Independent Football Regulator:

Questions and Answers

This FAQ contains answers to questions that Trust members have asked about the Independent Football Regulator (IFR). We will update it as more questions come in

Question: What is the Independent Football Regulator (IFR)?

The Independent Football Regulator (IFR) is a new body set up by the Football Governance Act 2025 to make sure that English football is run in a fair, transparent and sustainable way.

Its main role is to protect clubs, supporters and the wider game from poor governance or financial mismanagement. Unlike the football authorities, which focus mainly on sporting matters, the IFR has a legal duty to put the long-term health of clubs and the interests of fans at the centre of its decisions.

The IFR's responsibilities include:

- Licensing clubs – every professional club in the top five tiers of English football will need a licence to operate, and the IFR will set and enforce the conditions for that licence.
- Financial oversight – ensuring that clubs are run sustainably and are not put at risk by reckless spending or hidden debts.
- Ownership and governance checks – reviewing whether owners and directors are "fit and proper" to run a football club, and monitoring how clubs are governed.
- Protecting heritage and fans' voice – safeguarding important elements of a club's identity (such as name, colours, or home ground) and requiring proper consultation with supporters on major decisions.
- Strengthening the pyramid – making sure the financial flow within the game supports lower-league and grassroots football, not just the elite.

  In short, the IFR is designed to act as an independent watchdog for football, with the power to step in when clubs are being run in ways that put their future—or the interests of their supporters—at risk.

Question: Can the IFR force an existing ("incumbent") football club owner to sell?

Yes, but only in certain circumstances. Under the Act (§34), the regulator can assess whether an incumbent owner meets the "ownership fitness criteria" if credible concerns arise. These criteria are:

- Honesty and integrity

- Financial soundness
- Competence (if they also hold an executive role at the club)

If the IFR finds the owner fails these standards, it has an escalating set of power to:

- Disqualify them from owning a club (§38)
- Issue a direction to cease ownership (§39)
- In extreme cases, the regulator can issue a removal order and appoint trustees to sell the club (§43)

The government has confirmed these powers. Secretary of State for Culture, Media and Sport Lisa Nandy told BBC Breakfast (6 Aug 2025):

"The legislation… allows the regulator in very extreme cases… to force the owners to sell rather than the club collapsing."

Question: Is property law a roadblock to removing an incumbent owner?

That's a really good and quite tricky question and deserves a full answer. Here's the legal context and how it would likely work:

1. Property rights and ownership

- English law gives very strong protection to property rights under both common law and the Human Rights Act 1998 (Article 1, Protocol 1 of the European Convention on Human Rights – A1P1).
- That means the state can't normally deprive someone of property without a clear legal basis, a legitimate public interest, and fair compensation.

So at first glance, stripping someone of club ownership looks like an interference with property rights.

2. Why the regulator's power is lawful

The Football Governance Act 2025 (the legislation setting up the IFR) is what gives the regulator this power. Parliament can lawfully create statutory powers that override normal contractual or corporate autonomy, provided they meet the A1P1 requirements:

- Legal basis – the Act spells out when and how an owner can be deemed "unsuitable."

- Legitimate aim – protecting football's sustainability and integrity is recognised as a public interest objective.
- Proportionality – the regulator isn't expropriating the club without compensation; trustees would sell it and the proceeds (minus costs) go back to the original owner.

So legally, it's not a confiscation but a forced sale—a form of regulated dispossession comparable to compulsory purchase in planning law.

3. How the process is balanced

- The IFR doesn't simply seize the club. It appoints independent trustees to run and sell it.
- The owner retains a right to the sale proceeds, meaning they don't lose all economic value.
- The Competition Appeal Tribunal (CAT) provides an independent judicial mechanism to review the regulator's decisions, ensuring due process and proportionality.

This review mechanism is crucial for compliance with both property law and human rights law.

4. Analogies in law

- Compulsory purchase orders (CPOs): Local authorities can force a sale of land for public purposes, provided compensation is paid.
- Banking/insolvency regulation: Insolvency practitioners can take over companies in the public or creditors' interest.
- Financial services: The FCA can ban directors or remove control if a person is deemed not "fit and proper."

The IFR is designed to sit in that same regulatory family—exceptional but legally recognised interventions. In summary, a ruling to strip ownership from an unsuitable football club owner does interfere with property rights, but it is framed in law as a proportionate, public-interest intervention. Because owners are compensated through the sale proceeds and can appeal to the CAT, it's unlikely to breach property law or A1P1 rights. In practice, it operates more like a compulsory sale than outright expropriation.

Question: Wealthy owners often have expensive lawyers. What protections are there for the IFR so they're aren't buried / shackled in counter lawsuits?

A: Appeals against the rulings of the regulator will be heard before the Competition Appeals Tribunal CAT). Decisions of the Competition Appeal Tribunal can be appealed, but only on specific grounds. An appeal is not a chance to re-run the whole case – it must be based either on a point of law (for example, that the Tribunal got the law wrong or acted unfairly) or on the level of any fine or penalty imposed.

CAT proceedings are generally open to the public, so much more transparent than the current EFL Independent Disciplinary Commission proceedings, where everything is behind closed doors.

Question: What safeguards exist if a current owner is not fully transparent or forthcoming in their financial disclosures? How does the IFR verify the accuracy of information so that owners cannot effectively "mark their own homework," and what consequences might the club face if inaccuracies or omissions are identified - particularly regarding the indirect impact on supporters?

This is a question about the Regulator's Investigative Powers, and is broken down here into a series of smaller questions and answers.

Q: Can the regulator demand information from clubs?
A: Yes. The regulator can issue an information notice requiring a club (or individuals connected with it) to hand over data, records, or explanations. This might include financial documents, contracts, or communications. Clubs must respond within the timeframe set out.

Q: Expert reporters
A: The regulator can appoint an independent expert to go into a club and investigate a particular issue—for example, financial management, governance problems, or potential rule breaches.

- The expert must have the right skills and no conflicts of interest.
- The club must cooperate fully, giving access to staff, facilities, and records.
- The cost of the reporter can be charged back to the club.

Q: Do clubs have to cooperate?
A: Yes. Clubs are legally required to provide access to documents, premises, and systems if requested. Failure to do so - or trying to obstruct an investigation - can result in serious penalties.

Q: Can the regulator enter club premises?
A: Only with proper authority. The regulator can apply for a warrant (from the Competition Appeal Tribunal or a court) to enter business premises, search records, and seize information where necessary.

Q: What happens if a club hides or destroys information?
A: That's a criminal offence created by the Act. Deliberately destroying, altering, or concealing information requested by the regulator can lead to heavy fines or even prison (up to 2 years).

Question: What are 'stringent conditions' for ongoing ownership to prevent continued mismanagement? How does that effect only the owner without, again, indirectly effecting a club?

This is really the heart of why the IFR has been set up. It is broken it down into a series of smaller questions and answers:

Q: What's the regulator's main tool to make sure clubs are well run?
A: Every club will need a licence from the regulator to play in its league. To keep that licence, clubs must meet rules on both finances and corporate governance. If they don't, the regulator can step in.

Q: How will the regulator stop clubs overspending or going bust?
A: Clubs will face strict financial sustainability tests. They'll have to prove they can pay their bills, keep debts under control, and avoid gambling the future of the club on short-term success. The regulator can:

- Demand detailed financial reports,
- Send in independent experts to check the books,
- Fine clubs or suspend their licence if rules are broken.

Q: What about governance – how clubs are run off the pitch?
A: The regulator will set minimum governance standards, including:

- Having independent directors on boards, not just the owner's associates,

- Ensuring directors and executives are fit and proper,
- Publishing clear governance statements so fans can see who's accountable,
- Keeping a proper board structure where decisions are transparent and responsibilities are clear.

Q: Will fans have a say?
A: Yes. Clubs must have formal fan engagement processes – regular, structured dialogue with supporter groups. The regulator will check this is happening as part of its licensing system.

Q: What happens if a club ignores the rules?
A: The regulator can:
- Order the club to take corrective action,
- Fine the club,
- Suspend or revoke its licence (which is effectively its right to compete),
- In extreme cases, appoint independent trustees to sell the club if the owner is deemed unsuitable.

Q: How is this different from what the leagues already do?
A: The IFR will not be handing out points deductions or transfer bans. Instead, its enforcement powers are designed to ensure compliance with governance and financial rules, and rules around meaningful fan engagement. These include:
- Public reprimands: requiring the club to make remedial statements or publish details of failings.
- Directions: ordering a club or owner to take (or stop) specific actions.
- Fines: imposing significant financial penalties for breaches.
- Licence suspension or revocation: every club must hold a licence to compete; the regulator can suspend or ultimately revoke it if conditions are breached.
- Appointment of trustees: in the most serious cases, the IFR can appoint independent trustees to oversee and sell a club if the owner is found unsuitable.

These are essentially regulatory and ownership-focused sanctions.

Sporting Sanctions (Leagues' Responsibility)

The IFR will not interfere in day-to-day competition rules. The Premier League, EFL, and National League will continue to apply sporting sanctions, such as:

- Points deductions for insolvency, administration, or other competition breaches.
- Transfer embargoes or restrictions on registering players.
- Expulsion or relegation for failing to meet competition entry requirements.

These remain firmly within the authority of the leagues to protect the integrity of competition on the pitch.

Question: If an owner's private financial activities, used to fund the club, are discovered to be unlawful or fraudulent, does the IFR have the authority to pursue criminal sanctions against the owner, or are such matters referred to the relevant law enforcement authorities?

The Independent Football Regulator (IFR) will not have powers to bring criminal charges against club owners or others involved in football. Its role is to oversee the financial regulation of clubs, ensure compliance with standards, and, where necessary, impose regulatory sanctions such as fines, restrictions, or ultimately the loss of a licence to operate within the football pyramid.

If an owner's private financial dealings used to fund a club are found to involve unlawful or fraudulent activity, the IFR would be expected to refer the matter to the appropriate law enforcement or prosecuting authorities (for example, the police, the Serious Fraud Office, or HMRC). Criminal sanctions can only be pursued through those bodies.

In practice, the IFR's role would be to ensure that such activities are properly identified, reported, and that the club itself is protected as far as possible from being destabilised by unlawful conduct.

Question: Does the IFR test incumbent owners each year?

No. The tougher Owners and Directors' Test, which the IFR will take over responsibility for from the EFL, automatically applies to new owners. Existing owners are only investigated if the IFR has specific concerns about an owners suitability.

Question: Are there other ways the IFR can tackle bad owners?

Yes, through the club licensing system. Every club will need a license to play in a league. To get one, a club must:

- Prove it has the money to operate for the season ahead
- Provide a Corporate Governance Statement showing it meets the IFR's code
- If an owner can't meet these requirements, the club could be refused a license.

Question: What happens if a club can't obtain a license?

A license (initially a provisional and within 3 years a full) is a prerequisite to taking part in any league. So failure to meet the criteria - mandatory licensing conditions - for obtaining a license would mean a club wouldn't be allowed to compete. Given there will be 116 (regulated clubs in the top 5 tiers) license applications to process when the regulator is operational exactly how that will work in practice remains to be seen.

Question: What about Sheffield Wednesday?

Given the club's current situation, the IFR will undoubtedly have "grounds for concern" about Chansiri's ownership and open an investigation into his suitability to continue as owner. If it is not already obvious to everybody the Trust has compiled a body of evidence about the way the club has been run. This will be put into the possession of the IFR at the earliest opportunity.

Question: How quickly could the IFR remove an owner?

Not quickly. The regulator is still being set up - its Chair and CEO have yet to be appointed and some secondary legislation will be needed to fully operationalise the IFR. The law also requires due process:

- The owner must be told of the concerns
- Given a chance to respond
- Evidence must be gathered and assessed

- Only then can the IFR issue a removal order.

Question: So will the IFR come to our rescue?

In time, possibly - but not immediately. The powers are there, but they will only be used with strong evidence and after careful legal process.