



A New Era for Football Governance

Part 2: The Licensing Regime



Football Governance Act 2025

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The IFR Licensing Regime: The Gateway to Regulated Football

In most regulated industries, the licence is the point at which legislation becomes operational reality.

The same is now true for English football.

Following the passage of the Football Governance Act 2025, the Independent Football Regulator (IFR) has begun developing the **licensing regime to underpin the new regulatory framework**.

Consultation with clubs, leagues and supporters has already taken place on key elements of the regime, including the proposed licensing model, the design of licence conditions and reporting requirements. The consultation suggests the regime will be built around **mandatory licence conditions, threshold requirements and discretionary licence conditions**.

While detailed guidance is still to be finalised, the direction of travel is already clear: the operating licence will become the gateway through which clubs enter the new regulatory environment.

In practice, licensing is unlikely to be a purely administrative step. It represents the mechanism through which governance transparency, financial sustainability and regulatory accountability begin to take shape within the game.

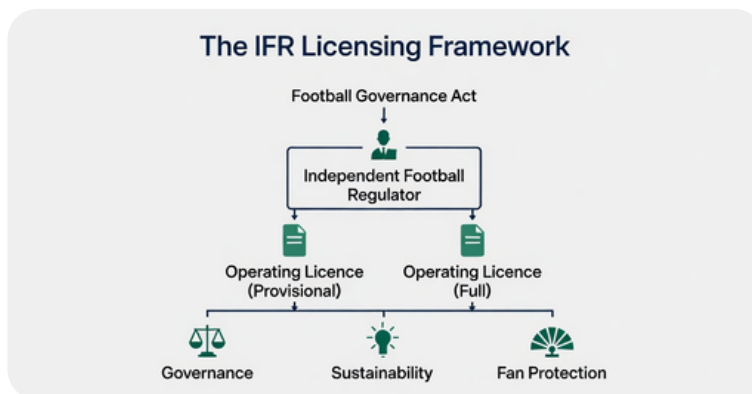
→ The Licensing Regime

The IFR licensing regime will sit at the centre of the new football regulatory framework.

At its core, the regime introduces:

- An **operating licence required for clubs participating in regulated competitions**
- A **provisional licensing stage** allowing clubs to operate while transitioning towards full compliance
- A **full operating licence** required for ongoing participation in regulated football competitions
- A structured process requiring clubs to demonstrate **governance transparency, corporate governance reporting, and strategic planning**
- A mechanism through which the regulator can begin **ongoing supervisory oversight of clubs through licence conditions**

In many regulated sectors, licensing marks the start of an ongoing regulatory relationship rather than a one-off approval exercise. English football now appears to be moving in the same direction.



⚽ Checklist A: Football Club Officers

Reflections for club boards and senior executives, the licensing regime raises several immediate questions.

Governance readiness

- Is the club's governance structure and leadership accountability clearly documented?

Ownership transparency

- Are ownership arrangements and senior management responsibilities clearly defined?

Strategic planning

- Could the club demonstrate a credible strategic business plan if required?

Regulatory timeline

- **2026:** IFR expected to finalise rules and guidance
- **2026/27 season:** Licensing regime begins implementation

📈 Checklist B: Risk & Compliance Professionals

Reflections for governance, risk and compliance professionals and regulators observing the regime, the licensing framework raises broader questions.

- How prepared are clubs across the football pyramid to engage with a formal licensing process?

- What governance capability currently exists within clubs to support regulatory engagement?

- How will proportionality operate between large Premier League clubs and smaller organisations?

- What supervisory approach will the IFR adopt as the licensing regime develops?

What the Licensing Regime Will Mean for Football Clubs

At the centre of the new regulatory framework sits a simple requirement: clubs participating in regulated competitions will need an operating licence from the Independent Football Regulator.

The legislation provides for two stages of licensing, **supported by ongoing licence conditions and regulatory supervision**.

A **provisional operating licence** will allow clubs to continue operating while transitioning into the new regulatory framework. During this period, clubs will be expected to demonstrate that they are moving toward the threshold requirements established by the regulator.

A **full operating licence** will ultimately be required for ongoing participation in regulated football. To obtain and maintain this licence, clubs will need to demonstrate that they meet the relevant governance, financial and organisational expectations set out in the regulatory framework.

For many clubs, this represents a shift from a primarily league-based regulatory environment toward a statutory licensing model.



→ What the Licence Application Reveals

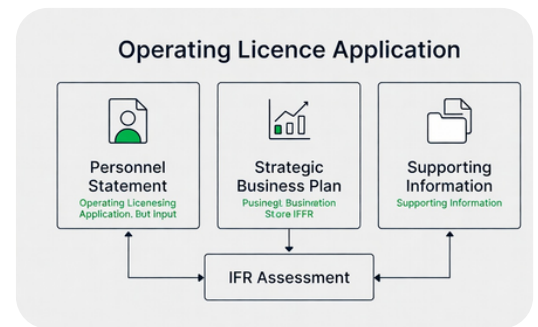
The proposed licensing framework provides an early indication of the type of governance transparency the regulator is likely to expect from clubs.

Two elements of the application process are particularly notable **within the IFR's proposed application framework**.

The first is the **personnel statement**, which will require clubs to identify their owners and officers, clarify leadership roles and document who is responsible for key management functions within the organisation.

The second is the **strategic business plan**, which will require clubs to demonstrate how they intend to operate sustainably over the coming seasons and how those plans will be funded.

Taken together, these requirements suggest that the licensing process will focus not only on financial resources, but also on governance clarity and forward planning.



→ Proportionality Across the Pyramid

One of the most important questions for the licensing regime will be how it operates across the football pyramid.

Clubs in the Premier League often operate with sophisticated corporate structures and dedicated governance teams. Many clubs further down the pyramid operate with far smaller administrative capacity, sometimes relying on lean management teams and limited governance infrastructure.

The legislation recognises this reality by emphasising proportionality in the regulator's approach.

The practical challenge will therefore not simply be whether clubs meet licensing requirements, but how those requirements are applied in a way that reflects the very different operating environments across English football. Achieving that balance will be central to the credibility of the regime.

→ The “Monday Morning” Test

For a club board sitting down on Monday morning, the licensing regime raises several practical questions.

- Who within the organisation will lead the licensing process?
- Are governance roles and responsibilities clearly documented?
- Could the club explain its strategic direction and financial sustainability if asked?
- Does the organisation have the capability to manage an ongoing regulatory relationship?

For some clubs these questions may already feel familiar.

For others, they may represent a new dimension of governance responsibility.



Licensing as the Beginning of Regulatory Supervision

The most important thing about the IFR licensing regime may not be the application itself, but what follows after it.

In many regulated sectors, a licence is not simply permission to operate. It is the basis for an **ongoing supervisory relationship** between the regulator and the regulated entity. We see this in other industries such as financial services, a comparison we will explore further in part 3.

English football now appears to be moving in the same direction.

That matters because licensing changes the character of governance. Issues such as **ownership, leadership accountability, strategic planning and financial sustainability** are no longer only internal club matters or league matters. They become matters that sit within a **statutory regulatory framework**.

The more likely emphasis, however, is on **supervision, engagement and proportionate oversight first**.

That does not mean licence conditions are symbolic. Where clubs fail to meet licence conditions, fail to provide required information or fail to cooperate, the framework is backed by **formal investigatory powers and sanctions**.

In that sense, the operating licence is likely to be more than an entry requirement. It is the mechanism through which **supervision begins**, with **formal intervention available where necessary**.



→ Regulatory Credibility and Proportionality

The effectiveness of the licensing regime will depend not only on what the rules require, but on how they are implemented.

For the regulator, credibility will depend on striking the right balance. Licensing needs to be robust enough to support sustainability, accountability and public confidence **while being applied proportionately across clubs with very different operating models, resources, governance capability and risk profiles**.

That balance will be especially important across the football pyramid.

If the regime is seen as too light-touch, it may struggle to achieve its objectives. If it is seen as overly burdensome, it may create resistance and undermine confidence among the clubs it is designed to regulate.

For that reason, the early years of the licensing framework may be judged as much by the quality of its implementation as by the wording of the rules themselves.

→ What Comes Next

If licensing is the gateway into regulated football, the next question is obvious:

who exactly is the regulator licensing and placing reliance upon?

That brings the focus onto club owners, directors, senior officers and those who hold real influence over how clubs are run.

That will be the subject of the next paper in this series:

Ownership, Directors and Officer Suitability: The Governance Test

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Licensing is the moment where football governance moves from principle to practice.

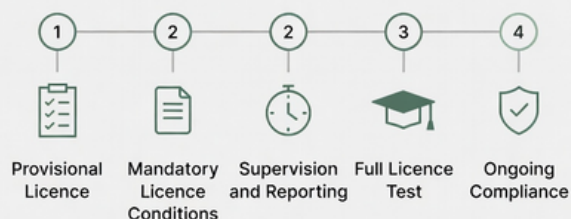
Appendix: IFR Licensing Framework — Consultation Snapshot

This appendix summarises selected structural features of the proposed IFR licensing framework, based on Consultation Paper 5/25.

→ Licence Pathway

- Clubs participating in regulated competitions will require an **IFR operating licence**.
- Clubs will first obtain a **provisional licence**, allowing continued operation while transitioning to the new regulatory framework.
- The provisional stage may **last up to three years**.
- Clubs are expected to progress toward a **full operating licence** once regulatory standards are met.
- Unlike some football licensing models, the IFR regime is designed as an **ongoing compliance framework rather than an annual renewal process**.

IFR Licensing Framework Snapshot



→ Mandatory Licence Conditions

All licensed clubs will be subject to a core set of **mandatory licence conditions**, expected to include:

- **Financial Plans Condition** – submission and maintenance of forward-looking financial plans.
- **Corporate Governance Statement Condition** – disclosure of governance structures and how the club applies the proposed Football Club Corporate Governance Code (**“Club Code”**).
- **Fan Consultation Condition** – mechanisms for structured engagement with supporters.
- **Annual Declaration Condition** – confirmation of key governance and ownership information.

These conditions form the **baseline regulatory reporting framework** for all licensed clubs.

→ Threshold Requirements

To obtain and maintain a **full licence**, clubs must demonstrate that they meet statutory threshold requirements relating to:

- **Appropriate Financial Resources** – financial resilience relative to the club’s risk profile.
- **Appropriate Non-Financial Resources** – organisational capability, governance structures and operational oversight.
- **Fan Engagement** – effective processes for consulting supporters on key matters.

These thresholds underpin the IFR’s assessment of whether clubs are **sustainably governed and financially sound**.

→ Supervisory Model

The consultation proposes a **supervision-led regulatory approach**.

Key features include:

- Each club expected to have a **named IFR supervisor**.
- Ongoing regulatory dialogue between clubs and the regulator.
- Risk-based monitoring of governance and financial resilience.
- The ability to apply **discretionary licence conditions** where risks are identified.

Licensing therefore marks the **start of an ongoing regulatory relationship**, not simply an approval process.

→ Indicative Implementation Timeline

Based on consultation proposals:

- **Q1 2026** – second licensing consultation expected.
- **Summer 2026** – publication of final rules and guidance anticipated.
- **Summer 2026** – pilot licensing scheme likely.
- **Nov 2026 – Feb 2027** – provisional licence application window.
- **2027/28 season** – licensing regime expected to take effect.

