licence

- 1.26 The IFR recognises the significant impact on a club and its fans of refusing or revoking a licence. This would prevent a club from competing in the top five divisions of English football. It is in everyone's interest, including the IFR, for all clubs that require a licence to have one.
- 1.27 As clubs will already hold much of the information required to obtain a licence, the IFR anticipates that every club should be able to meet the requirements.
- 1.28 Where the IFR has significant concerns about a provisional licence application, it will seek to address those concerns by engaging with the club.
- 1.29 Once on a licence, the IFR can only seek to revoke a licence in very specific circumstances. In summary:
- a. Revocation of a provisional licence will only occur following the club failing to take necessary steps to meet the full licence test persistently and without reasonable excuse.
 - b. Once on a full licence, the IFR's powers of revocation are slightly broader. Revocation would still be possible in circumstances of intentional and persistent non-compliance with the regime but may also be available to the IFR when the club's behaviour, for example, involves failure to cooperate with the IFR's investigation or jeopardises the IFR's ability to advance its objectives.
- 1.30 The IFR will work closely with clubs where there are concerns and will always seek to deal with those concerns by using its supervisory tools, such as DLCs or other enforcement powers, ahead of any revocation of a licence.
- 1.31 If the IFR revokes a licence mid-season, it will only be effective from the end of that season. This allows clubs to play out their remaining fixtures.

Publishing details of licensing decisions

- 1.32 The IFR will keep a public online register of licensing decisions. This includes decisions to approve or refuse a licence and details of the conditions that have been attached to the club's licence.
- 1.33 The IFR will publish details of DLCs and amended MLCs wherever possible, allowing the IFR to act transparently and increase accountability for its decisions. Doing so also promotes compliance and good practice across regulated clubs.

- 1.34 Before publishing details of DLCs and amended MLCs, the IFR will consider whether any redactions should be made to avoid publishing information that might harm the legitimate personal, business or sporting interests of the club or the person concerned. The IFR will consider the club's views ahead of publishing any details of amended MLCs or DLCs relating to that club.
- 1.35 Further details on the IFR's approach to commercially sensitive information are set out in the guidance on [Information Gathering and Enforcement](#).

2. Financial Regulation

This chapter should be read together with:

- the Football Governance Act 2025 (Schedule 4: Threshold Requirements and Schedule 5: Mandatory Licence Conditions)
- the IFR's licence and Mandatory Licence Conditions (Annex A)
- the IFR's provisional licence application guidance
- the IFR's financial plan forecasting template⁸
- the IFR's licensing rules

Context

2.1 This chapter sets out guidance in relation to:

- a. the approach and timing of clubs' financial regulation requirements
- b. the appropriate financial resources Threshold Requirement
- c. risk factors that clubs should consider
- d. financial reporting, including the financial plans MLC
- e. stress tests and stress mitigation plans

Approach

2.2 Clubs are required by the Act to hold and maintain **appropriate financial resources** to reflect the nature of their activities and risks they face.⁹ This is not a binary requirement. The IFR will not set fixed financial limits that apply to all clubs, regardless of their size, financial model or risk. Instead, as consistent with the Act, the IFR expects clubs to follow a risk-based approach, allowing the IFR to be proportionate.

2.3 Clubs are required to submit an **annual financial plan** to the IFR, identifying key risks and setting out plans to manage those risks, and to act in accordance with that plan.

Timing

2.4 Clubs must be able to demonstrate that they hold appropriate financial resources before the IFR can grant them a full licence. Once clubs receive their provisional licences (that is from May 2027 onwards), they should be seeking to

⁸ This will be consulted on later in 2026.

⁹ Football Governance Act 2025, Section 18, Schedule 4, Paragraph 2 – Financial resources Threshold Requirement

meet the appropriate financial resources Threshold Requirement. If the IFR believes a club is making insufficient progress towards holding appropriate financial resources, the IFR may impose DLCs (see Chapter 7).

- 2.5 As a default position, clubs will be required to submit their first financial plan in May 2028 and at least once a year thereafter. The IFR retains discretion to require earlier or more frequent financial plans and to engage more closely with clubs ahead of submission where there are ongoing concerns. The template for the financial plan will be consulted on in autumn 2026.

Appropriate Financial Resources

- 2.6 **Clubs are required to** hold and maintain financial resources of an appropriate amount and quality to ensure that:
- a. they can meet their anticipated financial commitments and manage key financial risks under normal operating conditions
 - b. they remain financially resilient and operationally viable in stressed scenarios, including relegation, removal of main source of funding, or significant income reduction
- 2.7 **Financial resources** refers to the total amount and quality of funding from equity and debt, assets including cash and other liquid assets, income streams and financial capacity that a club can reliably access under established governance and risk management frameworks.
- 2.8 **Clubs should consider** all factors relevant to their overall financial position and outlook including: income, future costs and liabilities, liquidity of assets including cash, quality of assets, reliability of owner funding commitments, off-balance sheet items, equity and debt positions. Clubs should also consider their governance structures for managing financial resources.
- 2.9 The IFR does not define appropriate financial resources based solely on accounting measures. While profit and loss and balance sheet remain relevant indicators of a club's financial performance and position, non-cash items (such as depreciation and amortisation) and accounting adjustments are secondary. The IFR's primary focus is on actual cash inflows and outflows and a club's ability to manage adverse scenarios. **The IFR focuses on financial reality, not accounting presentation.**
- 2.10 The IFR recognises that clubs are also required to follow rules set by the Premier League, EFL and National League. The impact of these rules on clubs may reduce financial risk. In turn, this may impact the financial resources the IFR expects clubs to hold. The IFR will review this on a club-by-club basis, considering all risk factors set out in this guidance together with any other relevant factors. Compliance with league rules will not automatically mean that clubs meet their appropriate financial resources requirement.

- 2.11 When determining the appropriateness of their financial resources, clubs should consider and assess the relevant risk factors¹⁰, including:
- a. business model
 - b. liquidity and cash flow
 - c. solvency and debt
 - d. governance
- 2.12 Clubs are responsible for maintaining appropriate financial resources at all times. Where there are significant changes to a club's financial position or outlook, clubs should reassess risks and ensure its resources remain sufficient. Before making new commitments (including player wages and transfer fees), clubs should ensure that appropriate financial resources are available to meet upfront costs and future obligations associated with those commitments.

Supervisory approach

Where the IFR has concerns, it will work with the club to agree an appropriate path towards compliance. If necessary, the IFR may impose financial DLCs to mitigate risk and to ensure that a club holds appropriate financial resources, including:

- a. requirements relating to the club's liquidity
- b. requirements to reduce or restructure debt
- c. requirements to reduce expenditure
- d. restrictions to prevent the use of illicit finance

See Chapter 7 for details on the IFR's approach to DLCs.

Risk factors

Risk factor 1: Business model risk

- 2.13 Business model risk arises where there is a funding gap between a club's income and its costs. Where there is a funding gap, clubs must clearly demonstrate how this gap will be funded. This should be the foundation of a club's assessment of whether they hold appropriate financial resources.
- 2.14 Clubs generate **income** primarily from matchday, broadcasting and commercial activities which contribute to meeting the club's operational **costs**, including wages, administrative expenses and interest. Where these costs

¹⁰ This guidance is not exhaustive, and clubs remain responsible for identifying and assessing all risks relevant to their business model when determining appropriate financial resources.

exceed income, the club will have an **operating deficit**. Planned **investments**, such as player purchases or capital expenditure, further increase the club's cash needs, creating a **total funding gap**.

2.15 Clubs are required to hold financial resources consistent with the risks in their business model, considering:

- a. the scale of the total funding gap and how it is funded
- b. the club's income position, including the diversity and sustainability of income streams
- c. the amount, timing and nature of future costs and liabilities, including planned investments

2.16 The table below contains examples of how clubs should assess business model risk.¹¹ These are non-exhaustive and clubs should consider all risk factors they believe to be relevant when assessing business model risk.

Components	Higher risk	Lower risk
Operating deficit	High projected deficit including in relation to income	Low projected deficit, closer to breakeven, or able to use income to fund all operations
Funding sources	High reliance on uncertain or short-term funding, dependent on a small number of sources or on speculative outcomes	Funding is stable, committed, accessible and diversified, with alternatives available if a source is removed
Income	High dependence on a single, unpredictable income source	Diverse income streams and/or from a more stable source
Future financing arrangements	Future income has been monetised	Future income has not been monetised
Future costs and liabilities	High committed costs and liabilities relative to income over multiple years	Low committed costs and liabilities relative to income

¹¹ The indicators set out in the table are intended to help guide clubs' assessment of business model risk and not to be treated in isolation or as definitive. The IFR will consider the overall risk profile of the club, considering the interaction between different risk factors and the club's specific circumstances.

Key components of business model risk

- 2.17 In this section, we provide further guidance on the components that make up business model risk.

Operating deficit

- 2.18 Clubs should forecast expected operating deficits and set out robust plans to fund them. The scale of these deficits relative to income, alongside the source and reliability of funding, are key factors in determining the level of financial resources required. Clubs should:
- a. understand the scale of ongoing operating deficits and cash outflows to determine the level of financial resources required
 - b. assess the risks arising from these deficits and their funding arrangements, including under stressed conditions
 - c. produce accurate forecasts that reflect their business model and demonstrate a clear understanding of both income and costs

Planned investment

- 2.19 Clubs should consider planned investments, including player transfer spend and capital expenditure, as part of their business model risk. These investments can increase the club's cash requirements.
- 2.20 Clubs must clearly understand the scale of planned investments, how these will be funded in practice and the impact on cash sustainability and overall business model risk. Clubs should also forecast when investments are likely to increase income.

Funding gap

- 2.21 The total funding gap is the sum of the operating deficit and planned investments. The IFR will not typically seek to restrict this gap or determine how it is funded. However, clubs are required to forecast this gap, demonstrate how it will be met in practice and assess the risks associated with their chosen funding sources. Funding may include:
- a. **Owner funding (equity and/or shareholder loans)¹²**: Clubs should consider the level of reliance on owner support and the funding risks set out below.
 - b. **External debt**: Debt financing creates fixed obligations, including interest costs and repayments. Higher levels of debt, or debt with near-term maturities or restrictive terms, may increase risk and place pressure on future cash flows.

¹² The IFR recognises that clubs operate under different ownership models, including fan-owned, benefactor-supported, or multi-club ownership (MCO) structures. The term "owner funding" is used in a broad sense for the purposes of this framework.

- c. **Proceeds from player sales:** While player trading can help fund operations, clubs should ensure that any reliance is realistic and sustainable due to the uncertainty of this funding.

2.22 To help clubs assess the risks involved in a funding source, they should consider the following:

Funding risks	Examples
Reliability	<ul style="list-style-type: none"> • Whether the funding is stable, predictable and available when required • Whether a committed source of funding is supported by a formal agreement • Whether there are any restrictions or conditions that could prevent or delay access to the funds • Whether the funding has been historically received consistently, on time and as expected¹³ • Whether the funding is dependent on uncertain future events, including speculative sporting or commercial outcomes
Concentration	<ul style="list-style-type: none"> • Whether the composition of the club's funding sources presents either risk of dependence on a small number of funders or risk of an overly fragmented and uncertain funding base
Replaceability	<ul style="list-style-type: none"> • Whether the funding could be replaced temporarily or permanently without causing material financial or operational disruption • Whether alternative funding sources are realistically accessible and capable of being mobilised within required timeframes

Income

2.23 Clubs should understand their income position and the sustainability of that income, including how it may evolve over time. Clubs should assess the risks associated with their income by considering:

- a. **Broadcast, matchday and commercial income:** Understanding the club's dependence on each source, how reliable these income streams are and how they could be affected by scenarios such as relegation.

¹³ Clubs should treat previous track record as a soft signal of reliability, while recognising the subjective nature of this factor.

- b. **Future financing arrangements:** Considering income that is monetised in advance through arrangements such as factoring of future broadcast income or transfer receivables. While this can provide short-term cash flow, helping manage immediate financial pressures and fund operations, it may reduce future income available to the club and weaken future financial resilience. Heavy reliance on such arrangements may indicate financial strain.

Future costs and liabilities

- 2.24 Clubs should assess the risks associated with their future costs and liabilities. This includes committed contractual player wages, administrative expenses, transfer instalment payments, and debt obligations including interest and scheduled repayments. Clubs should understand how these commitments will evolve over time and how they will be met in practice.
- 2.25 Clubs should also consider the nature of their cost base, including which costs are fixed and which may be adjusted if financial conditions change. In particular, they should understand the extent to which expenditure, including squad-related costs, could be reduced in stressed scenarios. Clubs that can demonstrate a clear and credible plan to manage future commitments will generally be considered lower risk.

Risk factor 2: Liquidity and cash flow

- 2.26 Where business models create significant vulnerability, clubs may face liquidity and cash flow risk. This occurs when a club cannot access sufficient liquid resources to meet its short-term financial obligations as they fall due. If not managed effectively, this can lead to operational disruption, an inability to meet obligations and financial distress.
- 2.27 To help mitigate liquidity risk and to demonstrate that they hold appropriate financial resources, clubs must:
- a. hold sufficient liquid assets to meet their operational needs and withstand periods of financial stress
 - b. identify, assess and manage liquidity risk proactively, adopting liquidity management practices proportionate to the club's scale, complexity and risk profile
 - c. have liquidity available throughout the financial period, not just at a single point in time
 - d. prepare accurate and timely cash flow forecasts and regularly monitor actual performance against forecasts allowing the identification of potential liquidity pressures at an early stage
 - e. adopt future liquidity assumptions that are conservative and cautious, particularly when dependent on uncertain events

- 2.28 **Liquid assets** are assets held by the club that can be converted into cash almost immediately and without significant loss of value, including cash, cash equivalents and other highly liquid financial instruments.
- 2.29 The IFR will not prescribe a definitive list of acceptable liquid assets, recognising both that financial products evolve and that the appropriateness of particular instruments may vary depending on a club's risk profile and circumstances. However, football players are not considered liquid assets due to the limited ability to realise value outside transfer windows.
- 2.30 Key considerations for clubs in assessing liquidity risk include:
- a. the extent to which an asset can be converted to cash as soon as needed and with minimal loss in value
 - b. whether the club's financial position and cash flows indicate an ability to meet short-term obligations as they fall due, having regard to liquidity measures such as working capital position and operating cash flow
 - c. where liquidity is dependent on owner funding, whether such funding is formally committed to the club itself and not subject to the owner's discretion or financial circumstances
 - d. where clubs may use overdraft or debt facilities for cash flow management, whether these are unconditional, fully committed and contractually guaranteed. Ensuring the terms of such facilities are clearly documented and can be relied on in periods of financial distress
- 2.31 The IFR will not set a single liquidity requirement that applies to all clubs. The IFR will assess liquidity risk. Depending on the specific risks posed by the club, the IFR may require liquidity sufficient to cover a defined period or bridge to a transfer window. In making this assessment, the IFR will consider all risk factors in this guidance and any other relevant factors.

Risk factor 3: Solvency and debt

- 2.32 Solvency risk arises if there is threat of the club's ability to continue operating sustainably in the medium to long term. Clubs should consider their overall balance sheet strength, including net equity, the level and structure of debt and associated repayment obligations. Financial indicators, including leverage and interest coverage ratios, can help evaluate a club's solvency and overall financial stability.

2.33 The IFR recognises that debt can form part of a club’s business model. The IFR’s focus is on the impact of debt on a club’s ability to operate sustainably, with the expectation that borrowing should be well-managed and should not place an undue burden on the club. There are two key forms of debt clubs should consider:

a. **Debt requiring future financial commitments:** this includes debt that creates future obligations, such as transfer payments, interest-bearing loans or other commitments that will impact profit and loss and cash flow. When assessing this type of debt, clubs should also consider:

- **Repayment ability and servicing capacity:** including whether the club can meet repayment obligations and associated interest without undermining liquidity or solvency position.
- **Loan terms and conditions:** including whether there are covenants, maturities or triggers that could affect the club’s financial stability.
- **Purpose of the debt:** where debt is used to fund capital expenditure (for example, stadiums or academies), clubs must demonstrate the purpose, terms and associated risks.

b. **Shareholder or soft loans (non-interest bearing):** The IFR recognises that these are common and often tax-efficient in football. While these loans are generally less financially burdensome for clubs than interest-bearing debt, clubs must:

- **Clearly document and understand loan terms:** record repayment expectations and any contingent obligations.
- **Consider impact on financial position and valuation:** particularly in scenarios where ownership changes, as outstanding shareholder loans may affect future buyers and the club’s overall sustainability.
- **Ensure sustainability is not compromised:** shareholder loans should not place ongoing financial pressure on the club or undermine its long-term financial sustainability.

2.34 The IFR will not set uniform debt limits that apply to all clubs. Debt will instead be assessed as part of the club’s overall appropriate financial resources. Depending on the specific risks posed by the club, the IFR may take targeted actions, such as requiring clubs to reduce or restructure debt and/or limiting future debt. This may include restricting the club’s ability to use certain types of borrowings or debt instruments. In making this assessment, the IFR will consider all risk factors in this guidance as well as any other relevant factors.

Risk factor 4: Governance risk

- 2.35 Governance risk arises where shortcomings in a club's governance arrangements, oversight of financial decision-making or risk management expose the club to financial or operational vulnerability.¹⁴ Sources of governance risk may include a failure to implement the club's strategy, inadequate policies and procedures (for example, concerning cash management), insufficient mechanisms to identify and report on key risks or an ineffective board with limited expertise or independence, such that decisions may put the club's financial stability at risk.
- 2.36 To mitigate governance risk and demonstrate that they hold appropriate financial resources, clubs must:
- a. implement effective internal controls and risk management arrangements, proportionate to their size, complexity and risk profile, to ensure they can operate sustainably and efficiently
 - b. have governance arrangements to support the club's ability to operate sustainably, manage liquidity and solvency risks and take these into account in business planning
- 2.37 Key considerations for clubs when assessing their governance arrangements include:
- a. whether risk management and internal control systems are appropriate to the scale and complexity of the club and effectively identify, monitor and mitigate financial risks
 - b. whether financial reporting and assurance processes are accurate, timely and reliable, and provide confidence in the club's financial position
 - c. whether the club has adequate financial capability, including access to suitably skilled and experienced personnel, to support effective financial management and oversight
 - d. whether corporate and group structures are clear, with well-defined roles and accountability for financial decision-making
 - e. whether the club complies with its tax obligations, including timely submission of returns and payments

¹⁴ This assessment is different but complementary to the Corporate Governance aspects of the licensing regime.

Reporting – key concepts

Financial plans

- 2.38 Clubs are required to submit financial plans to the IFR at least once a year, using the IFR's standardised template.¹⁵ These financial plans should demonstrate how the club plans to hold and maintain appropriate financial resources and manage identified risks. Clubs are required to act in accordance with the financial plan.
- 2.39 The financial plan should be forward-looking, including the club's expected financial position, financial performance and cash flow. Financial plans should demonstrate how the club is:
- a. financially sound under normal operating conditions
 - b. resilient in adverse scenarios, including relegation, removal of a club's main source of external funding and significant income shock

Normal operating conditions

- 2.40 Financial plans should present a club's financial position and outlook under normal operating conditions, enabling both the club and the IFR to understand potential risks and vulnerabilities. The financial plan should also describe any management actions that the club is taking to ensure it remains financially sound.
- 2.41 **Management actions** are the proactive steps a club undertakes to maintain or achieve appropriate financial resources once risks of a club's normal operations have been identified. They go beyond financial forecasts and explain how the club will manage liquidity, funding, costs and other operational risks.
- 2.42 Management actions may include:
- a. potential reductions in operating or player-related costs
 - b. availability of existing lending or liquidity support, for example committed facilities
 - c. securing additional committed external funding
 - d. measures designed to preserve cash, improve working capital or strengthen financial resilience
 - e. potential revisions to commercial or contractual arrangements
 - f. player trading (see box below)
 - g. any initiatives or plans to increase income, including commercial developments or investments expected to generate additional income. The IFR recognises that income growth can itself be a valid management action, provided clubs also consider any associated risks and costs.

¹⁵ The financial plan template is being consulted on in autumn 2026.

2.43 Management actions should be:

- a. clearly defined, setting out specific measures rather than high-level intentions
- b. timely and actionable, capable of being implemented in time to prevent or mitigate emerging financial pressures
- c. proportionate and realistic, appropriate to the club's scale, structure and operating environment
- d. within the club's control, not reliant on uncertain external events or speculative outcomes
- e. supported by evidence, including clear assumptions, implementation timelines and a reasoned assessment of the expected financial impact

Use of player trading as management actions

The IFR recognises that player trading can form an element of a club's business model and may form part of managing current or anticipated financial risks. However, reliance on player trading as a management action involves inherent uncertainty and should be approached with caution.

Where a club intends to rely on player trading as a management action, it should consider the following questions:

- a. Are assumptions regarding the timing and expected proceeds from player sales prudent and realistic?
- b. Is the proposed approach consistent with the club's historical experience, recruitment strategy and current market conditions?

2.44 The IFR will assess the appropriateness and credibility of a club's management actions. Where a club's financial plan indicates heightened risks to financial soundness that are not being adequately addressed, the IFR may require the club to propose additional or strengthened management actions.

Stress tests

2.45 Financial plans must include stress tests undertaken by the club, along with the club's corresponding stress mitigation plans. Stress tests assess how adverse scenarios could affect a club's financial position and its ability to continue operating and meet financial commitments. Their purpose is to help clubs identify, monitor and manage financial risk.

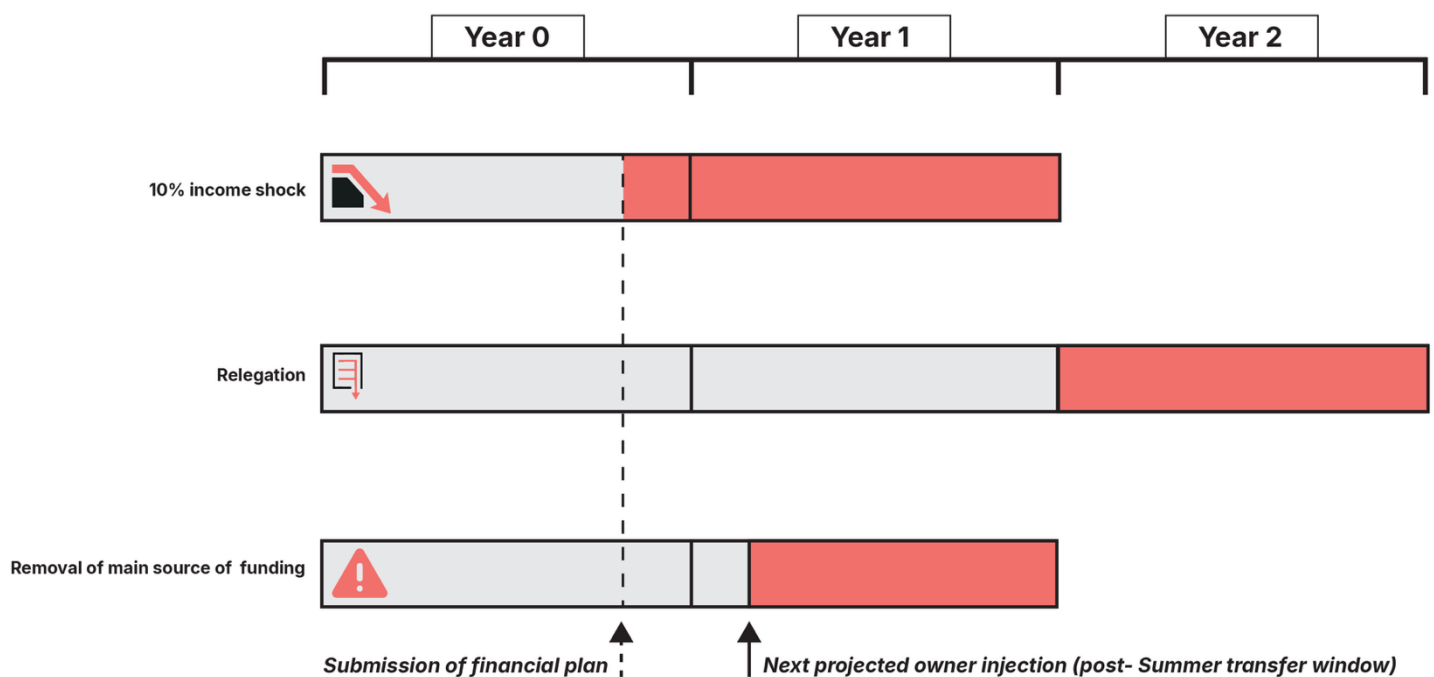
2.46 All clubs are required to assess the following three core stress scenarios:

Risk assessment scenario	Key considerations
<p>10% reduction in the club's annual income</p>	<ul style="list-style-type: none"> • The 10% shock should be applied to all income sources, rather than unevenly across different sources • The purpose of this stress test is to assess how financially resilient the club is, rather than to assess the club's ability to offset or reverse a loss of income from any income stream • Clubs should consider the impact of the income shock on their ability to meet their financial commitments and how any shortfalls could be addressed
<p>Relegation</p>	<p>As a non-exhaustive list, clubs should consider:</p> <ul style="list-style-type: none"> • impact on broadcasting, matchday and commercial income • impact on costs such as wages, matchday costs and other operating expenses, noting that some costs may remain fixed while others may adjust (for example, reductions triggered by player relegation clauses) • impact on the club's external funding required, including any changes to availability, cost and terms of funding
<p>Removal of a club's main source of external funding¹⁶</p>	<ul style="list-style-type: none"> • Main source of funding means the single source of funding that is projected to account for the largest amount of external funding over the stress testing forecast period • The assumption should be applied on a forward-looking basis, specifically, that the club will not receive the next forecasted funding amount and will not receive further funding from that source for the remainder of the period. This does not imply any requirement to repay funding previously received • Clubs should consider the impact on their cash flows and overall solvency, with particular focus on their ability to meet financial commitments • Where clubs have existing, binding arrangements or policies in place that would prevent or materially constrain the impact of the removal of a main source of funding, these should be reflected in the analysis and clearly documented • Clubs should consider whether any income streams are linked to the main source of funding and could be affected by its removal

¹⁶ Clubs that do not rely on external funding to cover deficits do not need to undertake this stress test. These clubs should discuss this with their supervisor and document in their financial plan why they did not need to analyse this scenario.

2.47 The time horizon covered by each scenario is as follows:

- a. **10% income shock:** The period from the time the financial plan is submitted until the end of the following season.
- b. **Relegation:** The period from the end of the first full season covered by the financial plan until the end of the subsequent season. For example, if a club submits its financial plan on 31 May 2028, the 2028/29 season should reflect the confirmed competition as the base case. The club should then stress test the impact of relegation at the end of the 2028/29 season and model the financial consequences of competing in the league below during the 2029/30 season.
- c. **Removal of main source of funding:** The period from the assumed cessation of funding until the end of the season. The stress test should assume that owner funding ceases in September, following the closure of the summer transfer window, and that no further funding injections are received from that point until the end of the subsequent season. For example, if a club submits its financial plan on 31 May 2028, the stress test should assume that owner funding ceases in September 2028 and model the financial impact from that point through to the end of the 2028/29 season.



- 2.48 In addition to the scenarios above, a club may choose - or be required by the IFR - to develop and undertake a stress test for a bespoke scenario in their financial plan. In such circumstances, the club should provide the IFR with the following information:
- a. the source of the stress
 - b. how this affects the financial position of the club
 - c. the timeline covered by the stress test
 - d. the necessary detail of both the stress test and the stress mitigation plan
- 2.49 Where the club is required to undertake the bespoke stress test, the IFR will confirm these elements with the club.

Stress mitigation plans

- 2.50 Clubs are required to provide stress mitigation plans for the risks identified through the stress testing. These plans should support the club in managing such scenarios if they arise and enable the IFR to assess the club's capacity to respond to shocks, informing its overall risk profile.
- 2.51 Clubs are expected to consider and determine for themselves the most appropriate stress mitigation plans, considering their own circumstances and the impact on the financial resources of the club. The IFR recognises that clubs may benefit from assistance to develop sufficient plans and the IFR will collaborate with clubs in further developing the appropriate stress mitigation plans which may include sharing best practice from other clubs and industries.
- 2.52 In preparing and documenting stress mitigation plans, clubs should:
- a. consider each stress test scenario individually and tailor mitigations accordingly
 - b. ensure they are realistic and relevant to the shock, taking into account the specific risks of the club and previous responses to similar shocks by other clubs
 - c. be sufficiently detailed to be used by clubs if the actions need to be implemented, and to allow effective scrutiny by the IFR
- 2.53 When determining appropriate stress mitigation plans, clubs may consider the following:
- a. **Reducing costs:** implementing expenditure reductions to restore or improve financial stability
 - b. **Securing financing:** identifying short-term financing options to address liquidity pressures
 - c. **Securing funding:** exploring additional funding sources, particularly to address deficits or mitigate the withdrawal of existing support

Removal of main source of funding

Clubs should consider and prepare for circumstances where their main source of funding is no longer available. For example, this may arise where a club is heavily owner reliant and the owner decides to stop, or is unable to continue, providing financial support. In such circumstances, clubs should assess how they would manage the transition away from that funding source and minimise the potential impact on the club's operations.

As part of this assessment, clubs should evaluate the risks associated with their current funding sources and the business model set out in the appropriate financial resources section. Clubs should also consider the level of liquidity required to continue operating if that funding were withdrawn.

In response to this stress test, clubs should consider the actions available to mitigate the impact. This may include the ability to reduce costs within a short timeframe, access alternative financing or borrowing or realise value from player trading or other assets. Where these options may be limited or uncertain, clubs should ensure they maintain sufficient liquidity to manage the risk associated with the potential withdrawal of their primary funding source.

Reporting – technical clarifications

Financial plan

- 2.54 All clubs are required to submit their initial financial plan within the first year of holding a provisional licence.¹⁷ During the provisional licence period, the IFR can request a club's financial plan at any time. The IFR can also determine how frequently a club's plan requires updating. Most clubs will only need to update their financial plan on an annual basis. However, where a club is assessed as higher risk, the IFR may require more frequent updates.
- 2.55 The financial plan must be formally approved by a resolution of the club's board to confirm that, to the best of their knowledge, the information is accurate and complete at the time of submission. Where a club does not have a board, it must be approved at an equivalent level of seniority within the club.
- 2.56 For clubs submitting their financial plan on 31 May, the plan must cover the remainder of the current year and the following two years.¹⁸

¹⁷ For most clubs, the first financial plan will be submitted by 31 May 2028.

¹⁸ For the purposes of the financial plan, a "year" is from 1 July to the following 30 June.

- 2.57 For clubs submitting their financial plan at a different point in the year, the appropriate period to be covered will be determined by the IFR, including the time horizon for financial projections and the approach to stress testing.
- 2.58 Further detail will be provided in the consultation on the financial plan in autumn 2026.

In-year reporting

- 2.59 To effectively monitor and supervise clubs, the IFR will require in-year reporting from clubs. This may be projected or actual financial results.
- 2.60 The IFR's State of the Game Report will contain an analysis of risk within the English game. Following this, the IFR will publish its approach to supervision, including in-year reporting. As a general guide, clubs presenting financial risk can expect to be required to provide at least quarterly reporting, particularly in relation to cash flow.
- 2.61 For high-risk clubs, the IFR may require more frequent and/or more detailed cash flow reporting. For clubs in financial crisis, including those in administration, the IFR will maintain constant engagement.
- 2.62 Any reporting will be proportionate to the risks identified. It will apply for as long as the IFR considers it necessary to support effective oversight. Where the IFR imposes enhanced reporting, it will set out clearly the required scope, format, and submission timelines.

Notification of material change in circumstances

- 2.63 Clubs are required to notify the IFR and submit an updated financial plan as soon as reasonably practical following a material change in circumstances. This ensures the IFR has up-to-date information on how the club will manage its financial resources.
- 2.64 Clubs should:
- a. engage with supervisors about any changes to their business model and financial situation
 - b. resubmit their financial plan if a material change in circumstances occurs
- 2.65 **Supervisory engagement:** Clubs should engage with their IFR supervisor in respect of changes to their financial situation. For example, clubs should engage with their IFR supervisor once their final league position and competition for the following season are confirmed and following the close of transfer windows when their financial outlook is more certain. These discussions provide an opportunity to review the club's updated position, consider any emerging risks and agree any appropriate next steps, including whether updates to the financial plan are required.

- 2.66 **Updating financial plan:** When considering materiality, a material change in circumstance is any significant event or development (whether it has already occurred or is expected to occur) that substantially alters a club's ability to maintain appropriate financial resources. Therefore, the most recently submitted financial plan becomes materially inaccurate. In relation to the financial plan, examples of material change include, but are not limited to:
- a. significant unplanned expenditure or investment, such as on stadiums or facilities
 - b. significant unexpected variations in projected income
 - c. changes to key funding arrangements or financing commitments
- 2.67 Clubs should apply reasonable judgment when determining whether a change is material. If there is any uncertainty, clubs should confirm with their IFR supervisor whether the development is a material change. Insignificant changes, and changes already incorporated within the financial plan's normal operating assumptions, which do not materially alter the club's financial position, do not require resubmission.
- 2.68 Within the financial plan update, clubs should set out how risks have changed, how the club continues to maintain appropriate financial resources and whether the stress tests have been affected and require revised stress mitigation plans.

Material change to planned player transfer activity

- 2.69 Player transfers and player contracts may have a significant impact on a club's financial position and may not always be fully anticipated or reflected in approved financial plans. The IFR recognises the operational pressures faced by clubs during transfer windows and does not expect to be involved in the transfer process itself. The IFR does not seek to approve, delay or intervene in individual player signings, transfer fees or negotiations. The IFR's interest is with the **overall financial impact** of transfer activity, including aggregate transfer spend and income and how such activity will be funded.
- 2.70 Where a club's planned or completed transfer activity is materially consistent with the assumptions and forecasts reflected in its approved financial plan, no notification or updated submission is required.
- 2.71 Where a club's overall completed transfer expenditure **materially departs** from the assumptions underpinning its existing financial plan, the club is expected to inform its supervisor of these proposed changes as soon as reasonably possible. Clubs are not expected to keep the regulator informed about proposed individual transfers and are not expected to inform their supervisors on live negotiations. IFR supervisors will not pre-approve either changes to planned transfer expenditure or individual transfers or player contracts.

- 2.72 Where a club has materially departed from the financial plan, clubs may be required to update and resubmit its financial plan as soon as reasonably practical. This may include material changes to aggregate transfer expenditure, transfer income, associated wage commitments or funding arrangements where the resulting financial impact affects the club's ability to maintain appropriate financial resources.

Reporting perimeter

- 2.73 To accurately determine and assess the financial position of football clubs, a clear and consistent reporting perimeter must be established for all financial information submitted to the IFR. The reporting perimeter ensures that clubs provide a complete view of all financial activities relevant to their regulated men's professional football operations.
- 2.74 The reporting perimeter defines the financial and operational entities that must be included when a club reports to the IFR. It sets the boundary for which parts of the club's wider corporate structure fall within the scope of regulatory reporting and determines the entities should be consolidated for financial reporting purposes.
- 2.75 Clubs must report and consolidate all financial activity that is materially connected to the operation of their men's professional football team.
- 2.76 The reporting perimeter will typically capture:
- a. the legal entity holding the licence to operate the regulated team
 - b. any subsidiaries of that entity
 - c. any other entity that generates revenue, incurs costs, or performs services connected to men's football operations, including but not limited to:
 - player employment and transfers (including loans)
 - ticketing, sponsorship, advertising and broadcasting activities
 - merchandising, hospitality and other operational activities (for example administration, matchday operations, scouting and travel)
 - ownership, leasing or operational management of the stadium and training facilities
 - youth academy and player development programmes
 - women's football operations where they are financially integrated with or materially impact the regulated club
 - financing arrangements, including equity commitments and debt secured against club assets or revenue streams

- 2.77 The IFR recognises that clubs may operate women's teams or non-football-related businesses within the same corporate structure that do not fall directly within its formal scope. Where these activities are financially integrated with or materially impact the regulated club, they will be included within the reporting perimeter. Where no such integration exists, clubs are not required to report these activities.
- 2.78 Clubs should consolidate entities within the reporting perimeter in accordance with applicable accounting standards and existing league reporting requirements. If the IFR determines that an entity has been incorrectly excluded from or included within the reporting perimeter, it will require the club to update its financial plan (or strategic business plan) to reflect the correct position.

Documentation of corporate group structure

- 2.79 Clubs must provide the IFR with a clear overview of their corporate group structure as part of the strategic business plan and financial plan. This must be presented in a format that is easy to understand, typically using a diagram or organisational chart.
- 2.80 The diagram must include all entities relevant to the club's corporate structure and must clearly show:
- a. the entities that make up the group structure
 - the ultimate owner(s) and any parent companies
 - the regulated club entity (licence holder)
 - all wholly owned and partially owned subsidiaries
 - any related entities that:
 - generate revenue for the club
 - incur costs on behalf of the club
 - hold or operate assets used in men's football activities
 - b. the relationships between those entities:
 - ownership links, including the percentage of ownership or control
 - inter-company relationships where relevant to football operations
 - c. the status of each entity for regulatory reporting:
 - entities included within the regulatory reporting perimeter, clearly identified, for example, highlighted or marked
 - entities outside the perimeter, shown for context but visually distinguished from in-scope entities

d. the entity that owns the stadium, including:

- where that entity sits in the corporate structure
- if the stadium is owned by a third party, clubs should identify the beneficial owner(s)
- where the stadium is leased, clubs should indicate the lease terms and the next renewal date

2.81 An owner's wider business interests or activities that are not related to the football club do not need to be included within the diagram (although they may still be relevant considerations when the club considers the reliability of its sources of funding). Where there is any uncertainty about whether an entity or activity may be relevant, clubs should err on the side of transparency and disclose the information to the IFR.

2.82 Clubs must ensure that their corporate structure diagram is kept up to date and resubmitted to the IFR whenever the group structure changes, for example after acquisitions, disposals, restructures or changes in ownership.

3. Non-financial resources

This chapter should be read together with:

- the Football Governance Act 2025 (Schedule 4: Threshold Requirements)
- IFR guidance, licensing (Chapter 6 Annual declarations)
- the IFR's licence and Mandatory Licence Conditions (Annex A)
- the annual declarations reporting template (Annex D)

Context

- 3.1 This chapter sets out guidance in relation to the non-financial resources Threshold Requirement, including:
- a. how the IFR has defined non-financial resources
 - b. how clubs should assess their non-financial resources
- 3.2 For a club to meet the 'full licence test' it must satisfy the IFR that it meets the Threshold Requirements. These requirements include the non-financial resources Threshold Requirement, that is that the non-financial resources of a club are appropriate to the activities it carries on.

Defining non-financial resources

- 3.3 The IFR has defined non-financial resources to include:
- a. **Human capital:** A club must ensure that it has adequate human resources to operate effectively. This would include the number, skills and experience of employees and volunteers in critical functions.
 - b. **Management and governance structures:** A club must ensure that it has appropriate control and risk management processes to effectively oversee a club's critical functions, including effective risk management. This may involve effective boards, board sub-committees and escalation procedures.
 - c. **Physical assets:** A club must have access to the necessary facilities for it to be able to operate and compete in the relevant competitions. This may include access to a safe football ground, and maintenance and groundskeeping facilities. This might include business recovery scenarios and appropriate insurance to help clubs to continue in adverse circumstances.
 - d. **Technological resources:** A club must have sufficient technological resources for it to process the data that it holds, for example employee

information or fans' membership and ticket data, and that it has appropriate data protection systems in place. This may include methods of preventing inadvertent disclosure of personal or sensitive data, or to protect against ransomware attacks.

- e. **Intellectual capital:** A club must ensure that it has the appropriate rights, licences and consents for it to be able to operate. This might include club licensing, for example UEFA, intellectual property rights over the brands and logos that it uses, and licences to the image rights of players or other intellectual property. This might also be extended to include appropriate insurances.

- 3.4 Clubs may also consider other non-financial resources where a club considers that these may impact its ability to carry out its activities.

Assessing non-financial resources

- 3.5 Clubs are required to assess their own non-financial resources to determine whether they are appropriate for the club to operate and to meet their anticipated commitments.

- 3.6 When making that determination, clubs should consider:

- a. the club's corporate structure and, where relevant, its group structure
- b. the skills, experience and qualities of its staff and, where relevant, its volunteers
- c. the club's corporate governance arrangements
- d. the competitions in which the club operates a team
- e. the club's financial resources

- 3.7 Clubs should maintain adequate records of the assessment so that they are able to provide evidence of the assessment to the IFR when asked. These assessments should be made annually and their results included in the club's annual declaration (see below).

- 3.8 This guidance is not exhaustive. When determining appropriate non-financial resources, clubs should assess all risks relevant to their business model.

Club declarations and attestation process

- 3.9 Before a club can be granted a full licence, the IFR requires each club board to certify that the directors reasonably expect the club to meet, and continue to meet, the non-financial resources Threshold Requirement.

- 3.10 Clubs will need to attest to one of the following statements as part of their annual declaration:

- a. The board has assessed the club's non-financial resources and has a reasonable expectation that the club has, and will continue to have, sufficient non-financial resources to operate the club for a period of 12 months from the date of their Declaration.
 - b. The board has assessed the club's non-financial resources and does not have a reasonable expectation that the club has, or will continue to have, sufficient non-financial resources to operate the club for a period of 12 months from the date of their Declaration.
 - c. The board has not yet assessed the club's non-financial resources.
- 3.11 The attestation on non-financial resources must form part of the Annual Declaration (see Chapter 6). This must be formally approved by a resolution of the club's board. Where a club does not have a board, it must be approved at an equivalent level of seniority within the club.
- 3.12 Clubs attesting to statements (b) or (c) above will be required to provide the IFR with an explanation of why they consider their non-financial resources to be insufficient, including the categories of non-financial resources which they consider to be insufficient, or why they have not yet assessed them.
- 3.13 Clubs may only attest to statement (c), that is, they have not assessed their non-financial resources, when they are on a provisional licence. Clubs will not be able to transition on to a full licence until their board has assessed their non-financial resources and certified that they are appropriate.

Supervisory approach

The IFR will work with any club that has assessed their non-financial resources and determined them to be insufficient to meet the Threshold Requirement.

As part of this process, where a club does not have appropriate non-financial resources (either through its own assessment or by the IFR), the IFR may impose a DLC in connection with the identified deficiency.

The IFR can impose non-financial DLCs in respect of internal controls, risk management and financial reporting.

See Chapter 7 for detail on the IFR's approach to DLCs.

4. Corporate governance

This chapter should be read together with:

- the Football Governance Act 2025 Schedule 5: Mandatory Licence Conditions
- the Football Club Corporate Governance Code (the Club Code)
- the IFR's licence and Mandatory Licence Conditions (Annex A)
- the IFR's corporate governance statement reporting template (Annex C)
- the IFR's licensing rules

Context

4.1 This chapter provides guidance on the IFR's Football Club Corporate Governance Code (the Club Code or Code). The Code contains five principles that should be applied proportionately by all licensed clubs:

Principle 1: The Board, purpose and strategy

Principle 2: Risk Oversight and controls

Principle 3: Board Composition and Accountability

Principle 4: Equality, Diversity and Inclusion

Principle 5: Stakeholder Relationships and Engagement

4.2 This chapter also provides guidance on clubs' submission and publication of corporate governance statements and the IFR's periodic reporting on corporate governance.

How clubs should apply the Code's principles

4.3 The Club Code operates on an 'apply and explain' basis. Clubs are required to clearly explain how they have applied the Club Code and its principles through their corporate governance statements.

4.4 Clubs should apply each principle of the Club Code by adopting corporate governance practices that are proportionate to their size and appropriate to their circumstances. The Club Code contains non-prescriptive guidance and recommended practices to help clubs apply the principles.

4.5 Clubs' corporate governance statements should clearly explain how their governance practices, policies, and procedures accomplish each principle's intended outcomes.

- 4.6 The IFR expects larger, more complex clubs, with greater resources, to have more developed corporate governance arrangements. This may necessitate more comprehensive corporate governance statements.
- 4.7 A club's corporate governance arrangements may include practices that are not specifically referred to in the Club Code. In such cases, the club should use their corporate governance statement to explain how those practices apply the principles of the Club Code.
- 4.8 Some clubs may already apply many of the Code's recommended practices or follow other corporate governance codes. However, for some clubs, developing and implementing comprehensive corporate governance arrangements aligned with the Code may require time. The IFR recognises that the pace of implementation will vary depending on each club's circumstances, resources, and the maturity of its current governance arrangements. Clubs' governance arrangements should develop and strengthen over time through ongoing application of the Code's principles.

Corporate governance statements

Frequency of submission and publication

- 4.9 Clubs are required to submit and publish their first corporate governance statements by 31 October 2027 and every two years thereafter.
- 4.10 Clubs promoted into the National League are required to submit and publish a corporate governance statement by 31 October in the calendar year of their promotion. For example, clubs promoted into the National League at the end of the 2026/27 season must submit and publish a corporate governance statement by 31 October 2027.
- 4.11 The IFR recognises that the corporate governance statements published by National League clubs shortly after promotion may be less comprehensive than standard two-yearly statements. However, these statements should still demonstrate how the club is applying the Club Code. Promoted clubs should discuss the content of their initial statements with their designated supervisor. Following the initial statement, these clubs should align with the standard submission and publication cycle, for example 2029, 2031.
- 4.12 The corporate governance statement must be formally approved and signed by a club director or individual with appropriate authority to confirm that, to the best of their knowledge, the information is accurate and complete at the time of submission.
- 4.13 Clubs should publish their corporate governance statements on their club website as soon as reasonably practicable after they have been submitted to the IFR. They should also be published with appropriate prominence and in a way that makes them easily accessible to everyone, including people with disabilities or who use assistive technologies like screen readers.

- 4.14 The IFR may amend a club's reporting deadline and/or frequency of corporate governance statements for supervisory reasons, for example where heightened supervision is necessary.

Material changes

- 4.15 Clubs must update, resubmit and republish their corporate governance statements as soon as practicable after any material changes to their corporate governance arrangements. In assessing materiality, in consultation with their designated supervisor where necessary, clubs should consider the size and complexity of their operations and the potential impact of the change on:
- a. financial soundness or sustainability
 - b. governance, independence or transparency
 - c. stakeholder engagement
 - d. the IFR's ability to supervise the club effectively
- 4.16 Examples of changes that may be deemed material include, but are not limited to:
- a. significant changes in a club's policies or procedures for monitoring, reporting or managing the risks the club is exposed to, for example the establishment or cessation of a risk committee or of an executive risk management function
 - b. noteworthy alterations to board composition, including changes to the independence of non-executive directors
 - c. amendments to the articles of incorporation or bylaws
 - d. introduction or removal of 'golden shares' or special voting rights
- 4.17 Non-material changes to a club's corporate governance arrangements may be included in the usual two-year statement revision, submission and publication cycle.

Statement content

- 4.18 To further ensure club statements are easily accessible and understandable for all stakeholders, they should be written in plain English, for example presented in a clear, concise and structured manner using everyday words and avoiding technical jargon.
- 4.19 To help ensure that club statements are meaningful, comprehensive, and consistent, the IFR has developed supplemental guidelines outlining the minimum requirements for club statements. These standards set a baseline for the content of the statements, not a limit. Clubs are encouraged to use their own words to clearly and accurately detail their corporate governance arrangements.

- 4.20 Clubs should include in their statements any corporate governance functions delegated to affiliates, group companies or third parties.
- 4.21 Clubs are required to include in their statements an explanation of what actions the club is taking, or has taken, to improve equality, diversity and inclusion even if they are not subject to league or governing body requirements.

IFR reporting on corporate governance

- 4.22 The IFR will publish a report on club corporate governance arrangements in the interim years of the clubs' two-year submission cycle (that is, in each year that clubs are not required to submit a corporate governance statement). These reports will be made available on the IFR website.
- 4.23 Clubs should carefully review the IFR's report and use its contents to review their own corporate governance arrangements against peers and identified best practices.

Supervisory approach

A failure to follow a specific principle or recommended practice within the Club Code will not, on its own, lead to direct enforcement action by the IFR.¹⁹

By applying the Club Code and its principles, a club can demonstrate its efforts to meet the non-financial Resources Threshold Requirements (the requirements of which are considered in Chapter 3).

Because clubs are required to publish corporate governance statements, a club's fans and other stakeholders may hold the club accountable for how they apply (or fail to apply) the Code's principles.

The IFR recognises that clubs must choose the governance practices that fit their specific circumstances and choosing not to apply every recommended practice does not automatically mean that a club is poorly governed.

How the Club Code will evolve

- 4.24 Corporate governance best practices evolve over time, as does the football industry, and the IFR will keep the Club Code under review. The IFR will consult on any material revisions to the Code as required.

¹⁹ A failure to follow the principles of the Code would not constitute a 'relevant infringement' under Schedule 7 of the Act. This means that the IFR would not be empowered to open an investigation into, or impose sanctions for, the club's failure to apply the Code.

5. Fan consultation and engagement

This chapter should be read together with:

- the Football Governance Act 2025 (Schedule 4: Threshold Requirements and Schedule 5: Mandatory Licence Conditions)
- the IFR's licence and Mandatory Licence Conditions (Annex A)
- the IFR's provisional licence application guidance
- the IFR's licensing rules

Context

- 5.1 This chapter provides guidance on the IFR's fan consultation and engagement and sets out requirements including:
- a. the approach to clubs' fan consultation and engagement requirements
 - b. the relevant matters that fans should be consulted on
 - c. fan representation, including the standards for electing fan representatives
 - d. the principles for effective fan consultation
 - e. reporting, including the Annual Fan Consultation Report
 - f. the actions the IFR may take to improve compliance

Approach

- 5.2 Clubs must satisfy the fan consultation MLC once a provisional licence has been granted and must meet the Fan Engagement Threshold Requirement to be granted and retain a full licence. As part of this, clubs will have to submit and publish an Annual Fan Consultation Report.
- 5.3 Clubs are required to **meaningfully consult** with fans regularly on any **relevant matters**. This means clubs should consult with fans before making decisions that affect them. For example, this could include consulting on a club's strategic direction and business priorities, changes to ticket prices, or other major matchday policies with recognised fan groups. The aim is for clubs to explain their thinking, listen to fan feedback and consider it before taking decisions.
- 5.4 The Annual Fan Consultation Report will enable the IFR to review the quality and effectiveness of fan consultation, including how the club has gathered, considered, and responded to fan views. In addition, IFR supervisors will engage with club fan representatives, getting their direct input into the effectiveness of fan consultation.

- 5.5 The IFR's approach is designed to be flexible so clubs can apply it proportionately to reflect their circumstances. Clubs that are already meeting Premier League or EFL rules can use and build on these structures to meet IFR expectations. There are currently no equivalent requirements in the National League.
- 5.6 The framework set out below provides guidance and practical examples of how clubs could demonstrate compliance.

Issues for fan consultation (relevant matters)

- 5.7 The Act requires clubs to consult with fans regularly on **relevant matters** and defines relevant matters as:
- a. the club's strategic direction and objectives
 - b. the club's business priorities
 - c. operational and matchday issues, including ticket pricing
 - d. the club's heritage
 - e. the club's plans relating to additional fan engagement
- 5.8 The Act specifies that 'matters that relate to the club's heritage' include:
- a. the club's home ground (within the meaning of section 46)
 - b. any emblem or crest of a relevant team operated by the club
 - c. the predominant home shirt colours of a relevant team operated by the club
 - d. the name of a relevant team operated by the club²⁰
- 5.9 Regularly consulting with fans on the matters described above is sufficient to meet the requirements of the Act.
- 5.10 For club heritage issues, the club may also consider selecting a heritage advisory panel made up of people with strong knowledge of or interest in these topics and who reflect the wider fan base. Clubs should consider establishing such a panel, in particular, when consulting on proposals about key heritage assets, such as moving the club's home ground or changing the club's name.
- 5.1 When consulting on **strategic direction**, clubs should consider *Principle 1: board, purpose and strategy* of the IFR's Football Club Corporate Governance Code:²¹

²⁰ Schedule 4, paragraph 3 of the Act.

²¹ The link for Corporate Governance Code will be added the documents are published

“ *In consultation with stakeholders, including fans, the board should clearly define the club’s purpose, that is why the club exists and what its priorities and objectives are. This purpose should guide the club and those involved in it, including employees and volunteers. It should inform how the club develops and implements the club’s strategy and determines its appetite for risk.* ”

Fan representation

- 5.11 Clubs are required to consult regularly on relevant matters with either:
- persons elected by the club’s fans to represent their views, or
 - persons otherwise appearing to the IFR to represent the views of the club’s fans²²
- 5.12 These persons will be referred to as **fan representatives**. Fan representatives are either (a) individuals elected through a fair, transparent process in which all fans could vote,²³ with each representative serving only for a reasonable term before re-election is required, or (b) individuals chosen by the Club based on their knowledge and experience to collectively reflect the views of the club’s fan base.
- 5.13 A **reasonable period** of time will be determined by the size of the club, but the IFR considers fan representatives should be appointed for fixed terms (for example, three years), while considering limits on overall tenure to maintain their independence (for example three terms of three years, with a maximum tenure of nine years).
- 5.14 This section provides guidance on how these fan representatives should be elected or appointed (as applicable).

Elected representatives

- 5.15 The use of elected fan representatives ensures that engagement is rooted in democratic legitimacy and delivers a direct link between the fan base and club governance.
- 5.16 To ensure that the fan representatives are elected through a fair and transparent election process, clubs should ensure, in addition to the requirements expressly set out in the Act, that:

²² Schedule 5, paragraph 8(1) of the Act.

²³ This would not prevent clubs from putting in place reasonable measures to ensure that those who vote can reasonably be regarded as fans of the club.

- a. the roles and responsibilities of the representatives to be elected are clearly defined and communicated to fans
 - b. the election process (including but not limited to the candidates, voting procedures and outcome of the vote) remains free from manipulation or undue influence by the club
- 5.17 Clubs should also ensure that the number of fan representatives and governance are appropriate to the club’s circumstances (for example, its size, fan base and resources).
- 5.18 Clubs should be able to provide the IFR, on request, with evidence of each stage of the election process, including: (i) election notices, ballots and results, terms of reference for fan representatives, minutes of meetings with fan representatives and reports on the outcome of the election process; and (ii) evidence of how those documents have been shared with the wider fan base.
- 5.19 Clubs should also put in place a formal procedure that governs how:
- a. disputes that arise over how fan representatives were elected are resolved
 - b. persons that are elected are replaced in circumstances other than them reaching the end of their elected term

Standards for electing fan representatives

5.20 To meet the requirements of the Act, the IFR has set out the following standards which clubs should consider when electing fan representatives, whether a club is creating a new elected body of fan representatives or working with an existing one. Clubs should be able to show how these standards have been considered:

Democratic	Independent	Fair	Proportionate
The election process should be formal and transparent, allowing fans to vote for candidates who will represent their views in regular consultations with the club.	The process, candidates ²⁴ and outcomes should remain free from manipulation or undue influence by the club.	All candidates and voting fans should have equal opportunity to participate in the election process. ²⁵	The number of representative positions and the governance structure should be appropriate to the club’s size, circumstances, and how many fan groups a club has.

²⁴ This applies equally to fan-owned club however, if a fan owns shares as part of the club’s fan-ownership model, that alone does not prevent them being elected, or serving, as part of a fan representative group.

²⁵ This would not prevent clubs from putting in place reasonable measures to ensure that those who vote can reasonably be regarded as fans of the club.

Non-elected persons or groups

5.21 This category will usually apply when a formal election has not taken place. Clubs do not need to seek the IFR’s prior approval to appoint such persons. However, the IFR expects clubs to be able to show the IFR how these persons or groups constitute a representative group. For non-elected persons or groups, clubs should be able to demonstrate that they have considered the following standards:

Non-elected individual or group standards		
Reflect a broad range of fan perspectives	Transparent and open appointment	Be willing and able to engage
Those appointed should be able to represent a diverse spectrum of viewpoints within the club’s fan base. This includes not only key segments of the fan base but also views from groups that may be underrepresented, for example, ethnically diverse, disability groups and LGBTQ+. This will ensure that a wide spectrum of view across the fan base is captured and represented.	Clubs should clearly document and communicate the process for selection to fans. The process should be fair and inclusive, ensuring fans have a fair opportunity to participate. The process should also remain free from manipulation or undue influence by the club. The persons appointed should be reviewed periodically to ensure they remain appropriate and effective, and any changes in who is appointed should be documented and communicated to supporters.	Those appointed should commit to regular and meaningful consultation with the club, acting as a credible voice for the wider fan base. This requires a clearly defined remit for the persons appointed, appropriate governance structures and processes that ensure fans’ views are effectively represented and that appointed representatives are accountable to fans.

Principles for fan consultation

5.22 Clubs must apply the Principles for Fan Consultation set out in the tables below. These should be applied proportionately, considering the size, resources and fan base of the club. The principles are supported by non-prescriptive guidance and examples to assist clubs in consulting with fans and meeting their obligations.

5.23 Clubs must explain and provide evidence of how they have met these principles in their Annual Fan Consultation Report.

Principle 1: Collaborative

Clubs should foster a collaborative approach through regular engagement with fan representatives.

How can clubs satisfy this principle?

By ensuring that:

- collaboration is genuine and embedded in governance, not a token exercise
- consultation is meaningful, ongoing and evolves over time
- consultation approaches are not imposed top-down by the club without input from fan representatives
- shared responsibility and trust, by involving fan representatives in the consultation approach
- consultation methods are reviewed and evolve based on fans' views and best practice

How can clubs demonstrate compliance with this principle?

In annual reporting:

- examples of fan representatives were involved early and contributed meaningfully before consultation methods were finalised
- examples of jointly developed consultation strategies and shared decision-making examples with fan representatives that demonstrate collaborative ownership of the consultation approach
- examples of periodic reviews, fan feedback reports, and updated consultation plans that reflect changes made in response to supporter input and recognised best practice
- case studies showcasing successful fan consultation

Additional evidence:

- Clubs should be prepared to provide additional evidence if requested, for example meeting minutes, consultation reports, evidence of changes made following fan input and evidence of how they measure the effectiveness of collaborative consultation (e.g. fan satisfaction surveys or feedback)

Principle 2: Two-way

Clubs should engage in a structured two-way consultation with fan representatives on relevant matters.

How can clubs satisfy this principle?

By ensuring that:

- fan consultation is a genuine two-way process, not a one-sided information flow
- fan consultation is proactive and meaningful, giving fans the chance to input into club decisions at an early stage
- through building mutual respect, fans are recognised as key participants whose perspectives can add value to decision-making
- they are aware of their fan base's priorities and views and take them into account when making decisions

How can clubs demonstrate compliance with this principle?

In annual reporting:

- examples of how they have listened and responded to fans by providing examples of early-stage consultations (for example, draft proposals that were shared with fans before any decisions were made by the club) and timelines showing that the club engaged with fans early
- examples of decisions or proposals that were influenced or changed based on fan input and supporting evidence. Supporting evidence would include, for example, survey findings, focus group summaries, or fan feedback reports, alongside decision papers or action plans that document how fan priorities were considered and addressed in the final outcome

Additional evidence

- Clubs should be prepared to provide additional evidence if requested, such as meeting minutes, consultation reports, evidence of changes made following fan input and evidence of how they measure the effectiveness of collaborative consultation for example, fan satisfaction surveys or feedback)

Principle 3: Open

Clubs should provide clear, accurate and comprehensive information.

How can clubs satisfy this principle?

By ensuring that:

- consultation is open and transparent, enabling fans to understand and influence decisions
- when sharing information with fan representatives, no relevant information is deliberately withheld unless legal or genuine commercial sensitivity reasons require it
- fan representatives have enough time to review and understand the information before consultation takes place
- the club shares information proactively before decisions are made

How can clubs demonstrate compliance with this principle?

In annual reporting:

- evidence of timely information sharing, including materials circulated well in advance of decisions, early agendas, distribution logs, notice period policies and records of responding to requests for more time or clarification
- evidence that fan representatives were able to prepare effectively through training or briefings on technical topics and feedback from fans confirming they had sufficient opportunity to review the materials provided
- evidence that accessible formats have been used to communicate back to fan groups. This may include, for example, plain language summaries, web updates or newsletters
- details of protocols agreed with fan representatives on how confidential information may be shared and how those protocols have been followed
- how they monitor and improve transparency with their fans over time

Additional evidence

- Clubs should be prepared to provide additional evidence if requested, for example reports, meeting minutes and communication plans

Principle 4: Integrated

Clubs should have a process that ensures that the consideration of fans' views is embedded into the club's decision-making processes.

How can clubs satisfy this principle?

By ensuring that:

- fan consultation is not superficial but embedded in the club's governance and decision-making processes
- fan consultation is built into the club's governance and decision-making processes, and that fan input is actively considered
- they are building trust and demonstrating transparency by showing fans that their input is valued and acted on where relevant and possible
- fans are empowered to hold the club to account for both the processes and outcomes of fan consultation and actively consider and integrate fan input into relevant decisions

How can clubs demonstrate compliance with this principle?

In annual reporting:

- evidence showing how fan views or input have influenced decisions
- evidence of how the club has communicated with fans to explain how fan feedback was used, including communications that explain any limitations on the club in this regard
- details of how fans can question club decisions

Additional evidence

- Clubs should be prepared to provide additional evidence if requested, for example, evidence of how the club evaluates and strengthens integration of fan views into the club's decision-making over time.

Annual fan consultation report

5.24 The Annual Fan Consultation Report must explain and provide evidence how the club complied with the Principles for Fan Consultation during the previous year and how it intends to comply with them in the upcoming year. The IFR expects the report to be proportionate to a club's size, fan base and resources. The report should also include the named contact/lead who has overall responsibility for fan engagement and indicate the number of people allocated to fan engagement, detailing their roles and responsibilities.

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- 5.25 Clubs are required each year to:
- a. submit their Annual Fan Consultation Report to the IFR by 15 August
 - b. as soon as reasonably practicable after it has been submitted to the IFR, publish the report on the club's website in a prominent location that is easily accessible for anyone, including people with disabilities or who use assistive technologies like screen readers. It should be clear from the face of the report the date it was published
- 5.26 The Annual Fan Consultation Report must be formally approved and signed by a club director or individual with appropriate authority to confirm that, to the best of their knowledge, the information is accurate and complete at the time of submission.
- 5.27 The IFR may ask clubs to update their Annual Fan Consultation Report outside the annual reporting cycle if there has been a significant change in the club's circumstances that affects fan consultation and/or engagement. This could include, for example, new ownership, a material change in the representative group, or major changes in the club's relationship with its fan base.
- 5.28 Premier League and EFL clubs may continue to use existing Premier League or EFL reporting templates (as applicable) as their Annual Fan Consultation Report to reduce duplication and burden. However, clubs should consider if additional information should be added to the reports to ensure compliance with the IFR's principles.
- 5.29 Unless the IFR expressly states otherwise in published Rules or Guidance, clubs should consider paragraphs 5.22 to 5.28 above to be 'reporting guidelines' (or as a part of such reporting guidelines) for the purposes of the Licensing Rules (Rule A3.1) and ensure that the Annual Fan Consultation Report is consistent with those paragraphs.

Supplementary evidence of compliance

- 5.30 To supplement the Annual Fan Consultation report, the IFR may request additional evidence from clubs to demonstrate compliance. The IFR may also consult with fan groups when evaluating the quality of fan consultation.

Supervisory approach

Where the IFR has concerns over whether a club is meeting expectations, it would address this through its supervision of the club and, if appropriate, use its formal powers.

In the first instance, the IFR would help clubs to meet their expectations, including clarifying expectations, giving direct feedback, and sharing best practice. If it considered it necessary, the IFR could amend a club's MLCs or introduce a DLC to require a club to take specific actions. These may relate to:

- a. approach to engagement
- b. timing of engagement
- c. topics engaged with fan representatives
- d. groups engaged with
- e. taking fans' views into account

See Chapter 1 for detail on the IFR's approach to amended MLCs. See Chapter 7 for detail on the IFR's approach to DLCs.

6. Annual declarations

This chapter should be read together with:

- The Football Governance Act 2025 (Schedule 4: Threshold Requirements Schedule 5: Mandatory Licence Conditions)
- Owners, Directors and Senior Executives (ODSE) guidance document
- The IFR’s licence and Mandatory Licence Conditions document (Annex A)
- The IFR’s annual declaration reporting template (Annex D)
- The IFR’s licensing rules

Context

- 6.1 This chapter sets out guidance in relation to the club’s MLC requirement to submit an annual declaration to the IFR (Annex A – Condition D).
- 6.2 The non-financial resources attestation forms part of the annual declaration submission. Guidance on the non-financial resources Threshold Requirement is set out in Chapter 3 of this document.

Annual declaration

- 6.3 Clubs are required to submit their annual declaration using the IFR’s annual declaration reporting template. This declaration must be submitted each year by 1 June²⁶ and clubs must ensure the form and content of the Annual Declaration are consistent with the template.
- 6.4 The declaration must include either:
- a. a description of any matter notified to the IFR (or that should have been notified) over the previous 12 months, or
 - b. a statement confirming that there were no such matters to notify
- 6.5 Matters that clubs must notify the IFR of include:
- a. the likely appointment of any new owners or officers²⁷
 - b. a material change of circumstances relevant to the suitability of incumbent owners or officers²⁸

²⁶ Provisional licences will come into force on 1 June 2027, declarations must be submitted annually thereafter this date

²⁷ Section 27: Duties to notify IFR of prospective new owner or officer (ODSE Rules 2.1 and 2.2)

²⁸ Section 33: Duties to notify IFR of change of circumstances relating to incumbent owners or officers over the past 12 months (ODSE Rules 6.1 – 6.4)

- c. a material change in circumstances affecting the club that is relevant to the IFR's functions²⁹
- 6.6 For more details on notifying the IFR about the appointment of new owners and officers, and changes of circumstances to incumbent owners and officers, please refer to the IFR's [Owner, Directors, and Senior Executives \(ODSE\) Guidance Document](#).
- 6.7 For details on the duty to notify the IFR about changes in circumstances relevant to the IFR's functions (Section 50 of the Act), please refer to information sheets published on the IFR's website from July 2026.³⁰
- 6.8 For the avoidance of doubt, notifications to the IFR should be made as soon as reasonably possible once the club becomes aware of the notifiable event and should not be deferred until the annual declaration. Clubs should contact their assigned supervisor if they have questions on how to submit these notifications.
- 6.9 Clubs are required to attest in their annual declaration to the result of the club's assessment of its non-financial resources. Specific guidance on the content of the attestation and how clubs should conduct their assessment is set out in Chapter 3 (Non-financial resources).
- 6.10 The annual declaration, including the attestation on non-financial resources, must be formally approved by a resolution of the club's board to confirm that, to the best of their knowledge, the information is accurate and complete at the time of submission. Where a club does not have a board, it must be approved at an equivalent level of seniority within the club.

²⁹ Section 50: Duty to notify of changes in circumstances relevant to the IFR functions.

³⁰ This will go live in July 2026, and a link to the relevant information will be included when this final document is published.

7. Discretionary Licence Conditions (DLCs)

This chapter should be read together with:

- The Football Governance Act 2025 Section 12: Guidance, Sections 21 to 25: Discretionary Licence Conditions, Schedule 4 Threshold Requirements and Schedule 6: Commitments in lieu procedures

Context

- 7.1 DLCs are a key part of the IFR's supervisory approach. This chapter provides an overview of how the DLCs operate within the licensing framework, including when and how the IFR may apply DLCs to a club's licence.³¹
- 7.2 Annex B sets out examples of DLCs, aimed at helping clubs understand the circumstances in which the IFR may apply a DLC and what they may look like in practice. These are non-exhaustive and non-binding. Over time, the IFR will publish details of where it has applied DLCs, and clubs will gain a greater understanding of the circumstances where the IFR has used these powers.

What is a DLC?

- 7.3 Section 21(1) of The Act allows the IFR to attach additional licence conditions (beyond MLCs) to a club's licence. These will be in the form of DLCs. DLCs can be applied to provisional and full licences.
- 7.4 Clubs are obliged to comply with any DLCs attached to their licence in just the same way as they are with MLCs. Failure to comply could result in enforcement action by the IFR. See the IFR's guidance on [Enforcement and Sanctions](#) for further information.³²
- 7.5 The IFR can apply a DLC where compliance with that DLC would:
- a. help the club meet or continue to meet one or more of the Threshold Requirements
 - b. advance the IFR's statutory objective to promote systemic financial resilience

³¹ As required by Section 12 of the Act, this chapter provides guidance on the exercise of the IFR's functions under Sections 21 to 25, including a statement of outcomes that the IFR expects or seeks to achieve in exercising those functions.

³² This would constitute a "relevant infringement" under Schedule 7 of The Act. This means that the IFR would be empowered to open an investigation into and, ultimately, to impose sanctions on the club.

The IFR's approach to DLCs

- 7.6 The IFR will engage with clubs throughout the process of considering a DLC and will seek to resolve concerns without the need to implement one, where possible.
- 7.7 The IFR will take a proportionate and risk-based approach and will consider a club's individual circumstances (such as its size and resources) before applying a DLC.

Types of DLC

- 7.8 There are four types of DLCs:
- a. **Financial resources DLCs**, which seek to ensure a club complies, or continues to comply, with the financial resources Threshold Requirement. These DLCs may relate to debt management, relate to liquidity requirements, restrict the club's overall expenditure,³³ or restrict the club's ability to accept or receive funding which the IFR reasonably suspects to be connected to serious criminal conduct.
 - b. **Non-financial resources DLCs**, which seek to ensure a club complies, or continues to comply, with the non-financial resources Threshold Requirement. These DLCs may relate to internal controls, risk management, or financial reporting.
 - c. **Fan engagement DLCs**, which seek to ensure a club complies, or continues to comply, with the fan engagement Threshold Requirement.
 - d. **Systemic resilience DLCs**, which seek to advance the IFR's systemic financial resilience objective to protect and promote the financial resilience of English football. These DLCs may relate to debt management, relate to liquidity requirements, or restrict the club's overall expenditure.

The process for applying, varying, and removing DLCs

- 7.9 The process for applying, varying and removing DLCs and the detail on commitments in lieu of financial DLCs is set out in Sections 21 to 25 of the Act.
- 7.10 The process for attaching or varying DLCs differs depending on the Threshold Requirement or objective to which they relate. Generally, however, once the IFR has decided to apply or vary a DLC, the process will follow this structure:

³³ In line with Section 22(4) of the Act, the IFR can require a club to reduce overall spending by a specified amount but cannot dictate how the club achieves that reduction. The club retains autonomy to decide which areas of expenditure to reduce (such as wages, transfers, facilities, or other costs). This applies also to systemic resilience DLCs.

- a. **Notification:** The IFR will give the club notice of the proposed DLC (or variation of the DLC). This will explain why the IFR is proposing to attach the condition or make the variation.
- b. **Representation:** Clubs and, where applicable, competition organisers (as detailed in the commitments in lieu of DLCs section below) may make representations on the proposed condition. The notice will set out the period for making representations. This will be no less than 14 days, beginning on the day on which the notice is given.
- c. **Decision:** The IFR will consider all representations made. It will then make a final decision on whether to attach or vary a DLC and, where applicable, whether to accept a commitment in lieu of a DLC.
- d. **Supervision:** Ongoing supervisory engagement will be undertaken to monitor compliance and whether the DLC remains necessary and effective. The IFR must keep active conditions under review and vary or remove them if they are no longer necessary or appropriate. Clubs may also apply to vary or remove a DLC. The application must explain why the variation or removal is being sought. This application should be done in writing to the club's assigned supervisor.

Commitments in lieu of DLCs

- 7.11 Before attaching (or varying) a financial resources DLC or systemic resilience DLC, the IFR will engage with the relevant competition owner and give them the opportunity to make a commitment instead of a DLC.
- 7.12 The IFR will not do this if it would jeopardise one or more of the IFR's objectives. For example, this may include situations where there is an immediate risk to the financial sustainability of a club.
- 7.13 The IFR can accept this commitment if it believes the commitment means it is no longer necessary to attach the proposed condition and if doing so would not harm the IFR's ability to meet its objectives. If accepted, the competition organiser must comply with the commitment.
- 7.14 If the commitment is rejected, the IFR will explain why and can then impose the original DLC on the club.
- 7.15 The IFR will monitor commitments in lieu of DLCs and may release a competition organiser from their commitment if it is no longer needed, no longer working, or if the organiser fails to comply.
- 7.16 If a competition organiser is released due to the commitment no longer working or the organiser's failure to comply, the IFR can immediately impose the original condition, or it can impose an alternative condition. If an alternative condition is proposed, the IFR will notify the club and allow them to make representations.

- 7.17 Where possible, the IFR will engage with competition organisers before and during this process to ensure the right outcomes are achieved.

Statement of expected outcomes

- 7.18 As required by Section 12 of the Act, this section sets out the outcomes the IFR is seeking to achieve when exercising its DLC functions.

Financial outcomes

- 7.19 When applying a **financial resources DLC**, the IFR aims to ensure that, following the application of the DLC, the club has a reduced risk profile and the appropriate financial resources for the activities it undertakes. The desired outcome of the DLC would therefore be the club meeting its financial resources Threshold Requirement, including identifying and actively managing the financial risk factors it faces.
- 7.20 In relation to any **systemic resilience DLC**, the intended outcome is to mitigate or reduce the impact of the identified systemic risk such that the IFR is able to achieve its statutory objective of promoting or protecting the systemic resilience of English football. Given their nature, these DLCs and the specific outcomes they will seek to achieve will differ case by case. The IFR would include further detail on such outcomes in any notification to clubs on any proposed systemic resilience DLC.

Non-financial outcomes

- 7.21 When applying a **non-financial resources DLC**, the IFR seeks to ensure that, following the application of the DLC, the club will have enhanced its internal controls, risk management systems or financial reporting capabilities such that it demonstrates appropriate non-financial resources for the activities it carries out. This could include addressing identified deficiencies in human capital, management and governance structures or technological resources that were negatively impacting the club's operational effectiveness.
- 7.22 The club would therefore meet its non-financial resources Threshold Requirement necessary to fulfil its requirements under the licensing framework.

Fan engagement outcomes

- 7.23 When applying a **fan engagement DLC**, the IFR aims to ensure that, following the application of the DLC, the clubs has more adequate and effective means to consult its fans on relevant matters and takes their views into account when making decisions.
- 7.24 The club would therefore meet its fan engagement Threshold Requirement under the licensing framework, ensuring fans have an effective voice on issues that matter to them.

- 7.25 When using fan engagement DLCs, the IFR will take a proportionate and risk-based approach, considering the club's circumstances and existing engagement practices. The IFR will balance the need for effective fan consultation with the practical realities of different club structures and supporter bases. Interventions should strengthen, rather than undermine, genuine relationships between clubs and fans.

8. Section 49: Duty not to change crest, home shirt colours or name without approval

This guidance should be read together with

- The Football Governance Act: Section 49, Schedule 4 paragraph 4 (fan engagement) and Schedule 5 paragraph 8 (fan consultation)
- The Rules of The Association in The FA Handbook (FA Rules)

Context

8.1 Part 5 of the Act sets out the various duties for licensed, regulated and formerly regulated clubs, as well as specified competition organisers. One of these 'freestanding duties', set out in section 49 of the Act, requires that a regulated club must not:

- a. Make 'material changes' to any emblem or crest of a relevant team³⁴ operated by the club, or to the team's predominant home shirt colours, unless the club has taken 'reasonable steps' to establish that the changes are supported by a majority of its fans in England and Wales; or
- b. Change the name of a relevant team operated by the club, unless the change has been approved by the FA

8.2 This guidance provides an overview of how regulated clubs are expected to comply with this duty. It has been developed because:

- a. one of the IFR's statutory objectives is to 'to safeguard the heritage of English football'³⁵
- b. schedule 4, paragraph 4 of the Act provides that matters relating to a club's heritage include its emblem, crest, predominant home shirt colours or the name of a relevant team operated by the club
- c. the Act and the fan engagement MLCs require fans to be regularly consulted on matters related to 'club heritage'³⁶
- d. emblems, crests, predominant home shirt colours and names carry deep historical, cultural, and social value for fans

³⁴ Pursuant to section 2(1) of the Act, a "relevant team" means a team that is entered into, is a member of, or participates in a specified competition.

³⁵ Section 6(c) of the Act.

³⁶ "Club heritage" includes matters related to any emblem, crest, predominant home shirt colours or name of a relevant team which fall within section 49.

- 8.3 The IFR intends to work collaboratively with clubs to help them understand and comply with their obligations under section 49.

Scope

- 8.4 The section 49 duty applies to clubs operating a team in 'specified competitions'. For these purposes, the specified competitions are the Premier League, the Championship, League One, League Two and the Premier Division of the National League.³⁷

Section 49(1): Change of club crest and home shirt colours

Interaction with The FA rules

- 8.5 Where appropriate, this guidance has been produced to align with Section M (Heritage Assets) of The FA Rules to provide clarity for clubs and minimise their regulatory burden.³⁸

Key definitions

- 8.6 The Act states that a club must not make any 'material changes' to an 'emblem', 'crest' or 'predominant home shirt colours' of a relevant team unless the club has taken 'reasonable steps' to establish that the changes are supported by a majority of the club's fans in England and Wales.
- 8.7 The Act does not define what is meant by 'emblem', 'crest', 'predominant home shirt colours', 'reasonable steps' or 'material changes'. For the purpose of assessing whether the changes are ones to which section 49(1) applies, the IFR interprets these terms as follows:
- a. 'emblem' or 'crest' means the official club emblem or crest (however described by the club) which would ordinarily feature on the club's playing strip, website and letter head and is therefore the recognised symbol of the club
 - b. 'predominant home shirt colours' means the recognised predominant colour or colours of a club's home shirt which are commonly associated with the club's outfield players
 - c. 'reasonable steps' means consultation with the club's fans that is collaborative, two-way and open and which takes fans' views into account in an integrated manner. Further guidance on what the IFR would consider to be 'reasonable steps' is provided further below.
- 8.8 The IFR would typically consider examples of a 'material change' for the purposes of section 49(1) to include changes such as changing

³⁷ The Football Governance Act 2025 (Specified Competitions) Regulations 2025.

³⁸ Compliance with section 49 does not remove the need for clubs to follow any other relevant rules, regulations or procedures of the competition in which they participate, or relevant FA Rules. Clubs should continue to liaise with the relevant competition organiser or the FA on these matters.

the **predominant** colour of a home shirt or adding new design features and/or deleting established design features to a crest. The IFR would not typically consider the following changes to be material:

- a. small changes to an emblem or crest which occur more regularly (for example, making a colour slightly lighter or darker, or slightly increasing or decreasing the size of a font)
 - b. changes to the design of a shirt, unless these changes result in a change to the predominant home shirt colour
 - c. changes to the sponsor on the front, back or sleeve of the shirt
- 8.9 Clubs are encouraged to contact their allocated IFR supervisor as soon as reasonably practicable after it has decided to consult fans on material changes, so the IFR can provide guidance on the process. The IFR is also open to engaging with clubs ahead of any consultation to consider the steps they might take to comply with section 49(1).

Reasonable steps

- 8.10 When considering whether a club has taken "reasonable steps" for the purposes of section 49(1), the IFR will consider to what extent the club has followed the IFR's fan consultation and engagement framework and will expect clubs to have adopted an approach that reflects the Principles for Fan Consultation (Chapter 5).
- 8.11 Examples of how a club could reflect the principles for fan consultation in its consultation include:
- a. working with fan representatives to determine the format of consultation (collaborative)
 - b. allowing a club's fanbase or a representative group to give feedback on any suggested changes in a timely and accessible manner (open)
 - c. allowing fans to share genuine views (two-way dialogue)
 - d. sharing with fans how their feedback has informed the club's decision-making (integrated)
- 8.12 The IFR will also expect clubs to have engaged meaningfully with fans who reflect the diversity of the club's fanbase.
- 8.13 Further guidance on fan consultation and engagement can be found in Chapter 5.

Club notification to the IFR and IFR assessment

- 8.14 If, following the conclusion of the consultation process with fans, the club's decision is to make material changes, the IFR will expect the club to notify the IFR of this as soon as reasonably practicable, so the IFR can assess whether section 49(1) has been complied with.
- 8.15 If making such a notification, the IFR will expect the club to explain how it has taken 'reasonable steps' to establish that the changes are supported by a majority of the club's fans in England and Wales, and to provide evidence of those steps.
- 8.16 Examples of such evidence include:
- a. responses to surveys, polls or questionnaires³⁹
 - b. minutes of meetings with fan representatives and supporter groups
 - c. minutes of focus groups
- 8.17 The IFR will also expect clubs to explain and evidence how they have meaningfully engaged with fans that are representative of the diversity of a club's fanbase. In this regard, the IFR recognises that each club's fanbase structure and demographic will be unique. The IFR's assessment will therefore take into account:
- a. the diversity of clubs and their operating models
 - b. the variety of approaches clubs may use to engage with fans
 - c. that many clubs already have effective engagement practices in place
- 8.18 The IFR recognises that lead-in times for manufacturers to begin production of new kits can be long. Clubs may wish to wait for the IFR to complete its assessment before making any arrangements to start production of new kit.

Section 49(2): Change of club name

- 8.19 To assess whether a club has complied with section 49(2), the IFR expects clubs to notify the IFR as soon as reasonably practicable after it receives The FA's approval for the name change and to provide evidence of the approval.

Breach of club duties under section 49

- 8.20 The IFR will assess whether a club has complied with the requirements of section 49 on a case-by-case basis, considering all the relevant circumstances.

³⁹ For a best practice approach, the IFR would recommend that any surveys or polls should be conducted by an independent body with relevant experience to demonstrate transparency.

- 8.21 Clubs should note that breaching section 49 without reasonable excuse is a 'Relevant Infringement' under the Act, for which the IFR may impose a sanction.⁴⁰ Further information on the IFR's enforcement and sanction powers can be found in the IFR's [Information Gathering and Enforcement Guidance](#) and [Sanctions Guidance](#).

⁴⁰ See Schedule 7 and Part 2 of Schedule 9 of The Act.

Annex A: Draft Licence and Mandatory Licence Conditions

[CLUB NAME] OPERATING LICENCE

[Provisional/Full] operating licence granted to [club name] under the Football Governance Act 2025

1. In the exercise of its powers under section 15(4) of the Football Governance Act 2025 as amended and supplemented from time to time (the **Act**), the Independent Football Regulator (the **IFR**) hereby grants to [company name] (company number: [registered number]), registered at [registered office address] (the **Club**), an operating licence (the **Licence**).
2. This Licence authorises the Club to operate [team name] (the **Team**), being a team that is entered into, is a member of, or participates in a 'specified competition' as defined in the Football Governance Act 2025 (Specified Competitions) Regulations 2025 as amended or replaced from time to time (a **relevant team**).

3. **[EITHER]**

[Provisional operating licence] This Licence comes into force on 1 June [2027].

[OR]

[Full operating licence] This Licence comes into force on [date].

4. **[EITHER]**

This Licence is a **provisional operating licence** which authorises the Club to operate the Team for a period of three years commencing on the day on which it comes into force, subject to any extension of that period which may be specified by the IFR under section 18(6)(b) of the Act.

[OR]

This Licence is a **full operating licence** which authorises the Club to operate the Team on an ongoing basis.

5. **[EITHER]**

[Provisional operating licence] This Licence:

- a. will cease to have effect on any date on which either:
 - i. the Club ceases to operate the Team as a relevant team (including where, by its relegation, the Team ceases to participate in a specified competition), or

- ii. a full operating licence which has been granted to the Club by the IFR comes into force,
- b. will terminate on any date from which it is revoked under section 19(1) of, or paragraph 9(1)(b) of Schedule 9 to, the Act.

[OR]

[Full operating licence] This Licence:

- a. will cease to have effect on any date on which the Club ceases to operate the Team as a relevant team (including where, by its relegation, the Team ceases to participate in a specified competition)
 - b. will terminate on any date from which it is revoked under paragraph 9(1)(b) of Schedule 9 to the Act
6. This Licence is subject to the following conditions which are attached to it by virtue of the Act and are set out in the Schedule:

Mandatory Licence Conditions

- a. Condition A: Financial Plans
- b. Condition B: Corporate Governance
- c. Condition C: Fan Consultation
- d. Condition D: Annual Declaration

Discretionary Licence Conditions

[Where applicable to be populated with heading of any DLCs].

SCHEDULE

Preliminary: Definitions and interpretation

Status

1. This preliminary section is to be treated as forming an integral part of each of the mandatory and (if any) discretionary licence conditions attached to the Licence.

Purpose

2. The purpose of this preliminary section is to specify certain definitions and rules of interpretation which are to have effect in each of the mandatory and (if any) discretionary licence conditions attached to the Licence.

Definitions

3. Unless the contrary intention is clear, when the following words are used in any mandatory or discretionary licence condition attached to the Licence, they shall have the meanings given to them below –

Act	means the Football Governance Act 2025, as from time to time either amended by statute or supplemented by the Rules.
Club	means the football club identified on the face of the Licence – by name, company number and registered office address – as the holder of the Licence.
Condition	means either a mandatory or discretionary licence condition that is attached to the Licence.
Fan representatives	has the meaning given to that expression in paragraph C.3 of Condition C.
Group	means the Club taken together with all other bodies corporate which are in a relationship to the Club of the nature described in either sub-paragraph 5(b)(i) or 5(b)(ii) of Schedule 4 to the Act.
Licence	means the operating licence granted by the IFR to the Club to which the Conditions are attached.
Rules	means the rules made by the IFR under section 90 of the Act, as amended or replaced from time to time.

4. Unless the contrary intention is clear, any word or expression which is defined in the Act shall have the same meaning when used in a Condition.

Rules of interpretation

5. Unless the contrary intention is clear, the Conditions shall be interpreted as if they were an enactment to which the Interpretation Act 1978 applies.

6. Where an obligation under a Condition is required to be satisfied by a specified date or within a specified period, but where the Club has not complied with the obligation by that date or within that period, the obligation shall continue to be binding and the duty to comply with it shall be treated as ongoing until such time as it is satisfied.
7. Unless the contrary intention is clear, any reference in a Condition to a numbered paragraph is to the paragraph bearing that number in the same Condition.
8. Any use in a Condition of the word 'includes' means includes without limitation.
9. Any use in a Condition of the word 'year' means a calendar year.

Condition A: Financial Plans

Purpose

- A.1 The purpose of this Condition is to require the Club to prepare and submit to the IFR, and to keep updated annually or where any material change occurs, a financial plan which addresses its current and future funding, revenues and expenses, financial risks and plans for managing its financial risks. The Club must act in accordance with the latest version of the plan that has been submitted.

The Financial Plan

- A.2 In this Condition, the **Financial Plan** means a document prepared by the Club which contains information about each of the following matters:
- a. the current funding available to the Club, identifying each source of that funding
 - b. any further or alternative funding that the Club intends, or anticipates that it is likely, to raise in the future, identifying each expected source of that funding to the fullest extent to which such information is currently available to the Club
 - c. the Club's projections for its future revenues and expenses
 - d. the Club's current ability to access liquid financial resources for the purpose of meeting its short-term financial liabilities, and any change that the Club considers may occur to that liquidity position in the future
 - e. the Club's current and anticipated future solvency
 - f. an assessment of the financial risks to which the Club is currently subject, including in particular any risks to its solvency, financial liquidity or availability of funding
 - g. an assessment outlining any change in the nature or extent of these financial risks that the Club anticipates may occur in the future, identifying all the factors relevant to that assessment and the reasons the Club considers them capable of causing that change
 - h. the Club's plan for managing its current and potential future financial risks, including in particular its plan to prevent the occurrence of risk factors and to mitigate the nature and extent of their impact should they occur
 - i. the internal structures, controls and other financial governance arrangements that the Club has in place for the purposes of managing its current and future financial risks

- A.3 For the purposes of paragraph A.2, the Club must:
- a. when preparing financial statements and forecasts, do so (wherever applicable) on a consolidated basis to include within those financial statements and forecasts all entities which fall within the reporting perimeter, and
 - b. when preparing information about its funding and associated financial risks, consider and provide any relevant information relating to that funding and its ongoing availability, including in relation to any risk factors associated with any individual or entity (whether or not within the reporting perimeter) which may affect the ongoing availability of that funding.
- A.4 For the purposes of paragraphs A.2 and A.3, references to:
- a. **current** matters mean those matters at the date on which the financial plan is finalised for the purpose of its submission to the IFR under this Condition
 - b. the **future** means the period:
 - i. starting with the submission of the financial plan to the IFR under this Condition, and
 - ii. ending on 30 June in the second full year⁴¹ following that submission
 - c. **funding** includes both debt and equity funding

Preparing the Financial Plan

- A.5 In preparing each financial plan, the Club must use the relevant template made available by the IFR in accordance with the Rules and must ensure that the form and content of the financial plan are consistent with that template.
- A.6 If the date on which the financial plan is finalised for the purposes of its submission to the IFR is earlier than the date of submission, the Club must identify that date in the financial plan.
- A.7 The financial plan must be approved by a resolution of the Club's board. Where the Club does not have a board, it must be approved at an equivalent level of seniority within the Club.

The first Financial Plan

- A.8 The Club must prepare and submit its first financial plan to the IFR by no later than 31 May [2028].

⁴¹ For the purposes of the financial plan, a "year" is from 1st July to the following 30th June

Updating the Financial Plan

- A.9 The Club must prepare an updated version of the financial plan every year and submit it to the IFR by no later than 31 May in each year.
- A.10 Where a material change in circumstances relevant to the finances of the Club occurs, the Club must, as soon as reasonably practicable, prepare and submit an updated financial plan to the IFR which takes that change into account.

Compliance with the Financial Plan

- A.11 The Club must always act in accordance with the financial plan most recently submitted by it to the IFR.

Condition B: Corporate governance

Purpose

- B.1 The purpose of this Condition is to require the Club to submit to the IFR and to publish, at least once every two years, a statement explaining: (i) how in its corporate governance arrangements it is applying the code of practice on corporate governance issued by the IFR; and (ii) what action it is taking to improve equality, diversity and inclusion.

Corporate governance

- B.2 In this Condition, **corporate governance** includes all of the matters referred to in paragraph 7(2) of Schedule 5 to the Act.

The Football Club Corporate Governance Code

- B.3 In this Condition:
- a. the **Code** means the code of practice which the IFR is required to publish under paragraph 7(1) of Schedule 5 to the Act and which is known as the 'Football Club Corporate Governance Code', and
 - b. references to the Code are to that code as altered or replaced from time to time by the IFR

The Statement

- B.4 In this Condition, the **Statement** means a document prepared by the Club which:
- a. explains how the Club has been applying and proposes to continue applying the Code to its arrangements for corporate governance
 - b. identifies any respects in which its corporate governance arrangements are, at the time of preparing the Statement, inconsistent with the Code
 - c. explains the reasons for any inconsistency of the type referred to in paragraph (b)
 - d. describes what action the Club is taking and proposes to take to improve equality, diversity and inclusion across the whole of its operations

Preparing the Statement

- B.5 In preparing each Statement, the Club must refer to the relevant template made available by the IFR in accordance with the Rules and must ensure that the content of the Statement is consistent with that template.
- B.6 In preparing each Statement, the Club must ensure that it is written in plain English, so that its information:

- a. is presented in a clear, concise and structured manner, avoiding unnecessary legal or technical jargon, and
 - b. is likely to be easily understood by the majority of readers among the general public
- B.7 The Statement must be approved by a director or individual with authority to approve this document.

The first Statement

- B.8 The Club must prepare and submit its first Statement to the IFR by no later than 31 October [2027].

Updating the Statement

- B.9 The Club must prepare an updated version of the Statement once every two years after 31 October 2027 and submit each update to the IFR by no later than 31 October of that year.
- B.10 Where a material change to the corporate governance arrangements at the Club occurs during the period between any submission of the Statement and the date on which the next update of the Statement under paragraph B.9 falls due, the Club must also prepare and submit to the IFR, as soon as reasonably practicable after the change occurs, an interim update of the Statement which takes the change into account.

Publishing the Statement

- B.11 The Club must publish online the first Statement, and each updated version of the Statement, as soon as reasonably practicable after it has been submitted to the IFR.
- B.12 When publishing each version of the Statement online, the Club must take all reasonable steps to ensure that it is available:
- a. in a prominent and easily accessible location on its official website
 - b. in a digital format which makes its content accessible to all those who are likely to be interested in it, including persons with disabilities, in line with generally accepted best practice

Condition C: Fan consultation

Purpose

- C.1 The purpose of this Condition is to require the Club to constitute a group of individuals to act as representatives of its fans, to carry out regular consultation on relevant matters with those representatives, and to report annually to the IFR on how it has done so.

Relevant Matters

- C.2 In this Condition, **relevant matters** means the matters referred to in paragraph 4(2) of Schedule 4 to the Act.

The Fan Representatives

- C.3 In this Condition, the **Fan Representatives** means either:
- a. a number of individuals who have been elected to represent the views of the Club's fans following an election process:
 - i. that was conducted by or on behalf of the Club
 - ii. that was in all respects (including in the selection of candidates, voting procedure and outcome of the vote) fair, transparent, and free of any manipulation or undue influence by or on behalf of the Club
 - iii. in which every individual who could reasonably be regarded as a fan of the Club was both entitled and afforded a reasonable opportunity to exercise a vote for at least one individual from a list of candidates wishing to act as representatives of the Club's fans
 - iv. in which the roles and responsibilities of each candidate were clearly defined and clearly communicated to the Club's fans, and
 - v. after which each elected individual may only act as a representative of the Club's fans for a reasonable period of time before being required to submit to a further process of election if they wish to continue in that role
 - b. a number of individuals identified by the Club as being persons who, based in each case on their knowledge and previous experience, will collectively represent the views of the generality of the Club's fans
- C.4 The Club:
- a. must constitute a group of individuals to act as the Fan Representatives, and

- b. subject to paragraph C.5, may choose at its discretion by which of the alternative means identified in paragraph C.3 it prefers to do so
- C.5 If any question arises as to whether any individuals identified by the Club for the purposes of paragraph C.3(b) collectively represent the views of the generality of the Club's fans, the opinion of the IFR in relation to that question shall be treated as determinative for the purposes of this Condition.

The Consultation Duty

- C.6 The Club must ensure that it carries out regular consultation with the Fan Representatives on all relevant matters relating to the Club.
- C.7 The Club must ensure that, on each occasion on which it consults with the Fan Representatives, that consultation is carried out in a manner that is consistent with the principles relating to fan consultation set out in the most up-to-date version of the document known as the '**Principles for Fan Consultation**' that is published from time to time by the IFR as described in its licensing guidance.

The Annual Fan Consultation Report

- C.8 In this Condition, the **Annual Fan Consultation Report** means a document prepared by the Club in accordance with the Rules:
- a. identifying the Fan Representatives of the Club at the date of the report
 - b. describing any changes to the Fan Representatives which have taken place during the period to which the report relates, and the reasons for those changes
 - c. describing any expected future action that either may or will lead to changes to the Fan Representatives during the twelve-month period following the date of the report
 - d. identifying all of the relevant matters on which it has carried out a consultation with the Fan Representatives during the period to which the report relates, and the means by which those consultations were carried out
 - e. explaining (with supporting evidence) how the Club:
 - i. has complied with the principles set out in the most up-to-date version of the Principles for Fan Consultation during the period to which the report relates, and
 - ii. intends to comply with those principles during the twelve-month period following the date of the report
 - f. which is consistent with any Annual Fan Consultation Report reporting guidelines published by the IFR in accordance with the Rules

Preparing and Submitting the Annual Fan Consultation Report

- C.9 The Club must prepare the Annual Fan Consultation Report in each year so that it is accurate as at 15 August in that year and relates to the period of twelve months immediately prior to that date.
- C.10 The Club must submit the Annual Fan Consultation Report to the IFR by no later than 15 August in each year.
- C.11 Where either the IFR or the Club considers that there has been a significant change in the circumstances of the Club that could affect the Club's engagement with its fans, the Club must prepare and submit an updated Annual Fan Consultation Report in a timely manner.
- C.12 The Annual Fan Consultation Report must be approved by a director or individual with authority to approve this document.

Publishing the Annual Fan Consultation Report

- C.13 The Club must publish online the first Annual Fan Consultation Report, and each updated version of the Annual Fan Consultation Report, as soon as reasonably practicable after it has been submitted to the IFR.
- C.14 When publishing each version of the Annual Fan Consultation Report online, the Club must take all reasonable steps to ensure that it is available:
 - a. in a prominent and easily accessible location on its official website
 - b. in a digital format which makes its content accessible to all those who are likely to be interested in it, including persons with disabilities, in line with generally accepted best practice

Condition D: Annual Declaration

Purpose

- D.1 The purpose of this Condition is to require the Club to prepare and submit to the IFR each year a declaration stating whether:
- a. it has or should have satisfied certain duties under the Act to notify the IFR of relevant matters during the previous twelve months, and
 - b. whether or not the Club's board has commissioned an assessment of its non-financial resources and, if it has, whether they are appropriate to the activities that the Club carries on or intends to carry on during the following twelve months

The Annual Declaration

- D.2 In this Condition, the **Annual Declaration** means a document prepared by the Club which contains the information specified in paragraphs D.3 to D.5.
- D.3 The information specified in this paragraph is:
- a. a description of matters which, during the twelve months prior to the date of the Annual Declaration, either were or should have been notified to the IFR in accordance with any one or more of the duties of the Club to notify the IFR:
 - i. under section 27 of the Act of any prospective new owner or officer
 - ii. under section 33 of the Act of any change in circumstances relating to an incumbent owner or officer
 - iii. under section 50 of the Act of any changes in circumstances relevant to the IFR's functions, or
 - b. where no such matters either were or should have been notified to the IFR during the twelve months prior to the date of the Annual Declaration, a statement confirming that there were no such matters that the Club was required to notify during that period
- D.4 The Annual Declaration must include one of the following statements:
- a. the board of the Club has assessed the Club's non-financial resources (as defined by the IFR's Licensing Guidance) and has a reasonable expectation that the Club has, and will continue to have, sufficient non-financial resources to operate the Club for a period of 12 months from the date of this Declaration
 - b. the board of the Club has assessed the Club's non-financial resources (as defined by the IFR's Licensing Guidance) and does not have a reasonable expectation that the Club has, or will continue to have, sufficient non-

financial resources to operate the Club for a period of 12 months from the date of this Declaration, or

- c. the board of the Club has not assessed the club's non-financial resources (as defined by the IFR's Licensing Guidance)
- D.5 Where the Annual Declaration includes a statement of the type described at paragraph D.4(b), it must also identify the categories of non-financial resource that the board of the Club considers not appropriate to the activities that the Club currently carries on and intends to carry on.

Preparing the Annual Declaration

- D.6 In preparing each Annual Declaration, the Club must use the relevant template made available by the IFR in accordance with the Rules and must ensure that the form and content of the Annual Declaration are consistent with that template.
- D.7 The Club must prepare the Annual Declaration in each year so that it is accurate as at 1 June in that year and:
- a. in the case of the information specified in paragraph D.3, relates to the period of twelve months immediately prior to that date
 - b. in the case of the information specified in paragraphs D.4 and D.5, relates to the period of twelve months immediately following that date
- D.8 The Annual Declaration must be approved by a resolution of the Club's board. Where the Club does not have a board, it must be approved at an equivalent level of seniority within the Club.

Submitting the Annual Declaration

- D.9 The Club must submit the Annual Declaration to the IFR by no later than 1 June in each year.

Annex B: Examples of Discretionary Licence Conditions

This Annex contains examples of DLCs which the IFR may apply to assist clubs in meeting, or continuing to meet, the Threshold Requirements.

These examples are for illustrative purposes only and the IFR may apply different conditions depending on the specific, individual circumstances of the club. These are discrete conditions and each could apply on a standalone basis. The IFR will follow the process set out in the Act and its guidance when applying a DLC. DLCs will not automatically form a part of a club's licence.

Financial Resources Example DLCs

As demonstrated by the below examples, the financial resource DLCs may include requirements for a club to reduce its levels of debt or expenditure across a given period, to ensure that it maintains adequate liquidity or to avoid accepting or receiving money which is connected to serious criminal conduct. They may also include provisions requiring the club to report on its ongoing progress in complying with and reporting to the IFR on any such DLCs which are imposed.

Part I. Debt Management

Total Debt

- 1 The Club must reduce the aggregate amount of its debt⁴² to £[x] by no later than [date].

Restriction on Future Debt

- 2 The Club must not enter into any new debt agreements⁴³ without prior approval from the IFR.

Debt/Equity Ratio

- 3 The club must ensure that its ratio of total debt to total equity, when expressed as a percentage, does not exceed [xx]% at all times after [insert date].

Part II. Liquidity Requirements

Liquidity Buffer

- 4 The Club must ensure that it maintains liquid assets⁴⁴ in [the sum of £x] **or** [a sum of money in an amount approved by the IFR] representing its expected future operating expenditure for a period of [x months].

⁴² For the purposes of this Condition **debt** means the sum of all the loan capital of the Club that has yet to be repaid, whether or not it is interest bearing, including non-secured debt such as revolving credit facilities.

⁴³ For the purposes of this Condition, **debt agreements** means all debt and loan agreements, whether or not interest bearing, and including non-secured debt and loan agreements such as revolving credit facilities

⁴⁴ For the purposes of this Condition, **liquid assets** means any assets of the Club which take the form of either: (i) holdings in cash which can be immediately accessed by the Club; or (ii) following confirmation from the IFR, other financial instruments which are, without any material loss of financial value, able to be promptly converted into cash holdings which can then be immediately accessed by the Club.

Escrow account

- 5 The Club must ensure that, by no later than [date] an escrow account⁴⁵ has been established:
- a. in which, by that date, it has deposited [the sum of £x] [or] [a sum of money in an amount approved by the IFR] representing its expected future operating expenditure for a period of [x months], and
 - b. from which funds may be released only:
 - i. for the purpose of meeting items of expenditure by the Club for which it has been given prior approval from the IFR, and
 - ii. in amounts which have received prior approval from the IFR

Part III. Expenditure Reduction*Limit on expenditure*

- 6 The Club must ensure that its total operating expenditure incurred in the period from [date] to [date] (inclusive) does not exceed £[X], without the prior approval of the IFR.

Expenditure or revenue ratio

- 7 The Club must ensure that its ratio of total expenditure to total revenue, when expressed as a percentage, does not exceed [xx%] for the period from [date] to [date].

Part IV. Finance suspected of connection to serious criminal conduct

- 8 The Club must neither agree to accept nor take receipt of any funds offered or made available in the course of a business transaction, which it knows, believes or has any reason to suspect are connected to serious criminal conduct, irrespective of:
- a. whether it does so directly or indirectly via one or more intermediaries; and
 - b. the way in which those funds are offered or made available.

Part V. Compliance and Reporting

- 9 The Club must prepare and submit to the IFR a detailed plan (the compliance plan) by [date] which sets out the steps that it intends to take to ensure compliance with the requirements of the condition.

The Club must maintain the compliance plan so that it remains accurate and up to date and to ensure that it reflects any material change in circumstances which

⁴⁵ For the purposes of this Condition, an **escrow account** means a secure and ringfenced bank account which is established and maintained by a third party agent approved by the IFR, and which contains funds deposited by the Club on terms which do not permit their release from the account other than in accordance with the provisions of this Condition;

affect the plan or any of the intended steps and must provide an updated version to the IFR within [x] days of any such changes.

The Club must at all times act in accordance with the most recent version of the compliance plan and must report to the IFR on the steps it has taken to give effect to the compliance plan at least once every [x] [weeks/months] after this Condition comes into force.

Non-financial resources DLCs

The non-financial resource DLCs may include requirements relating to a club's policies and procedures which allow it to operate effectively, manage risk and prepare and publish financial reports. They may also include provisions requiring the club to report on its ongoing progress in complying with and reporting to the IFR on any such DLCs which are imposed.

Part I. Internal Controls

Information systems

1. The Club must take all reasonable steps, as soon as practicable after this Condition comes into force, to establish or update its information management systems to ensure:
 - a. the security of all personal data that is held, controlled or processed by the Club in the course of its business, and
 - b. the Club has appropriate, documented processes and procedures in place to detect, report and investigate any potential or actual personal data breaches, in line with all applicable laws and regulation

The Club must report to the IFR on the steps it has taken to comply with this Condition at least once every [x] months after it comes into force.

Part II. Risk Management

Risk register

2. The Club must ensure that it has, by no later than [date], identified all material risk factors applicable to its business, carried out a risk assessment in respect of those risks (considering both likelihood and impact) and identified and documented any mitigation actions which have been taken or are planned to be taken in respect of those risks. The Club must, by no later than [date], fully record all of these matters in a document (the Risk Register).

The Club must:

- a. review and update the Risk Register every [x] months and following any material change in circumstance affecting the risks faced by the Club, and

- b. assign responsibility for reviewing and updating the Risk Register either to a committee of the Club's board, or to an individual officer of the Club

The Club must report to the IFR on the steps it has taken to comply with this Condition at least once every [x] months after it comes into force.

Part III. Financial Reporting

The financial reporting system

3. The Club must implement a financial reporting system to ensure the accurate, automated and timely processing of all financial information relating to the Club by no later than [date]. The financial reporting system must be fully compatible and compliant with accounting standards required under UK law for incorporated companies.

The Club must, as soon as reasonably practicable, provide the IFR with a report prepared by a suitably qualified auditor confirming that the Club has met this requirement.

Fan engagement DLCs

As the examples below show, the fan engagement DLCs may, for example, impose additional time limits for clubs to comply with their fan engagement obligations and impose requirements on how they do so - for example, requiring the involvement of sufficiently senior individuals in the club's decision making, or the regularity and form of fan consultation.

Fan consultation

1. The Club must, by no later than [date], have consulted the Fan Representatives on the following relevant matters:
 - a. the Club's major sponsorship agreements
 - b. any proposed developments at the Club's home ground
 - c. the Club's ticket pricing and other operational or match-day issues, and
 - d. the Club's business priorities, including long-term investment and organisational planning

The Club must, within [x] days of the conclusion of that consultation, prepare a report which:

- a. summarises the responses received by it from the Fan Representatives on each of the matters that was the subject of the consultation, and
- b. describes the process by which those responses will be (or, if applicable, have been) taken into account by the Club when making decisions on each of those matters

The Club must publish that report on its website as soon as reasonably practicable after it has been prepared, and at the same time submit a copy of it to the IFR.

Methods of consultation

2. The Club must, for the purpose of consulting with its fans on relevant matters, adopt a range of methods of consultation using different forums and media, including in particular by:
 - a. meeting at least four times each year with the Fan Representatives
 - b. conducting at least twice each year a forum that is open to the attendance of all fans of the Club
 - c. carrying out monthly online surveys of the opinions of its fans, and
 - d. establishing dedicated working groups to consult on individually significant issues with input drawn from members of the Fan Representatives

For the purposes of these meetings and forums, the Club must ensure that each meeting or forum is attended either by an owner of the Club or by at least [two officers] who are also members of the Club's board.

The Club must ensure that all information which those being consulted might reasonably require in order to enable them to provide an informed response to the subject matter of the consultation is made available to them:

- a. in a timely and accessible manner, and
- b. at least seven days prior to the meeting or forum, or final date for the submission of the survey, through which their views are being sought

The Club must report to the IFR by no later than [date] on the procedures it has established to ensure that it will comply with the requirements of this Condition.

Heritage consultation

3. Without prejudice to its obligation under Condition C to consult the Fan Representatives on matters relating to the Club's heritage, the Club must additionally:
 - a. establish a group of a number of individuals identified by the Club as being persons who have particular knowledge or experience of, or a particular interest in, those heritage matters and who will be able collectively to represent the views of the generality of the Club's fans on those matters, otherwise referred to as the Heritage Advisory Panel, and
 - b. consult with the Heritage Advisory Panel on each event or proposal which might entail a change with regard to any of those heritage matters

Where the Club consults with the Fan Representatives and the Heritage Advisory Panel on any event or proposal which might entail a change with regard to a heritage matter, it must:

- a. prepare and make available to those individuals, for the purposes of the consultation:
 - i. a detailed impact assessment, identifying the likely benefits and detriments of the change either taking place or not taking place
 - ii. an independent heritage evaluation report prepared by a suitably experienced and qualified person or body
- b. allow a minimum time period of [x] days from those materials being made available for responses to the consultation to be submitted to the Club
- c. in parallel carry out an online survey that is open to completion by all of the Club's fans in England and Wales in relation to the potential change

The decision-making process

- 4 For the purposes of this Condition, a Decision-Maker means each of the following persons in so far as they either make, or have the right to exercise a vote in relation to the making of, a decision on behalf of the Club in relation to a relevant matter:
- a. a member of the Club's board
 - b. a member of a committee which has been authorised to make that decision on behalf of the Club
 - c. an officer or other employee who has been authorised to make that decision on behalf of the Club

The Club must ensure that it makes available to each Decision-Maker, in sufficient time before that person is involved in making a decision on behalf of the Club in relation to a relevant matter, a clear and accurate summary of the responses received to any consultation on that matter with the Fan Representatives, (where applicable) the Heritage Advisory Panel, and any other body of its fans or fan representative group.

The Club must ensure, on each occasion before any Decision-Maker is involved in making any decision on behalf of the Club in relation to a relevant matter, that Decision-Maker is advised (regardless of whether or not such advice has been given previously) of the requirement to take into account the views of the Club's fans by conscientiously considering and having regard to them in the decision-making process.

The Club must report to the IFR on the steps it has taken to comply with the requirements of this Condition at least once every [x] months after this Condition comes into force.

Annex C: Corporate governance statement reporting template

Purpose of this template

- 1.1 This template is intended to help clubs prepare their corporate governance statements to report on their application of the Football Club Corporate Governance Code (the Club Code, or Code).
- 1.2 The template is not intended to limit the information clubs may include but instead guides clubs on the minimum information the IFR expects to see. The aim is to ensure that clubs' corporate governance statements are as clear, meaningful, and informative as possible.

How to use this template

- 1.3 The template is based on the principles of the Club Code and the 'apply-and-explain' reporting framework. Clubs should use the template to provide a meaningful and detailed description, in their own words, of:
 - the governance arrangements they have put in place
 - how these practices apply each principle of the Club Code
 - why these practices were put in place in the context of each club's circumstances, and
 - how these practices affected board decisions
- 1.4 Whether the club applies all recommended practices or only some, its statement should explain how and why it has addressed the principles through its chosen governance practices. This is not a tick-box exercise; clubs are expected to demonstrate genuine engagement with the spirit of the Club Code and its principles.

Proportionate application

- 1.5 Clubs should apply the Club Code proportionately to their circumstances, and a club's corporate governance statement should reflect its size, complexity, resources, league, and any other relevant circumstances. Where a principle has been applied proportionately to a club's circumstances, this should be included in the club's explanation of its application of that specific principle.

What to include

- 1.6 For each principle, clubs should address:
 - which recommended practices have been implemented and why
 - which practices have not been adopted and why

- any alternative governance practices employed and how they apply the Club Code's principles
 - examples or evidence of outcomes demonstrating the effectiveness of governance arrangements
 - any material changes to governance arrangements since the club's last corporate governance statement
 - any material changes planned to the club's corporate governance arrangements
- 1.7 In addition to addressing each principle, and notwithstanding the expectations of Principle 4, clubs are required to explain the actions they are taking to improve equality, diversity, and inclusion across all levels of the club.
- 1.8 The template below suggests questions a club might want to ask itself and address as part of its corporate governance statement process. This list is non-exhaustive, and the questions are not mandatory.
- 1.9 Clubs are encouraged to go beyond the questions in this template and describe their corporate governance arrangements comprehensively and in their own words.
- 1.10 Clubs are required to provide information in respect of each principle. Where it has not, clubs must explain why but should be aware that the IFR may not accept the Statement until the missing information has been submitted.
- 1.11 Clubs should also refer to the IFR guidance document regarding the Corporate Governance Statement Mandatory Licence Condition (Chapter 4).

Publishing and submitting statements

- 1.12 Clubs should refer to their Mandatory Licence Conditions for more details on the mechanisms and deadlines for submission of their corporate governance statements.
- 1.13 Clubs should publish their corporate governance statements on the club website as soon as reasonably practical after submission to the IFR.

Principle 1: The board, strategy and purpose

- a **Every club should establish an effective board, which is collectively responsible for the sustainable success of the club. The board's role is to provide leadership of the club.**

- b **The board should establish the club's purpose, strategy and values, and is satisfied that these and its culture promote the financial soundness of the club and reflect the needs of fans, stakeholders, and the local community.**

At a minimum, the club's statement should answer the following:

- Does the club have an established board?
 - How frequently does the board meet?
 - Has the board clearly defined purpose for the club? If yes, describe the club's purpose and how it was developed, e.g. in conjunction with stakeholders and/or shareholders.
 - How has that purpose been communicated throughout the club?
 - How does the board ensure that the club's culture is consistent with its purpose?
 - Has the board clearly defined a strategy? If yes, unless commercially sensitive, describe the strategy, highlighting how the strategy promotes the financial soundness of the club.
 - How has that strategy been communicated throughout the club?
 - How does the club's purpose, strategy, and values incorporate the needs and views of fans, stakeholders, and the local community?
 - How does the board engage with shareholders, including those with minority interests?
 - How is the division of responsibilities between the board's leadership/oversight role and the executive's operational role documented?
 - What changes to the board, the club's strategy, and/or its engagement with stakeholders may be needed in the future to maintain or improve the club's corporate governance arrangements?
-

Principle 2: Risk oversight and controls

- c **The board is responsible for risk oversight and should maintain effective processes and systems of internal control to identify, manage, monitor and report the risks the club is exposed to and thus safeguard the club and its assets. The board should satisfy itself that all material risks are being appropriately identified and managed (e.g., risk register, policies and procedures, annual review of risk management and control effectiveness)**

At a minimum, the club's statement should answer the following:

- What policies and procedures have the club established to identify, manage, monitor, and report all material risks the club is exposed to? What risk types do these policies and procedures cover?
- How does the board satisfy itself that all material risks are being appropriately identified and managed?
- Has the club established an audit and/or risk committee? If so, describe its remit and membership. Do any members have recent and relevant financial experience?
- Has the club established an executive risk management function, and how does that function report to the board and/or risk committee?
- What risk management and internal control systems does the club maintain? How regularly are these systems reviewed and monitored to ensure effectiveness? How do these systems provide reasonable assurance?
- How are the club's risk management policies and procedures communicated to, understood by, the board, staff, and volunteers?

Principle 3: Board composition

- d **The size and composition of the board should reflect the scale and complexity of the company's activities.**
- e **Effective board composition requires an effective chair and a balance of skills, backgrounds, experience and knowledge to understand the club's activities and its main risks. Individual directors should have sufficient skills, experience, knowledge, and be provided with sufficient information in a timely manner to enable them to make a valuable contribution.**
- f **The board and individual directors should have a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision-making and independent challenge.**
- g **The Board and their committees should be competent, well run, and have sufficient independent membership, ensuring they can make high quality decisions that ensure the soundness and sustainability of the club.**

At a minimum, the club's statement should answer the following:

- How does the size and composition of the board reflect the scale and complexity of the club's activities?
- Are the positions of chair and chief executive (or managing director) held by separate individuals? If not, the club should provide an explanation as to why this is appropriate for the club's specific circumstances.
- How does the club ensure that no single person or group dominate the board's decision-making?
- Has the board established board committees? If so, describe each committee, including its remit and membership.
- Does the board have documented policies and procedures to govern decision making authorities?
- Does the club have documented procedures to manage the conduct of board meetings, e.g. agendas, minutes, monitoring action items?
- What balance of skills, backgrounds, experience, and knowledge does the board possess, and why is this balance appropriate for the club's specific circumstances? Is this balance periodically assessed?
- Do directors receive induction or ongoing training on their obligations as directors?

- How does the board assess the performance of the board, committees, chair, and individual directors?
 - How does the board assess the board's balance of backgrounds, skills, and experience?
 - How do board practices and procedures encourage non-executive board members to provide constructive challenges, strategic guidance, and specialist advice? How do they hold management to account?
 - What are the periods of appointment of (non-executive) directors?
 - Which directors are deemed independent?
 - What processes are undertaken to appoint independent non-executive directors?
 - Has the board appointed any independent advisors?
 - Do any individual directors have assigned responsibilities, e.g. lead independent director, remuneration, EDI, health and safety, fan engagement, community engagement, audit and/or risk? If so, identify the directors with those responsibilities.
-

Principle 4: Equality, diversity and inclusion

h The board should ensure that the club's EDI strategy and initiatives are aligned with the requirements and objectives set forth by relevant competition organisers, governing bodies, and applicable legislation. The board shall regularly review and adapt its EDI approach to ensure ongoing compliance with these requirements and evolving best practices.

i Appointments to the board and senior management should be conducted through processes that actively promote diversity, inclusion and equal opportunity to ensure that the composition of the board and senior management team reflects an appropriate balance of expertise, diversity and objectivity, and actively strives to be representative of the diversity within the club's community.

At a minimum, the club's statement should answer the following:

- Does the club have an EDI strategy?
 - How does the board ensure that the club's EDI strategy and initiatives are aligned with requirements and objectives from relevant competition organisers, governing bodies, and applicable legislation?
 - How does the board review and adapt its EDI approach to ensure ongoing compliance with these requirements and evolving best practices?
 - What processes does the club use to ensure appointments to the board and senior management actively promote diversity, inclusion, and equal opportunity?
 - Does the composition of the board and senior management team reflect an appropriate balance of expertise, diversity, and objectivity? How closely does the club's board and senior management reflect the diversity within the club's community?
 - Has the board set any measurable objectives for increasing diversity within its leadership or throughout the club? If so, what progress has the club made toward achieving these objectives?
 - How does the club's leadership demonstrate commitment to diversity and a 'tone from the top'? Does this visible commitment help create a shift in club culture?
-

Principle 5: Stakeholder relationships and engagement

j The board should foster effective stakeholder relationships aligned to the club's purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including the fans, employees and the local community, and having regard to their views when making decisions.

k Boards should consider how the club contributes, and continues to contribute, to the economic and social well-being of its local community.

At a minimum, the club's statement should answer the following:

- Who has the board identified as the club's material stakeholders (fans, employees, local community, etc.)?
 - How does the board engage with each identified stakeholder group? Give details on frequency and content discussed.
 - How are stakeholders' views considered in board decisions? Provide examples.
 - What mechanisms exist for employees, including players, to voice their opinions to the board and/or executive management?
 - Does the club have a whistleblowing hotline for fans, employees, and other stakeholders? If so, what processes are in place for managing concerns raised through that hotline.
 - Provide a detailed description of how the club, whether directly or through the club's foundation and/or charitable arm, contributes to the economic and social well-being of the local community with which it is associated?
 - What partnerships or initiatives has the club established with local organisations and residents?
-

Actions taken on equality, diversity and inclusion

Explain the actions the club has taken, and is taking, to improve equality, diversity, and inclusion across all levels of the club.

- Does the club collect, verify, and publish diversity data, including data published under the FA's Rule N? If yes, include this data (using the FA's data collection template). Data should also be further segmented to separate Board and Senior Leaders.
- If clubs are not subject to league or governing body requirements they are nonetheless encouraged to assess or quantify the effect of actions taken by the club on EDI.
- Does the club undertake any EDI initiatives beyond any regulatory requirements? Include any EDI initiatives conducted through the club's foundation, charity, or other third-party organisation?

Declaration by club

Each statement must include the following attestation

By signing this form, you are confirming:

- that you understand the information included above
- that you are authorised to sign this form on behalf of the club
- that the information provided in this Statement is accurate and complete to the best of your knowledge and that you have read the contents contained in this form
- that you will notify the IFR immediately if there is a material change to the information provided

Name of club

Name of individual
authorised to sign this
form on behalf of the
club:

Position held at the club:

Signature / declaration
confirmation and date:

Annex D: Annual declaration reporting template

This template is for the purpose of licensed clubs submitting an annual declaration to the IFR, in line with Mandatory Licence Condition D. The information required in this template is necessary for the IFR to assess whether a club is complying with the mandatory licence condition and the non-financial resources Threshold Requirement.

Note for licensed clubs - clubs must answer all questions and provide all information as requested. The IFR may request additional information as part of its assessment in addition to the contents of this template.

Club name

1.1 Name of the licensed club

Section 1: Relevant matters over the previous 12 months

2.1	Section 27 – Duties to notify IFR of prospective new owner or officer (ODSE Rules 2.1 and 2.2)	Notified?
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2.1.1	I have notified the IFR of any relevant matters in relation to prospective new owners or officers over the past 12 months.	Yes	No
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If no, please outline the relevant matters that should have been disclosed.

2.2	Section 33 – Duties to notify IFR of change of circumstances relating to incumbent owner or officer (ODSE Rules 6.1 - 6.4)	Notified?
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2.2.1	I have notified the IFR of any relevant matters in relation to changes of circumstances relating to incumbent owners or officers over the past 12 months.	Yes	No
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If no, please outline the relevant matters that should have been disclosed.

2.3	Section 50 – Duty to notify change in circumstances relevant to the IFR’s functions	Notified? Yes / No
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2.3.1	I have notified the IFR of any relevant matters in relation to changes of circumstances relating to relevant IFR functions over the past 12 months.	Yes	No
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If no, please outline the relevant matters that should have been disclosed.

Section 2: Non-financial resources attestation

Clubs should refer to Chapter 3 on Non-Financial Resources in the Licensing Guidance before making their attestation.

2.4 Non-financial resources Threshold Requirement

Clubs must select one of the following statements as true:

2.4.1	The board has assessed the club's non-financial resources (as defined by <i>the IFR's Licensing Guidance</i>) and has a reasonable expectation that the club has, and will continue to have, sufficient non-financial resources to operate the club for a period of 12 months from the date of this Declaration.	Yes	No
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2.4.2	The board has assessed the club's non-financial resources (as defined by <i>the IFR's Licensing Guidance</i>) and <u>does not</u> have a reasonable expectation that the club has, or will continue to have, sufficient non-financial resources to operate the club for a period of 12 months from the date of this Declaration. <i>If no, explain why the club's non-financial resources are not sufficient, including the categories of non-financial resource that the board considers not sufficient.</i>	Yes	No
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2.4.3	The board has <u>not assessed</u> the club's non-financial resources (as defined by <i>the IFR's Licensing Guidance</i>). <i>If yes, explain why the club's non-financial resources have not been assessed.</i>	Yes	No
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Declaration by club

3.1 By signing this declaration you are confirming:

- that you understand the information included above
- that you are authorised to sign this annual declaration on behalf of the club
- that the information provided in this application is accurate and complete to the best of your knowledge and that you have read the contents contained in this form
- that you will notify the IFR immediately if there is a material change to the information provided

3.2 Name of individual authorised to sign this declaration on behalf of the club:

3.3 Position held at the club:

3.4 Signature / declaration confirmation and date: