

Stephanie Peacock MP Minister for Sport, Media, Civil Society and Youth Department for Culture, Media and Sport 1st Floor 100 Parliament Street London SW1A 2BQ

E: enquiries@dcms.gov.uk

www.gov.uk/dcms

20 June 2025

Louie French MP House of Commons London SW1A 0AA

INT2025/06038/DC

Dear Louie,

I am writing to follow up on some of the questions you raised during the third Committee session on 10 June 2025 of the Football Governance Bill. You sought clarification on the licensing regime and, in particular, what might happen if the Independent Football Regulator ('IFR') revokes a licence.

Firstly, we think it is highly unlikely that the Regulator will ever have to revoke a licence. In reality, it has a suite of tools available before that, potentially including forced divestment of bad owners.

In the unlikely event that the high statutory threshold has been met, and the IFR has determined that a club should have its licence revoked, it will give a notice to the club with its reasoning for this decision. The club will have the opportunity to make representations on the decision to revoke the licence. The IFR must wait until the end of the season to revoke a licence to ensure there is minimal impact on all other clubs. We wish to avoid the scenario where, midway through a season, a club is no longer able to fulfill its obligation to play its remaining fixtures. Since this would impact the sporting integrity of the competition, and unduly harm the commercial interests of the competition organiser.

Once the season has been completed, the club will no longer be able to operate in the specified competitions. So, at that point, it will be up to those specified competition organisers to determine how to manage the constitution and membership of their competitions. Clubs have gone into administration and liquidation in the past, and so clubs falling out of a league at the end of the season is not a new issue for competition organisers to face. The approach they take is a matter for the competition organisers, likely in cooperation with the FA.

To address your second question regarding a club's licence and its owner, I would like to reiterate that a club's licence is separate to its ownership. The club is a separate legal entity and the licence is held directly by the club itself, not by its owners. So a removal or change of ownership will not impact the club's status as licensed. The Bill deliberately takes this approach, to avoid a situation in which unsuitable custodians result in a club not being able to play - situations we have sadly seen in the past and that only serve to hurt fans.



A club could go into administration through no fault of the owner. However, in the scenario where a club is seriously and/or consistently non-compliant with its obligations, as stated above, we would expect the IFR to first consider very carefully whether any responsibility lies with the owner. The Owners' and Directors' test will allow the Regulator to isolate and remove unsuitable owners, without disruption to the club's ability to compete.

You also asked whether a club without a licence would have to start again from the bottom of the pyramid. Without a licence, a club cannot play in the specified competitions. So, as I set out above, it would be for the relevant competition organisers and the FA to determine what should happen to that club. If it were to compete lower down the pyramid and eventually be promoted back into the IFR's scope, then it would have to reapply for a licence and be assessed in the same way as any other promoted club.

I thank you again for raising these questions, and I hope my response has given some clarity on this. I have placed a copy of this letter in the Library of the House.

Yours sincerely,

Stephanie Peacock MP

Minister for Sport, Media, Civil Society and Youth

