Can the Independent Football Regulator Remove a Bad Owner?

This is the first in a series of Trust articles explaining the new Independent Football Regulator (IFR) and the laws behind it. Given the current situation at Sheffield Wednesday, it makes sense to begin with the question we've been asked most:

Can the IFR force an owner to sell a club?

The short answer: yes — but as with most laws, the reality is more complicated.

The IFR was created by the Football Governance Act 2025, which became law on 21 July. It introduces a much tougher Owners and Directors' Test for all *new* owners. Existing owners, however, are not automatically retested every year. Instead, the IFR can investigate an incumbent owner only if it has grounds for concern.

When the IFR Can Act

Under the Act (§34), the regulator can assess whether an existing 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 the power to:

- Disqualify them from owning a club (§38)
- Issue a direction to cease ownership (§39)
- In extreme cases, order a sale of the club (§43)

This is backed up by the Secretary of State for Culture, Media and Sport, Lisa Nandy, who said:

"The legislation… allows the regulator in very extreme cases… to force the owners to sell rather than the club collapsing." (BBC Breakfast, 6 August 2025)

Licensing: Another Route to Challenge Poor Ownership

From now on, every club must hold a license to compete in a league. To get one, they must:

1. Submit credible financial plans showing they have the money to fund the plan
2. Provide a Corporate Governance Statement showing they meet the IFR's governance code

While this isn't a full Owners and Directors' Test, it still gives the IFR another way to block unsuitable owners.

The Sheffield Wednesday Context

Given the club's situation, it's reasonable to think the IFR could have "grounds for concern" about Dejphon Chansiri's suitability. But the regulator is not yet fully operational. Its Chair and CEO are still to be appointed, and although a Shadow Regulator team has been in place for about a year, the IFR won't be acting overnight.

Due Process Matters

Even when it is running, the IFR can't simply remove an owner on demand. It must follow strict legal processes:

- Notify the owner of its concerns
- Give them a chance to respond
- Gather and assess evidence before making any removal order

The message is clear: the IFR has the powers fans have long called for, but using them will take time, evidence, and persistence.