

LCP's response to the Independent Football Regulator's consultation on the Owners, Directors & Senior Executives Regime

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This document sets out LCP's response to the Independent Football Regulator's consultation on the Owners, Directors & Senior Executives Regime published on 4 September 2025.

Who We Are

LCP is a global firm of financial, regulatory, actuarial and business consultants, specialising in the sports industry (providing both analytics and advisory services), as well as pensions, investment, insurance, energy, health and business analytics. We have around 1,200 employees, including over 190 partners.

Executive Summary

LCP welcomes the opportunity to respond to the Independent Football Regulator's consultation on the Owners, Directors & Senior Executives Regime.

LCP is supportive of the IFR's commitment to improving the financial sustainability of men's football in England, whilst providing adequate cultural and heritage protections for the sport. The introduction of the IFR provides an opportunity for the football industry to proactively engage with the financial and governance challenges within football, whilst continuing to support the game's domestic and international economic value.

We are happy for LCP to be named as a respondent to the consultation and happy for our response to be in the public domain. We are happy for you to reference our comments in any response.

Responses to consultation questions

Q1 - Do you agree with the IFR's approach to the meaning of an owner?

We have no comments.

Q2 - Do you agree with the set of Senior Management Functions that the IFR has specified?

Lack of clarity in the draft guidance between sporting and non-sporting functions

LCP has noted a lack of clarity within the Senior Management Function regime that the IFR has specified.

Paragraph 2.17 of the consultation states that "*The IFR has sought to exclude many football roles within football clubs from the ODSE regime*" and "*Purely sporting roles such as Head Physio or first team manager are also not in scope.*"

However, Paragraph 2.14 outlines that *“When exercising this power, the IFR has considered the roles or functions that would be consistent with the Act’s requirements” and that “the IFR considers it appropriate that the roles or functions it would specify as Senior Management are those that have...responsibilities that are able to directly impact the IFR’s primary objectives by putting a regulated club’s financial soundness at risk (or affecting its heritage.)”*

There exists, between these two paragraphs, a lack of clarity in relation to certain senior management functions within many football clubs. The centrality of ‘football-specific’ decisions to a football club’s operational model (in terms of both financial expenditure and income from on-pitch success) means that, in such cases, it becomes challenging to divorce the work of senior club employees with ‘purely sporting roles’ from those with a wider remit.

This may be the case, for example, in relation to sporting directors – who are typically not actual club directors. [The Premier League has stated](#) that *“In an ideal world the sporting director will lay out a 360-degree strategy for the club, making sure that it is aligned from Academy level through to the first team.”* This being the case, it might be argued that, despite having a ‘football-specific role’, the influence and decisions of sporting directors are of such financial significance that they are likely to have the potential to directly impact the *“IFR’s primary objectives by putting a regulated club’s financial soundness at risk.”* Indeed, Sporting Directors often also have significant input to major direct financial factors such as transfer fee expenditure and income, and player salaries and contract length.

Whilst the sporting director may be the clearest example of this, it may also be extended to roles such as Head of Football Operations, or in smaller clubs the football manager or coach.

LCP therefore recommends that the guidance should clarify whether those sporting directors, football managers and coaches who have significant involvement in making decisions on transfer fee expenditure and income, and/or on player salaries and contract length, should be included in the Senior Management Functions.

Q3 - Do you have any other comments on the IFR’s rules or guidance relating to the scope of the ODSE regime?

We note, and agree, that shadow directors should be included within the scope of the ODSE regime, under SMF5.

Para 2.21 of the guidance states that *“the IFR expects regulated clubs to ensure that they identify when an individual is performing a role that meets the definition of a shadow director.”* Given the difficulty for the IFR to independently identify when an individual is in practice performing this role, and the potentially significant impact of this happening “behind the scenes”, we recommend that greater clarity and direction is given by the IFR in the guidance on its expectations for clubs to identify and report to the IFR on such situations. For example, it may be appropriate to make it the personal responsibility of the chair of the board of the club to identify and report to the IFR when an individual is acting as a shadow director.

This should apply to incumbent shadow director roles at transition as well as to new roles, as otherwise the IFR may not be aware indefinitely of this kind of situation.

Q4 - Do you agree with the IFR's approach to assessing the fitness criteria?

Addition of Director Training for Boardrooms

While most senior executives are likely to have some form of relevant experience/qualification on which to base an assessment of competence, many directors will not. Recent research conduct by LCP, in collaboration with The Law Debenture Group, noted that:

- i. Over 30% of directors within the top five tiers of men's football are from overseas, with nearly 20% from North America. Currently, nine clubs have no British directors
- ii. The structure and culture of football in England is unique, meaning that owning and running a football club differs greatly to owning or running other organisations. This includes the importance (both cultural and financial) of clubs to their local communities and fanbases, which can mean owners and directors are under much greater scrutiny than for other organisations of similar sizes.
- iii. One of the main causes of major problems at clubs has often been a lack of understanding by owners and directors of these aspects

As a result, LCP have recommended that:

- i. There should be a requirement that all club directors should have a minimum level of knowledge and understanding of the regulations, structure and culture of the football industry. This should be facilitated by the Independent Football Regulator providing or endorsing an online training programme or toolkit.
- ii. This would be analogous to the current situation in the pensions industry, where the Pensions Regulator provides access to a formal training programme to help pension scheme trustees (analogous to club directors) satisfy the legal requirement for them to have knowledge and understanding of the law related to pensions and related matters.

In this way, the guidance should include a stipulation that, whilst not generally assessed on competence in the same way as "senior executives", incoming directors would have to undertake regulator-mandated training, upon appointment, unless able to demonstrate relevant competence in another way.

The full research can be found here: [Football Governance in Transition](#)

Q5 - Do you agree with the IFR's approach to assessing financial soundness?

We have no comments.

Q6 - Do you agree with the IFR's approach to assessing sources of wealth?

We have no comments.

Q7 - Do you agree with the IFR's position when notifications should be submitted?

We have no comments

Q8 - Do you have any other comments on the IFR's rules or guidance relating to notifications?

We have no comments

Q9 - Do you agree with the IFR's proposed application form and its contents?

We have no comments.

Q10 - Do you have any other comments on the IFR's rules or guidance relating to applications?

We have no comments.

Q11 - Do you agree with the IFR's approach to assessing whether an incumbent owner or Senior Manager meets the relevant fitness criteria?

We have no comments.

Q12 - Do you agree with the IFR's approach to assessing whether an incumbent owner's source of wealth is connected to serious criminal conduct?

We have no comments.

Q13 - Do you have any other comments on the IFR's approach to incumbent owners or Senior Managers

IFR's Supervisory Regime for Incumbent Owners and Senior Managers

LCP welcomes the powers given to the IFR to assess owners and senior managers. LCP also welcomes the decision for the IFR not to retroactively assess all current incumbent owners and senior managers, upon the commencement of the ODSE Regime.

Paragraph 6.15 of the guidance states that *"The draft ODSE guidance also sets out when the IFR expects to be notified about a material change in circumstances that may affect the suitability of an owner or senior manager."*

This, as stipulated in the guidance, reads that *"The IFR therefore expects to be notified about a change in circumstances where:*

- *it may be relevant to the individual's honesty or integrity, financial soundness, or (in the case of Senior Managers) competence; or*

- *it involves one of the matters set out in section 37(1) – (4) of the Act or Part 5 of the ODSE rules*

We note that, as such, the current draft guidance is heavily reliant on a self-referral mechanism by club owners and senior managers. This mechanism creates a potential conflict of interest amongst these parties, which may cause challenges for the ODSE Regime.

LCP believes that a closer proactive monitoring/supervisory process of incumbent owners and senior managers would be beneficial. This would help circumvent conflicts of interest, and also give the IFR a clearer overview on trends within the football industry.

Whilst LCP is in agreement with the guidance that the IFR does not have the resources to retroactively test all incumbent owners and senior managers, the significance of these stakeholders to the maintenance of football clubs means that the IFR should prioritise creating a high-level monitoring/supervisory scheme for incumbents.

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