

Digital, Culture, Media and Sport Committee

Oral evidence: Sport in our communities, HC 869

Tuesday 10 November 2020

Ordered by the House of Commons to be published on 10 November 2020.

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Members present: Julian Knight (Chair); Kevin Brennan; Steve Brine; Alex Davies-Jones; Clive Efford; Damian Green; Damian Hinds; Mrs Heather Wheeler.

Questions 1 - 134

Witnesses

[I](#): Richard Masters, Chief Executive, Premier League; and Rick Parry, Chairman, English Football League.

[II](#): Greg Clarke, Chairman, Football Association.



Examination of Witnesses

Witnesses: Richard Masters and Rick Parry.

Q1 **Chair:** I am going to go around members to see if there are any interests to declare. First, I have to declare that I have received hospitality from the Premier League and from my local National League club, Solihull Moors.

Steve Brine: I am an honorary vice-president of Winchester City Football Club.

Damian Green: I have received hospitality from Reading Football Club, where I am a season ticket holder.

Mrs Heather Wheeler: I am delighted to accept hospitality from Gresley Rovers and Burton Albion, and the chief executive of my district council is a council board member of the FA.

Chair: Great, thank you very much.

Thank you very much for joining us today. It is very much appreciated. I know these are busy times, but I am sure you will welcome the opportunity to put things out in the public domain.

When the Premier League resumed, it was very much on the understanding, the commitment in fact, that in return for being allowed to resume earlier than other sports, in order that you could fulfil your TV contract, this would enable you to help the lower tiers of the game financially. They rely much more on ticket revenue and, obviously, cannot make ends meet at the moment. Why is it that this has not happened? We are several months in. Why is it that football has not come together? Why is it, frankly, that you have not fulfilled the commitment you made?

Richard Masters: I would like to make a few comments, if I may. As for all industries, the pandemic has caused huge challenges for the sports industry, and football, as a whole, and the Premier League is no different. The Premier League suffered losses of £700 million last year and is approaching £1 billion as we move through £100 million a month. Since March there have been significant difficulties. We have been asked by Government to step up and for football to look after itself, and I believe we are doing that. Football has worked collaboratively through the pandemic.

Project Restart laid the foundations for the safe completion of the Premier League and the FA Cup, alongside the Championship, while League One and League Two were curtailed. All three organisations have worked on complex calendar solutions for 2021 that would maximise the opportunity for all of us, a good example of us working together for common good. I believe the Premier League has kept its promise in relation to our existing solidarity funding, despite losing all of the revenue that I talked about. We have made good all of our solidarity commitments of £110 million both last year and this. We worked with EFL to forward that funding to keep clubs in funds, and the same goes for community and youth



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funding, development funding to EFL clubs totalling £90 million both last year and this.

We have gone further. In a broad offer to EFL, we said that no club need go out of business for Covid-related reasons during the season, and that should provide significant reassurance for EFL clubs and, hopefully, this Committee. That is £50 million in League One and League Two grants and loans, which is available now, and we have been discussing with Rick and his team a wider offer to Championship clubs that goes to those clubs that need it.

Just to put the £50 million of additional funding in context, it would take the funding to League One and League Two clubs during this season to over £100 million. While there is not yet agreement on the instruments to deliver or on the level of assistance to Championship clubs, who have a huge range of circumstances given the situation they find themselves in, the Premier League is engaged and wants to seek resolution, but there cannot be a blank cheque or an underwriting of losses. We believe our proposal is appropriate, goes to the heart of the problem and, indeed, is consistent with Government policy in relation to how they deal with other sectors and how they are supporting the wider sports community, which excludes football.

To finish, on top of the funding we have provided to EFL, we have significant commitments to the community that we have made good, and also funding to the women's game, over £1 million, and funding from the Premier League to the National League ladder of £12 million. We believe we are stepping up, we are looking after the pyramid of football. We are yet to reach an agreement, but I am confident, through working with Rick, we can do that.

Q2 Chair: Thank you, Mr Masters, for that prepared statement and the points you made. It does not chime with what the Committee has been hearing in any way. The truth of the matter is that there are 10 EFL clubs, as we understand it, who are unlikely to make payroll this month. You have, as a collective and as a Premier League—I know that you are not responsible for every Premier League club, of course, and I do get that—just spent £1.2 billion in the transfer window. You have a £9 billion TV deal at the top of the game. The idea of allowing you to come back early was that you would be able to help out the rest of the sport. Other sports, frankly, were jealous, vexed, whatever, when you were specifically allowed to come back early in Project Restart. Frankly, it feels as if the negotiations have taken far too long and that there is a degree of farce about them when it comes to, for example, Project Big Picture.

Why do you think you have not reached this agreement? You have said that you will help clubs if they are in trouble due to Covid. What does that mean in reality? You have said you will not do a blank cheque, and there is also the caveat of Covid. What does that commitment really mean, and what will you do about it practically?

I would also like to put a point to you that was raised with me yesterday



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by an EFL club. They described your grants and loans as “pitiful” and the original conditions as “outrageous”. I understand that you have put £50 million on the table, and I believe £30 million of loans is the latest offer. What are you looking for the EFL to do in return?

Richard Masters: You mentioned that you think there are 10 clubs who will not make payroll this month. Those clubs can come and talk to us immediately. Obviously, we would prefer that to be as part of a holistic agreement. I do not think our proposals are pitiful. In relation to what it means in practice, if there are £20 million in grants and £30 million in interest-free loans, there are no additional conditions attached to them at all, beyond the fact that loan agreements always have an agreement in place and they would work through our existing solidarity agreements, which have pre-existing conditions attached to them. There are no additional conditions attached to our League One and League Two offer, or indeed to the discussions we are having with the EFL relating to a wider offer to Championship clubs.

In practice, what it means is that we can make money available now to clubs that need it, and we can work with EFL. We had always thought there would be a panel in place to be able to ensure that the funds were going to the right places and being used in the right way to ensure that clubs do not need to suffer distress or get to the point of administration. That is what we are trying to avoid, and also to keep the seasons on track in order to preserve economic value and fans’ interest. We are huge supporters of the pyramid. We understand its importance. The Premier League sits on top of it. We want the pyramid to remain strong. If we can get through this next period, which I fundamentally believe we can, we just need to come to an agreement on how best that can be done.

Of course, having worked at the EFL, I understand—we were chatting about it earlier—why Rick and his colleagues wish to do the best possible agreement for their clubs. Of course I do, and that is why I said we are engaged and want to seek resolution and to come to a conclusion on this.

Q3 **Chair:** Are you saying to the Committee, therefore, that there were no conditions attached at any stage in the negotiations?

Richard Masters: I am afraid we are going to have to get into the detail here, and I am not sure the Committee really wants to.

Q4 **Chair:** It is a simple question. Were there conditions attached at the start of negotiations, yes or no?

Richard Masters: Not in terms of the formal offers we have made, no. In terms of the discussions we were having with the executive team, that never went before our clubs or before EFL clubs, there were some conditions we were talking about—for example, alignment around curtailment rules and things like that—but they proved unpopular, so in terms of this proposal there are no conditions attached.

Q5 **Chair:** You say they proved unpopular. That means that, effectively, there were conditions that were negotiated upon and that went to clubs.



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You therefore say they said, "These are not a good idea." In terms of the formal offer, you are saying there are not any conditions on that formal offer, but during this process there have been conditions. That is one of the reasons why it has taken so long, I presume.

Richard Masters: Not necessarily. We have had lots of changing circumstances. If you recall, we were approaching this issue in September with the prospect of fans returning from 1 October. While we understand the reasons why Government decided not to make that available and for that to change, that was a fundamental change in circumstance, as it was for us, and we have been rolling with the punches over the course of summer like everybody else. We also had a change in circumstances in our broadcast market, where we took the difficult decision to terminate our agreement in China and to adjust our 2021 budget accordingly.

There are always changing circumstances around these discussions. They began in earnest at the end of September, and we are still not resolved. As I said, we are engaged and want to seek resolution.

Q6 **Chair:** Why did you use the pandemic to leverage change in other levels of football? You have been negotiating and you put preconditions that you then dropped, so effectively you had something in mind in order to change something, you had a negotiation strategy. Why did you think that was appropriate at a time when you were allowed to come back early on the promise that you would help lower-league football? Why is it, therefore, that you used that opportunity to negotiate a different deal? What is the thinking behind that, and is it not the reason that we are here in November and we have 10 clubs that are struggling to make payroll? Why is it that you thought it was appropriate, rather than just putting your hand in your pocket and getting it done, to go out there and try to get your pound of flesh?

Richard Masters: I do not recognise that as an accurate portrayal of what has happened at all. We have not been seeking to use the pandemic to negotiate changes within football. We are all trying in very difficult circumstances to find resolutions on complex issues. I am afraid I will have to disagree with that. As you know, and as I have confirmed, the conditions that you are talking about were never put to our clubs or to EFL clubs. They were discussions we were having with EFL in relation to the shape of things and working out what we could do. The truth is that our current solidarity agreement, which has been in place for a number of years, has a number of significant rule alignments in relation to financial regulation and other aspects of the rulebook. To that extent, it is a conditional solidarity agreement and that is not new within football.

I repeat, we have not been using this opportunity to seek changes within football.

Q7 **Chair:** What message is sent out when Premier League clubs spend over £1 billion in the transfer window?



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Richard Masters: The Premier League is the most competitive football league in the world. Every club has a plan to be successful, and it requires continual investment. If you are not investing, you are probably standing still. Every club has a plan, whether it is to remain in the division itself, to better its prospects, to get into European football or to win the league itself. All of those things require investment and, with a backdrop of significant revenue losses, we have a very vibrant, competitive and compelling competition on offer.

I would say one thing about it. It is difficult to look at one transfer window in isolation. You need to look at two or three to work out the proper picture. There is an internal market within football, and £260 million of the expenditure of Premier League clubs came down the pyramid into the Championship, League One and League Two, but principally the Championship, and was able to transform the finances of several clubs in the Championship and put them on a very secure financial footing.

That is the backdrop to the Premier League and why those investments are necessary, but the revenue losses have to be taken in context. Those are, in the same way that they are in the Championship, financed by external financing or owner funding. Our clubs compete on a global scale. They are not just competing with each other. Our clubs in Europe have to compete with the European elite, the best clubs in the world, and they need to put competitive squads together. Football does not stand still.

I understand the context of the question, and that is the context in which our clubs continue to invest.

Q8 Chair: Do you not think it is slightly jarring when you go on the record about the financial plight of Premier League clubs having lost reportedly £700 million and then the clubs go and spend over £1 billion on players at the same time? Do you not think that, frankly, erodes your credibility when you approach Government to try to account for the reasons why you have not come to a deal yet with the lower league? Do you not think that slightly jars?

Richard Masters: Of course I can see the optics of it, and I have tried to put it into context. While there are different circumstances in League One and League Two clubs, there are very different circumstances in our clubs as well. Chelsea was a big investor this year, but they have not been able to invest for two windows, so you would see increased investment there. Premier League teams are at different stages of their development. Some require repair investment, others less so, depending on where they are in their development.

That is the context in which we have to put all this. They are very difficult circumstances, and it has not been easy, but the Premier League has to continue to operate. In order for the Premier League to be successful, it has to continue to invest. In order for the Premier League to be able to continue to invest in the pyramid, it has to continue to be successful. It is a virtuous circle, and our clubs have historically made investment



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decisions that have built the league into a world-leading proposition and can be trusted to continue to do that. They also take seriously their responsibilities for wider football and believe they are fulfilling those responsibilities as well.

Q9 Chair: In terms of optics, 19 out of 20 Premier League clubs voted for pay-per-view. Only Leicester had the common sense not to do so. What do you think is wrong with your members that they think it is a good idea to encourage people to go around to each other's houses in the middle of a pandemic?

Richard Masters: Let me try to unpack that. Again, it is part of a journey that we have all been on. When working with Government and, collaboratively, with our broadcasters, we came back to Project Restart. We agreed to put all 92 of our matches on television, many of them on free-to-air, to make them available for the general public. Again, as we planned for the restart of the 2021 season, we were anticipating the return of supporters on 1 October. We had a very similar model to Project Restart for rounds 1 to 4. It then looked to us, certainly, that we were looking at a long period without fans in stadiums, and we needed to come up with a different commercial solution that worked for clubs, fans and our broadcast partners. We took the decision to move to pay-per-view, and now we are reviewing that decision. We have listened to feedback and, while we are not able to announce anything today, we will be changing direction, moving away from it and probably taking another step to see us through lockdown, the Christmas period and into January. As I said, I cannot announce what we are going to be doing.

Q10 Chair: Do you recognise the health concerns of effectively launching a pay-per-view product in the middle of a pandemic and that it is likely fans will go round to each other's houses? We know the virus is most virile indoors, and we know that we are trying to discourage people from so doing, so what bright spark thought this was a good idea?

Richard Masters: The health differences between pay-per-view and pay TV is an interesting argument. It is not one that I have got into, but it is an interesting point. As I said, we are reviewing our decision regarding pay-per-view. We had a discussion about it last week in our meeting. We need to come to a resolution about what we are going to be doing for the foreseeable future.

Q11 Chair: This is my final question to you, and I am going to put this one to Mr Parry as well. By all reports the sticking point in terms of negotiations with the Championship is that we know it is a basket case—108% player wages to turnover—but why have you not come to a deal about League One and League Two separately to the Championship? You have said to us before that any of these clubs that are currently struggling to make payroll could knock on your door. Why do you not go for a holistic deal for League One and League Two initially, and then look at the Championship at another time?

We on this Committee dealt with Bury and the fallout from that. Frankly, we do not want to have to do the same hearings again with other clubs



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around the country. Honestly, why not separate out League One and League Two?

Richard Masters: We have put a proposal for League One and League Two, and we would be happy to do a deal for League One and League Two separately and then come to a resolution on the Championship. We would be happy to approach it that way, but we need EFL and the clubs to bind on with that. It is possible to do it that way.

- Q12 **Chair:** Mr Parry, you heard it there from Richard Masters. He is willing. He wants to do a deal about League One and League Two, but he says that, effectively, you are not willing to do that deal. Will you do that deal? Will you finally put this to bed in terms of League One and League Two and come to a deal with the Premier League?

Rick Parry: We would very much like to come to a deal with the Premier League. We are having constructive dialogue. It was our League One and League Two clubs who, in a gesture of solidarity last month, said they did not want to abandon the Championship; they wanted a deal for the league as a whole, which was commendable. The Premier League has now said it is prepared to consider the Championship, so I think we can move forward on that basis.

- Q13 **Chair:** You have an offer to do League One and League Two separately. Why do you not just get that done now? You have 10 clubs who are not likely to make payroll right now. You now also have a commitment from the Premier League to look at the Championship and to try to form a deal there. Time is of the essence here. Why is it that you are waiting to conclude League One and League Two?

Rick Parry: Now that we have a commitment that the Championship is going to be embraced, we can move forward with that. We have club meetings later this week, so we will be taking that forward.

- Q14 **Chair:** Will you assure us that you will be coming to a conclusion by the end of this month and that the clubs in League One and League Two will all be able to meet their payroll?

Rick Parry: We sincerely hope so, yes.

- Q15 **Steve Brine:** Good morning, gentlemen. Thank you very much and welcome back. It is easy to say there is a growing disconnect between the haves and the have-nots in football, but when has there not been a disconnect?

Richard Masters: I have been working in football for 20 years, and Rick, Greg and I were discussing just before the beginning of the Select Committee how we have all worked for the EFL at one stage or another in our careers. There has always been a strong working relationship across football. It has not always been easy. There are inflection points, but there is a strong solidarity between football clubs and between the organisations within football. I do not believe there is a huge disconnect.



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All elite sport is stretched. One of the trends you are seeing across sport is a flight to the top end, if you like, which can create systemic issues over time. I think one of the issues we are going to address in our strategic review, which we announced a couple of weeks ago and agreed the terms of reference on last week, is to try to get our 20 clubs to unite around a new plan for the structures, financing and governance of football and to involve the Football Association and the EFL in those discussions to come up with a unifying way forward.

While the Premier League has become incredibly successful, to some extent the Championship is the most successful second-tier league across the whole of Europe. The model, I suspect, is taken for granted and could do with a good look, and that is what we are committed to doing over the next five to six months to come up with a new plan.

- Q16 **Steve Brine:** When you say a good look, the fact is that because the Premier League is so wealthy and successful and teams come up and then, unfortunately for them, go back down again, they take great wealth from doing that. If you look at the Championship wealth table that we have in front of us, the top 10 or maybe 12 clubs in terms of wealth are all worth over £1 billion. If you add up, looking at various financial sources, the wealth of the clubs in the upper tier of the English Football League, the total sum is north of £30 billion.

I know it is fashionable to say that the Premier League should bail out the EFL, but it would be a hard argument to make for Barnsley and Stoke, which are both worth around £7 billion as clubs, wouldn't it?

Richard Masters: That is why we take a slightly different approach to League One and League Two, which are ostensibly community clubs, and a holistic approach to ensuring financial security in those divisions and a more needs-based analysis of the Championship where, as you say, there are many very wealthy owners, some of them significantly wealthier than owners of Premier League clubs. There are also clubs that are supported by parachute payments and clubs who did very well during the summer transfer window. There is a wide variety of financial circumstances within the Championships, certainly.

- Q17 **Steve Brine:** Put it this way, and then I will ask Mr Parry the same thing, have any of the owners—Chien Lee, the consortium who own Barnsley, or the Coates family who own Stoke—said, “You know what? You can leave us out of this, and then there is a bigger pot for Luton and Wycombe”?

Richard Masters: Not to us, but I haven't posed them that direct question.

- Q18 **Steve Brine:** Do you think you should? They could do the right thing, couldn't they?

Richard Masters: In general terms, we try to leave the communications with Premier League clubs to me and the communications with EFL clubs to Rick.

- Q19 **Steve Brine:** That is fair enough. I was being slightly cheeky there. Rick,



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have you asked that question, to see who is feeling generous in the upper tier of the Championship?

Rick Parry: Can I clarify one point? You were talking about the value of clubs. I presume you are talking about the wealth of owners, which is a completely separate issue.

Steve Brine: Yes, if I own a business and the business is in trouble, then I can help the business.

Rick Parry: Yes, you can do. I have never, in 30 years in football, known a distribution system that brings in a means-testing of owners. I presume Manchester City and Chelsea get their full share of Premier League revenue. Stoke, when they came down from the Premier League, continued to get parachute payments.

Q20 **Steve Brine:** In 14 years in Parliament, I have never known a pandemic that has killed this many people. I am just thinking outside the box here. Bearing in mind that the Premier League does not have endless funds, has that conversation been had? If the answer is no, then the answer is no.

Rick Parry: There are all sorts of conversations going on, but the whole thrust of what we have been trying to do over six months is to reduce the dependence on owner funding. Championship clubs owe their owners in excess of £1 billion. Owner funding is fantastic while it is there, until it is not. We saw that with Wigan recently. They had an owner who was putting money in until he was not, and then Wigan went into administration. We have seen clubs like Bolton, who had fantastic support from Eddie Davies while he was alive, Blackburn, from Jack Walker, and Wigan that were heavily dependent on owner funding. When the owner funding is not there, there is a potential catastrophe. As I said when I came before you in May, we have a system where our Championship clubs rely on £440 million of owner funding every single season. That is a model that is not sustainable. It is a model, frankly, that we have to move away from as soon as we can.

Q21 **Steve Brine:** Richard, the Premier League said, "No EFL club need go out of business as a result of the pandemic." Have you put a price tag on that? It is quite a big, generous statement.

Richard Masters: It is. It is a broad offer, and it needs to be backed up with an understanding of what that means in practice. In terms of League One and League Two an instrument and proposal is in place and, as Rick said, we continue to discuss how best to deal with the issues in the Championship. There are absolutely clubs struggling in the Championship as well as League One and League Two, but not as many and for different reasons. That is why we need to come up with an appropriate package that deals with those two issues in different ways.

Q22 **Steve Brine:** Is it fair to say that there are wildly different views among chairmen of Premier League clubs about this? My team Tottenham, as you know, bought a defender, Joe Rodon, from Swansea in the transfer window, £11 million. It is quite a lot of money. Many chairmen could



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make the argument, and I am guessing that some do and some have said so publicly, that they are helping the lower leagues by trading with them. Is that not a good point?

Richard Masters: It is a point I tried to illustrate earlier. There was significant flow down during this window, but, of course, it does not go uniformly across all 72 clubs. It goes to different clubs in different ways. There is a flow down, and it is important. The internal transfer market and those finances do not get talked about often enough. In terms of the response of our clubs generally, of course, there are different views on different aspects of this particular issue, but when we put the proposal on League One and League Two clubs to our clubs there was unanimous support for it, I think.

Q23 **Steve Brine:** Rick, are there too many professional clubs in the English game?

Rick Parry: No, I do not believe so. I believe we have a model where every one of our clubs is properly sustainable with some redistribution. They are all at the heart of their communities. They all do a fantastic job beyond just being economic units. Of course, over recent years we have seen more and more full-time professional clubs. We have full-time professional clubs down into the National League, so I do not believe there are too many clubs. At the end of the day, it will find its own level. I absolutely believe we can have a model where we have all of our clubs thriving on a sustainable basis.

Q24 **Steve Brine:** Finally from me, Richard—I realise I am jumping back and forth with the wonders of technology—we had an exchange last time you were on about Black Lives Matter, if you remember, and the taking of the knee, which I know many of the captains were very keen to do and some still are. Black Lives Matter has now made an application to become a UK political party. I notice when they did that they said, “We have no connection or affiliations to a political party, nor has any individual or group informed or made us aware of their intentions of forming a political party under the name of Black Lives Matter.” But they have made an application to become a political party, so I wonder, in the light of that and given that there does seem to be a change among clubs—not all clubs are doing this now at the start of the game—whether it is time for the Premier League to say that the captains and clubs have made their point but it is time to move on from that because the Premier League’s brand is a global brand and does not want to be identified with a political party. I am sure it would not want to be identified with mine, and nor should it. Should it be identified with that political party?

Richard Masters: You say you think that some captains are still supportive of it. I think all captains are still supportive of it, and all clubs are still observing it momentarily before the beginning of all Premier League matches. As I said to you last time, while the branding has changed on player shirts to “no room for racism”, which is the Premier League’s campaign and commitment against discrimination, the kneeling still remains. Once again, I feel very strongly that that is about values,



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not about anything to do with politics or a political organisation, but I can see how people might make that connection.

- Q25 **Steve Brine:** When I asked you last time, of course, they had not sought to register as a political party. They now have. You could have argued last time that I was making a spurious connection. I would contest to you—the evidence I would place before you, your honour—is that they have now made my point for me.

Richard Masters: My view is that taking the knee is a form of protest that is seeking change within society, and change within football. To that extent, we support the players in their continued commitment to it. We as the people who run the leagues and the people who run the FA have to step up, and we are committed to doing that. I do not see it as support for the Black Lives Matter movement or, indeed, a political party.

The dialogue on this will continue and, as I said, we had a brief discussion with the club captains prior to the beginning of the season. All were supportive of the “no room for racism” campaign but also wanted to keep the pressure up on the pace of change within sport and within football.

- Q26 **Steve Brine:** QPR’s boss, Mark Warburton, said when his players did not want to do it, “When I came off the pitch...and was made aware that some were saying QPR’s behaviour might have been inappropriate, I was appalled... Our players are saying: ‘Are we doing it every game?’ As in the clap for carers, it tends to lose its power over time. But when clap for carers stopped, there’s no less respect for carers.” Should players be made to feel pressure to follow this gesture just because their captains want them to? I know captains carry a lot of weight within a football club, but should they be made to feel pressure to do it?

Rick Parry: No, I do not think they should. We believe it is very much a decision for players collectively. We are by no means insisting that every club should follow that tradition. I completely understand the view that it has made an impact and you do not necessarily have to continue it forever. As I say, we have to be respectful of decisions that individual clubs and individual players come to.

- Q27 **Steve Brine:** Even though they are part of your brand?

Rick Parry: Yes, absolutely. They are still individuals.

- Q28 **Clive Efford:** Good morning, Richard and Rick. The Government have made it quite clear that they want the wider football family to benefit from the return of the professional game. We have heard it from the Secretary of State and the Minister in the House of Lords, and in June the Minister for Sport said that the Government would continue to press the football authorities to ensure the whole football pyramid is looked after. Richard, specifically on the issue of supporting those clubs that may be in peril, how many times have you met the Government?

Richard Masters: I would say that, personally, during the period of the pandemic, half a dozen times in phone calls, Zoom calls and so on. Our departments, so our Government relations team, are in constant



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dialogue, daily, hourly dialogue, with our counterparts at DCMS and with other areas of Government. To that extent, we feel like we have been well supported by Government in relation to the dialogue.

- Q29 **Clive Efford:** Does that mean that the Government think what you are doing for the Football League clubs, in particular, is sufficient?

Richard Masters: The message I am getting is that they would like us to come to an agreement as soon as they can. They have not been specific. They clearly want “for football to look after itself” and football is unique in that circumstance. As I have tried to explain during the course of this Committee hearing, we believe we have made the appropriate offer, which is very consistent with the Government’s approach to bailing out other parts of the economy and, indeed, the wider sport sector.

- Q30 **Clive Efford:** You made a direct approach to League One and League Two. What was the process of that? Did you go through the Football League, the FA? Did you get Government approval for that offer?

Richard Masters: No, we keep Government informed and the EFL do the same, so there is constant dialogue and we do it through the EFL. My discussions are with the chief executive, Dave Baldwin, and with Rick. Gary Hoffman, our chair, is intensively involved in the discussions as well. We put proposals to our clubs. Sometimes it is difficult because the environment is very public so, when you are agreeing things with your own clubs, sometimes you have to announce them because they are going to get into the public domain anyway. There is a constant challenge both for me and for Rick, and I am sure for Greg as well, about how to keep these things in the right negotiating forum in order to achieve success. That challenge is navigable, and we always try to do it through the right channels.

- Q31 **Clive Efford:** The Football League has said it needs a bailout of £250 million, and £250 million happened to be the figure in Project Big Picture. That seems to have been taken off the table, along with Project Big Picture. Why is that?

Richard Masters: I will separate that out into two things. The £250 million Project Big Picture was an advance on future revenues rather than a solidarity offer. The £250 million, and Rick can speak to this more clearly than I, is an estimate of match-day losses both for last season and this. Our proposal goes more to need and to ensure that clubs can stay afloat in the short term. Government have said this is about survival and rescue, not the underwriting of losses. I think that is the difference.

- Q32 **Clive Efford:** You are offering a lifeline to clubs that get into difficulty and are suggesting that, individually, they approach you when they get into that situation.

Richard Masters: No. Sorry.

Clive Efford: Carry on. If you are going to correct me, I do not mind.



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Richard Masters: Sorry, Clive. I did not mean to interrupt you. The best way of doing this is in the same way that our solidarity agreement works. The way the solidarity agreement works is that the Premier League makes direct payments to EFL clubs, but that is by agreement with the EFL. The best way to come to a conclusion on this is for the two bodies to have a central agreement and to operate in a way that is understood by all. The payment mechanism is secondary. At the moment, solidarity payments are made direct from the Premier League to individual clubs.

- Q33 **Clive Efford:** In answer to the Chair, and correct me if I have misunderstood, when he described clubs that possibly could not meet their wage bill, you said those clubs should come to you. They should go to the EFL, and the EFL approaches you. Is that how it happens?

Richard Masters: I said they could approach us and, if they were in such difficulties, we would be here to help. As I have said, the best way to come to a conclusion on this is the two boards and the two executives agreeing mechanisms and instruments that can then be rolled out to clubs.

- Q34 **Clive Efford:** Rick, if you were to be given a bailout of £250 million, what would be the mechanism for distributing that money?

Rick Parry: The specifics of the £250 million that we have been talking about since May and, as you rightly said, through Big Picture is based on lost gate receipts. That was a very basic conservative estimate of lost gate receipts. If we had the £250 million, we would distribute it in proportion to gate receipts, because the idea of that would simply be to replace that lost income. That would be a very simple mechanism.

- Q35 **Clive Efford:** So it would be pro rata to each club, on the basis of how much they had lost in terms of gate receipts?

Rick Parry: Yes.

- Q36 **Clive Efford:** That has been approved by the EFL, so what is the Premier League's response to the suggestion that that is how money should be distributed to the clubs?

Rick Parry: We do not have £250 million from the Premier League. What we have by way of grant is £20 million. Maybe that £20 million could be distributed in proportion to gate receipts, and then for the League One and League Two clubs we have a loan pot of £30 million, not that we are enthusiastic about increasing debt for League One and League Two clubs. We are not sure at this moment what the mechanism for allocating that £30 million is.

- Q37 **Clive Efford:** Richard, I understand you were involved early on in the negotiations for Project Big Picture, but your chairman ended up saying it was not an acceptable project. I have read reports that suggest the Premier League, through the chairman, indicated that the executive of the Premier League had already been working on its own plan and that, in many aspects, it aligned with Project Big Picture. Has Project Big Picture been abandoned, or do we have Project Big Picture 2 being



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worked up by the Premier League?

Richard Masters: To clarify, I was asked back in February whether I wanted to participate in formal discussions with the FA and the EFL. I declined because it also involved a small number of Premier League clubs and I can only participate in processes that are supported by all 20. We played no role in the development of Project Big Picture.

At that point, pre-pandemic, we were also contemplating our own strategic review. The pandemic hit and changed everything for everybody, as we know, and what we have announced in the last two weeks is a revival of our strategic review, but with a tighter timeframe and a wider focus to deal with all the issues that have come up during the pandemic.

I absolutely think that the status quo is very unlikely to be unifying or the right way forward. I think change is coming, but change needs to be delivered with the development of all clubs, whether you be in the Premier League or the EFL, and with the support of all bodies. All stakeholders need to be involved.

While Project Big Picture came up during the middle of this, all of our 20 clubs now support the strategic review on which we agreed the terms of reference last week. We have invited the FA to participate and, indeed, the EFL as well.

Q38 **Clive Efford:** I hear “change is coming” said a lot, and it refers to a lot of different things, depending on what you are reading. What is the change that you think needs to come about? Is it two Premier Leagues? Is it B teams in the Football League? Is it the European Super League and we need to create more space for that? Are there negotiations with FIFA or UEFA on developing that? Where are we?

Richard Masters: You ask a lot of big questions there, and I do not want to be pre-emptive about it. That is the whole point of the review. All I would say is to repeat that I do not think the status quo is the right or unifying way forward. Clearly, there are multiple plans in existence, lots of conversations going on throughout UEFA, and there is an ongoing process with regard to changes to the European club competitions post-2024. We spent much of last year working on that with our clubs. We know change is probably coming in Europe, and there has never been a stronger need for a clear plan for the whole of domestic football, post-pandemic, and dealing with the issues. I suspect that if we do not have a strong plan that we are unified around, someone else will write it for us, and I do not think that is the right way forward. I do not want to be pre-emptive about what change will look like. I think change is coming, but it needs to be agreed by all clubs and all stakeholders.

Q39 **Clive Efford:** What is the timescale for that?

Richard Masters: We hope to complete our project by the end of March.

Q40 **Clive Efford:** How much did the Premier League recover as a result of returning to play matches, financially, overall? I am told that the Premier



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League made just over £1 billion as a result of the return of football.

Richard Masters: I would not say that was an accurate estimate. Clearly, we had a worst-case scenario. If we played no more matches after the suspension in March, the losses would have been very significant in terms of broadcast rebates. By completing the season, we were able to optimise or minimise those rebates, but the losses were still significant. We estimate they are between £650 million and £700 million across the leagues, revenue losses and the clubs' revenue losses through lack of match-day revenue, commercial opportunities and sponsorship losses.

Q41 **Clive Efford:** Yes, and throughout that you managed to spend £1.2 billion on transfer fees. Given that the Football League has no way of recovering that source of money during this pandemic, isn't the position of the Premier League unacceptable that you are playing hardball with the Football League and not assisting in the way that the Government have insisted that you should?

Richard Masters: I do not think Government have insisted that we underwrite match-day losses. That would not be consistent with what Government are doing for other economic sectors and, indeed, the wider sporting economy. What we are planning to do is to ensure that no club goes out of business for Covid-related reasons during the course of this season and, as I have said repeatedly, we stand ready to come to an agreement. We have been talking about how we can resolve the issues in the Championship. We believe that the amount of money we will be putting into League One and League Two clubs in grants and loans would take it above £100 million for this season and would be enough to secure the future of those clubs.

Q42 **Clive Efford:** How much have you actually paid to the Football League that is in addition to what would normally be paid?

Richard Masters: As I said at the beginning, we have made good on all our promises. The discussion now is about what additional commitments we make. I described those additional commitments.

Q43 **Clive Efford:** Rick, what is the solution here for the Football League? From your point of view, how should the negotiations go forward?

Rick Parry: As I said earlier, we are in dialogue. The dialogue is constructive. We would clearly like things to be resolved as soon as possible. We would much prefer the money coming to League One and League Two clubs as a grant rather than a loan. We are really not enthusiastic about stacking up further debt, because that pushes the problem further down the road. We are grateful that there is at least scope for dialogue on the Championship. That needs to happen quickly. As I said last time I came before you in May, for us this is not simply about the short term. This should have been an opportunity to address the longer term, to have a comprehensive reset, and for me that was the great attraction of Project Big Picture, because it was addressing all of the systemic issues that, frankly, are still there. They were here pre-



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Covid; they will be here post-Covid. We should not take our eye off that ball.

Q44 **Clive Efford:** What is going to stop us being back here again to find out why there has not been a deal? What has to change to ensure that we do not have to do this again?

Rick Parry: There is no guarantee of that, but we are committed to resolving it speedily. You have heard Richard say they are committed so, where there is a will, hopefully there is a way.

Q45 **Chair:** I have a couple more points. Richard, you state that you were not involved in the genesis of Project Big Picture. Is that correct?

Richard Masters: Yes.

Q46 **Chair:** Was your chairman?

Richard Masters: No. He did not join the Premier League until May, and I brought him up to speed on what I understood to be happening.

Q47 **Chair:** Did he have any meetings? Obviously, the Project Big Picture meetings went on until 24 May before it was resurrected in September.

Richard Masters: No, neither he nor I did.

Q48 **Chair:** Why did you have meetings with six clubs after Project Big Picture hit the news, excluding the other 14 in the Premier League? What was the purpose of that?

Richard Masters: The sole purpose of that meeting was to discuss Project Big Picture and to unite clubs around the Premier League strategic review process. The meeting lasted about an hour. We discussed it in the round, and the following day we had a full club meeting with all 20 clubs and all 20 clubs agreed to unite around the strategic review. That was the sole purpose of it.

Q49 **Chair:** Mr Parry, you have been quite outspoken in recent weeks about Government help, drawing parallels with the arts funding of £1.57 billion. Do you want to put your case for why you think Government should effectively have a hand in bailing out football?

Rick Parry: Very simply put, it is Government that have prevented us from earning. Clearly, the priority for us this season was to return to crowds. We had an expectation of returning to crowds in early October. We absolutely get that, currently, with the lockdown that is clearly not tenable. Our greatest ask of Government, frankly, is that as we come out of the lockdown that at least we have a roadmap for returning to crowds.

A great deal of planning had gone on. We believe we had a very good case. We had very successful pilots. We believe we could have had reduced capacities with great safety and satisfaction for the fans. We believe there were all sorts of inconsistencies, whereby fans could watch games in cinemas and pubs, which are far more dangerous environments



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than in a well-regulated, well-managed stadium environment. We believe there is a collective responsibility.

We get the point that the Premier League also has challenges. The Premier League, as we have heard, is losing money. The Premier League does not have crowds returning, and we believe there are things that Government could do to help us. We are not necessarily asking the Government to write out enormous cheques, but two examples. First, at a stroke, we have seen furlough extended until the end of March and many of our clubs, of course, benefited from furlough during the previous lockdown. The thing that puzzles us is that, given our clubs are playing without any income, with no crowds, and are incurring the full cost of all their employees, why could they not access the furlough scheme while continuing to play? What is the underlying logic that says you can only access furlough if your employees are not working? Surely it is better to have them gainfully employed and at least trying to provide some entertainment for people.

The other area that we would be looking for relief on is employment taxes. Again, our clubs benefited, as many other businesses did, from deferrals during the last lockdown. One of the by-products of our extraordinary wage bill, 107% of turnover is spent on wages in the Championship, is that employment taxes across our clubs are £32.5 million a month, 40% of turnover, which is probably the highest ratio of any industry. Is there any scope for a holiday on employment taxes during the period when, through no fault of our own—we are playing and we are doing our bit for communities—we are unable to generate income?

Q50 Chair: Our Committee has quite a lot of sympathy when it comes to the steps football has made and the expense it went to. To a certain extent, you were led up the hill and led back down again in that respect. Also, when it comes to furlough, we have made a very similar recommendation when it comes to charities, as well as tax breaks. As I understand it, EFL clubs are in debt to the taxman to the tune of £90 million at the moment.

One thing, though. There is a bit of difference between making those very sensible points in terms of ways in which you think the Government can help at not a great deal of expense and then making statements such as, "Ultimately, the football public will judge the performance of this Conservative Government on how many football clubs remain in business once the pandemic finally subsides. Certainly, those communities that are inextricably linked to their local team will never forgive it if their beloved football clubs are driven into extinction." You also mentioned Mansfield, Grimsby and Carlisle and set the support that they have not received against Glyndebourne and the Royal Ballet.

Obviously, those are three Conservative seats that you plucked out of thin air. Is there not a degree that that sort of approach is, frankly, a bit of a distraction, is emotional blackmail, is a "pay up or the puppy gets it" approach? What is it you are trying to achieve with policymakers by making statements like that? At the same time, they specifically want you to come to a deal with the Premier League and, as you have stated



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yourself, the reason why you have not come to a deal over League One and League Two is because you want to bundle in the Championship. Do you now think those comments are a little too much?

Rick Parry: I don't think so, no, because we are clearly frustrated that there have been delays on many different sides. Our clubs are clearly feeling the pain. It is interesting that you mention Carlisle specifically, a very famous, venerable club with an owner, Edinburgh Woollen Mill, that went into administration over the weekend. The point about owner funding, owner support, what happens when an owner goes into administration, poses a particular challenge. It is a need for urgency, it is a need to—

Chair: With respect, Mr Parry, a need for urgency? It has been six months. We are having exactly the same conversations as we had earlier this year. I do not think it is quite right to talk about a sense of urgency. In many respects, the Committee would like to see you and the Premier League come to a deal in double-quick time when it comes to League One and League Two in particular.

I am intrigued by the fact that, effectively, you are seemingly thrashing out in all different directions and trying to drag anything into this argument to make it something much bigger, much more political than it needs to be, which is basically about football doing its job and coming together.

Q51 **Alex Davies-Jones:** Richard, do the proposals for the women's game tell us something new about attitudes to women's football in the Premier League?

Richard Masters: Which proposals are you talking about?

Alex Davies-Jones: The Big Picture proposals, for example. How many representatives from the women's game were involved in those discussions?

Richard Masters: I have not been involved in those discussions at all. As I understand it, there was not any engagement. The point about Big Picture is that it came into the public domain via a leak, and a very small number of people were involved in it. That is why a new strategy review is being put in place that I am sure will encompass the women's game, but the detail around the women's game was light and no one was involved.

Q52 **Alex Davies-Jones:** You can assure us that, when discussions do resume, the women's game will be involved?

Richard Masters: Absolutely, yes.

Q53 **Alex Davies-Jones:** The Premier League has said the aim is to ensure that no club falls because of coronavirus, but unfortunately we have seen it in the past, when the men's clubs are hit financially, that they cut ties with the women's team to save money, Notts County being a notable example of this. What are you doing to ensure that the women's sides are not treated as collateral damage and forced to bear the brunt of cuts



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in an effort to save men's clubs?

Richard Masters: Just to be clear, at the moment, the Premier League does not play any significant role in the running of the women's game. The Women's Super League and the Women's Championship are run by the FA, but many of our clubs participate in it. Lots of Premier League clubs are investing heavily in women's teams. Over the course of the last 12 months, the investment our clubs have made is around £30 million per annum. There is no suggestion they are going to reduce that level of investment. I have not spoken to them in detail, but I am happy to do that. Of course, Greg Clarke is coming up next and you can put those questions to him directly.

Q54 **Alex Davies-Jones:** I will do, thank you. *The Daily Telegraph* has reported that the physical and mental health of footballers have been put at risk by disordered eating and fat-shaming within the Women's Super League. I know you have just said the Premier League does not really have a hand in this, but they use the same facilities in some regards.

The report goes on to suggest that players' mental health is taken less seriously in the Super League, with one Women's Super League player saying that she struggled with disordered eating and has been seeking help from a psychologist at the men's club, as the women's team do not have one. She states that it is symptomatic of how mental health is a massively undertreated problem in women's football. Can you tell us why women's teams who are attached to the Premiership and EFL clubs do not have access to the same level of mental health support available to the men's teams?

Richard Masters: Throughout our academies there are player care managers and lots of schemes to support young footballers—and indeed senior footballers—with their mental health. I will have to take that up with other people to discuss whether there is a gap in funding or services in relation to mental health support for women players.

Alex Davies-Jones: Thank you. I would appreciate it if you could do that and come back to us when that has been carried out.

Q55 **Kevin Brennan:** Good morning, both. Rick, would it be fair to categorise the structure of football, with the Premier League at the top and EFL underneath, as a healthy hand at the end of a withered arm?

Rick Parry: I am not sure that is an analogy I would use.

Q56 **Kevin Brennan:** What would be your analogy?

Rick Parry: I absolutely think there is a need for a fundamental reset. I have been very—

Kevin Brennan: What analogy would you use for the current structure?

Rick Parry: Rather than using an analogy, it might be more relevant to highlight some of the issues that concern us.

Q57 **Kevin Brennan:** On that point, how much did you say earlier that



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owners are owed by their clubs in the EFL?

Rick Parry: In the middle of 2019, at Championship level, it was in excess of £1 billion. It had increased by £200 million. I have said before that our clubs rely on in excess of £400 million of owner funding every year. We have a chasm between the top of the Championship and the bottom of the Premier League. My views on parachute payments are well known. We have a massive imbalance with the Championship.

Q58 **Kevin Brennan:** In fairness, you did make all that very clear to the Committee last time you gave evidence. The fundamental question is why can't football clubs wash their own faces without the help of a sugar daddy?

Rick Parry: I think there are two issues. One is the distribution of revenues across the game, which we believe are imbalanced. That needs to be reset. We are taking steps within the EFL. We have introduced salary caps at League One and League Two level. We have introduced limits on squad sizes. Our overall wage bill across the EFL should come down by some £280 million this year, 28%, so we have started taking—

Q59 **Kevin Brennan:** Rick, doesn't what you just said slightly jar with what you were saying about the Government needing to hand out some more money to football? Basically, what you have just said is two things: first, there is enough money within football to sustain the pyramid itself; secondly, that to the extent that there is a problem, it is because people have been wasting money at the last chance saloon for too long. That is basically what you just said, isn't it?

Rick Parry: Clearly, there is a lot of money in football. It is not distributed in the right way, and that is not going to happen—

Q60 **Kevin Brennan:** But there is enough money in football to sustain the pyramid, isn't there? It does not need Government help.

Rick Parry: There is, if it is distributed differently.

Q61 **Kevin Brennan:** Yes, I am glad we established that. On Big Picture, how did that all come about? What was your role in it from the outset?

Rick Parry: In February, I was invited by the chairman of the FA to join in some discussions about the future of English football. I thought it was an excellent idea, and the chairman of the FA is to be commended for taking that step. He also invited representatives of a number of our major clubs, clubs who represent us on the European scene, and invited—

Q62 **Kevin Brennan:** Were the other clubs, which were not involved, aware that that was going on at the time?

Rick Parry: Not to my knowledge.

Q63 **Kevin Brennan:** Do you think that was a bit sneaky?

Rick Parry: It was a small group, but clearly it was a group that was intended to come up with ideas and, in due course, to publicise them.



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Kevin Brennan: Do you think it was a bit sneaky to go about it in that way?

Rick Parry: No. I think it was perfectly sensible to start with a small group and then work outwards. You are far more likely to come up with sensible debate and cohesive ideas by starting with a smaller group initially.

Q64 **Kevin Brennan:** You did not think the other clubs would be capable of coming up with a sensible idea if they were involved?

Rick Parry: They have not done in the last 25 years, so you have to start somewhere. As I said, it is commendable that somebody said, "Listen, let's sit down and let's debate the need for change."

Q65 **Kevin Brennan:** Isn't there always a danger in that kind of approach that you are going to make those who are not in the room where it happens—to coin a phrase—very angry at the way you have gone about it?

Rick Parry: There is always a danger, but the danger is that you do nothing and nothing ever changes. As I said, there could have been a debate about change, there could have been a debate about resetting revenues, at any time in the last 25 years. It has not happened. You have to start somewhere.

Q66 **Kevin Brennan:** When the successor to this Committee meets in 10 years' time, are we still going to be discussing this?

Rick Parry: Football will have evolved, for sure. Football does evolve; football is incredibly resilient. We have had enormous successes. The Premier League has, of course, been a phenomenal success story for English football and, indeed, world football. The time is overdue for a reset, but I see no reason why we cannot have a game that is sustainable, that can sustain our 72 clubs and that can address the gap between the Premier League and the Championship. In 10 years' time, I see no reason why the game will not be even healthier than it is today, frankly.

Q67 **Kevin Brennan:** Do you think the Premier League, in any kind of way that we know it today, will still exist in 10 years' time, or will there be a European Super League of some kind?

Rick Parry: I absolutely believe that the Premier League will exist. I have never been a fan of the European Super League. We have fantastic European competitions in the Champions League. I think we have an ideal balance. As I said, I have never been a fan of a closed European league. I do not see why it would be necessary. We have a balance where our clubs can succeed in Europe, they can succeed domestically and we can have a thriving pyramid beneath it. I absolutely believe in 10 years' time we can be seeing an even healthier English game.

Q68 **Kevin Brennan:** What role should fans have in all these discussions?



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Rick Parry: It is very important that fans' views are embraced. There is no question about that.

Q69 **Kevin Brennan:** They are not usually, are they?

Rick Parry: We have a regular dialogue at the EFL with the FSA and other fan groups. Again, one of the benefits of Big Picture, which many of our clubs took on board, was that if they are sustainable, if more revenues are flowing down, first of all there would have been investment in infrastructure and, secondly, there would have been opportunities to consider lower ticket prices so that clubs are able to give something back to fans.

Q70 **Kevin Brennan:** Could I ask Richard the same question?

Richard Masters: Clearly, fans have to be involved and have to be heard. As Rick says, there is structured dialogue with fan groups, both at league level and at club level, and supporter liaison officers are in place. If you are going to change English football or develop English football into an even stronger position, you have to take the fans with you.

Q71 **Kevin Brennan:** Do you think it would be a good idea if Government intervened on that basis, given the special nature of football as a business, and just mandated fan involvement in decision making at the top level of football?

Richard Masters: I do not think that is necessary. We have a good track record of dealing with fans. We have heard their views loud and clear. We have multiple methods of taking it on board. In the last 25 years, as the Premier League has developed, as the whole of the English football pyramid has developed into a world-leading model, we have developed a very successful domestic competition that is very popular. Fans' views have been taken on board along the way.

Q72 **Kevin Brennan:** One final question. Richard, something you said earlier interested me. You seemed to suggest there is not really any difference between the impact of pay-per-view and pay TV in general on public health. If that is the case, if there isn't any difference between the two—although you cannot announce the detail of it, you have told the Committee that there is going to be a fundamental change in relation to pay-per-view football—why are you taking that decision if, in your heart of hearts, you do not believe it is any different from pay TV?

Richard Masters: I do not believe it is a decision that is taken on public health grounds.

Q73 **Kevin Brennan:** What is the reason for it then?

Richard Masters: There are other issues. Clearly, we have taken on board the feedback we have had in relation to pay-per-view and its pricing, and we want to come up with a different solution for the short term. In terms of the public health issues around pay-per-view, you were able to watch football matches in cinemas and in pubs until lockdown came about, so I think that argument runs all the way through.



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Q74 Damian Green: Good morning, both. Rick, you have just mentioned the Football Supporters Association. It described Project Big Picture as “a sugar-coated cyanide pill,” which seems to me a pretty accurate description of what it was for the future of football. What did you expect the reaction to be when we are having those discussions? It seemed to me that the wave of hostility was pretty predictable.

Rick Parry: Clearly, I am going to disagree. That pejorative description bears no resemblance to what I recognise. You have to remember that we were responding to a leak, and it was a leak presumably by people who were trying to kill the project. It very much centred on one aspect of it. What I have been saying to you—and to anybody who will listen—for months is that, in terms of what the EFL was looking for, redistributions of revenues to make our clubs sustainable, narrowing the gap between the Premier League and the Championship, abolishing parachute payments and producing a substantial short-term rescue fund, Big Picture ticked every single one of those boxes.

In terms of creating a sustainable future for us, from my point of view, it was a first-class plan. There were elements of it that were not popular—for example, the governance within the Premier League—but this was one version of a document from May that was leaked. It was version 18 of a series of documents. We have not seen version 19. There might well have been flexibility. There would have had to be flexibility, because clearly the only way that the changes could happen would be once they were properly announced, debated and put to the vote of all stakeholders. To dismiss a project that had, for me, a whole series of extremely good ideas, that was completely the wrong approach.

Q75 Damian Green: I take the point that a lot of those things would have been good for the EFL and for EFL clubs. As I say—how shall I put this politely?—it was the sort of narrowing of the governance structures inside the Premier League that was clearly offensive to a lot of people. Isn't the root of it that there is clearly a short-term aspect because of Covid, and equally there is a long-term need to reset the governance and finances of the game, and it is muddling the two that has caused the issue? What we need is a financial solution to a short-term crisis, which may involve short-term redistribution of money, but at the same time we have a long-term issue. Trying to bring the two together, it seems to me, is the root of the problem. Do you accept that?

Rick Parry: No, I do not, because when I came to you in May I absolutely said that we needed to address the two issues simultaneously, that we really did need to look at the short term while we were considering the long term. What the crisis provided was an opportunity have that reset. I said that the model, from the EFL point of view, was broken pre-Covid, it would be broken post-Covid, and Covid was an opportunity to look afresh. In fact, it was Richard who touched on the point earlier, that by resetting the future, by having some certainty over future revenues, you do two things. The first is that you give our owners a degree of hope, bearing in mind we are absolutely reliant on owners continuing to foot that £440 million-plus of funding. They need hope,



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they need to know that there is a future as we come out of Covid, because if they stop putting in that £440 million, then at the moment we are dead, frankly. They need expectation, they need hope. They need to see there is a brighter future.

The other point is that, once you have looked at a future redistribution of revenues and a redistribution of revenues that is extremely valuable from the EFL point of view, you can look backwards at advances against it. Instead of thrashing around to find pockets of money here, there and everywhere, you can look at a substantial advance of those future revenues, which then solves the short-term problem, so the two come together. They dovetail perfectly.

Q76 Damian Green: Let's look ahead. Maybe this is more for Richard. You have talked about the strategic review that is going on, and I take the point that, therefore, detailed questions about whether there should be a Premier League 1 and 2 or a European Super League are all up in the air at the moment. The Government want a fan-led review. This does not seem to be what is happening. This is essentially a club-led review, isn't it?

Richard Masters: It is. It is right that it is so. We will separate the two things. To respond to your earlier questions, I think trying to reset football during a global pandemic would have been extraordinarily difficult. Change ultimately cannot be imposed, it has to come through the right channels. The right channels are with all clubs and stakeholders involved. That is now what is happening.

There is a difference between the fan-led review, which is principally around governance within football, and that is coming forward at some stage. We will talk to fans as part of that review and will be willing participants. What we are talking about in the Premier League strategic review is the structures, calendar, financing and governance of the game. Again, 20 Premier League clubs cannot decide all of that for themselves. They have to involve the FA in all of that and unify around a single plan. That is the purpose of it.

Q77 Damian Green: You would see these two reviews as separate and going ahead simultaneously? It feels to me that there is every chance they will come to different conclusions.

Richard Masters: Yes. We have to set our own timetable with regards to our own discussions. In terms of the fan-led review sponsored by Government, I am not sure of the exact timetable for that. It is principally focused on governance, in my understanding of the terms of remit, whereas the strategic review we are undertaking is more structural.

Q78 Damian Green: Moving back, as it were, to the link between the Premier League and the EFL, we have had a discussion about the fact that some EFL clubs have rich owners, just as all Premier League clubs do. I was not quite clear in the earlier exchanges with the Chair: how close are you to a deal between the Premier League and the whole of the EFL, including the



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Championship? Should we look to that in the coming days, the coming weeks?

Richard Masters: There is an enormous amount happening at the moment. I would not want to put a timeframe on it, but obviously, as Rick and I have both said, we would like to resolve this issue and quickly. There is order forming, I guess. There is a clear proposal on the table with regards to League One and League Two. The issue is about how to resolve support for Championship clubs that are in genuine distress. That is what we will get on to next.

Q79 **Damian Green:** That gives rise to financial fair play or whatever it is called now, the sustainability regulations. If you are saying, however you come out of it—and I accept you do not get the details—that there may be clubs in the Championship that are genuinely to the wire, that they will not be allowed to go out of business and yet there are other Championship clubs that, without official constraints, the owners could quite happily support them, are those sustainability regulations suspended at the moment?

Richard Masters: No, they are not suspended. Clearly, League One and League Two clubs have taken decisions to change their regulatory framework to limit the size of their squads and to place salary caps across the board, across both divisions. The Championship have not yet resolved what they want to do, and the Premier League is an interested party in that, because obviously there is a significant commercial and financial link between the two divisions. What we are talking about here is rescue, how to reassure clubs that they will not go out of business. The issue about regulatory reform, financial reform and sustainability in the long term is what the strategic review is about.

Q80 **Damian Green:** A similar question to Rick. You are in favour of salary caps in the Championship, as well as in League One and Two. Do you see that as part of a short-term deal, as well as being a long-term desirable consideration?

Rick Parry: Yes, absolutely. It is something that we are addressing at the moment. We were well on with the debate with Championship clubs last season. In the end, we decided that we would forge ahead with League One and League Two to try to get those put to bed, to make sure they were working, and then revisit the Championship.

Just a point of detail, you asked about the existing profit and sustainability rules. In common with UEFA, with our financial fair play and with the Premier League, while they have not been suspended, what we have done is instead of monitoring season by season, we have merged the 2019-20 and 2020-21 seasons so that the regulations will be reviewed over a two-year period, given all of the uncertainties we face.

Q81 **Damian Green:** Might that not give rise to perverse consequences of an owner sticking their hand in their pocket to keep a club going and then be told, "Sorry, you have broken the regulations and we will put a 12-point penalty on you" or something like that? That would be very odd, coming



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out of this.

Rick Parry: It would indeed. It is one of the challenges and complexities that we have to face coming through this but, again, from UEFA downwards we are committed to making sure that, when we enforce the regulations, we take into account all the circumstances surrounding the pandemic. For example, the loss of gate receipts would be factored in because, clearly, if we were to simply apply the regulations now, all the clubs would be facing issues because of those losses. The pandemic will be factored in.

Q82 **Chair:** Is there going to be any discussion about hospitality and the money lost to clubs through that? Obviously, for some clubs, hospitality makes up a greater degree of their actual income.

Rick Parry: Yes, absolutely. Of course, there are other losses of income, for example, on match day. Many of our clubs are very reliant on their facilities, sponsorships and merchandise. Yes, it is a pretty broad loss of income.

Q83 **Chair:** Yes, I understand it is a broad loss of income, but is that what is being discussed, or are you just doing a quantum based on tickets?

Rick Parry: Sorry, in what context are we—

Chair: In terms of the negotiations with the Premier League as to the amount of money you are hoping to get, are you asking for the distribution to be just in terms of ticket sales, for example, such as the National League, or are you asking for ticket sales and hospitality?

Rick Parry: Going back to our primary ask for £250 million, that was the basic level of lost gate receipts. In terms of how we distribute money, that could well incorporate the broader issues of hospitality. Frankly, that may well not make a major difference to the proportions from one club to another.

Q84 **Damian Hinds:** This season there has been a fall, after a number of years of growth, in the number of shirt sponsorship deals with gambling firms. As you know from the House of Lords Committee report, there is a recommendation for it to cease altogether. Just how reliant is football on gambling?

Rick Parry: It is an important source of revenue from the EFL's point of view, somewhere north of £40 million in terms of our own sponsorship deal with Sky Bet, the title sponsor of the Premier League, the shirt sponsorship of a number of our clubs and other gambling partnerships, such as licensing deals, for example. It is a significant source of revenue.

Q85 **Damian Hinds:** If it were to be removed, so if there were to be no shirt sponsorship or in-ground sponsorship, what would that do to the finances of those clubs? How would they go about replacing it?

Rick Parry: It would be a very significant challenge at the moment. Coupled with all the other challenges that clubs are facing, it would be potentially catastrophic if it were to come in overnight. If it were to come



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in quickly on the back of all the problems we are suffering at the moment, it would create major difficulties. If it were phased in over time, clubs would frankly have to find a way of adapting. We look forward to playing a part in the DCMS review, which we hope will be evidence based, and we look forward to contributing evidence to that process. Certainly, if any changes were to come in quickly, major problems would arise.

Q86 Damian Hinds: It is remarkable when you look at the charts of how reliant the sector, both your leagues and the Premier League, has become on sponsorship over the years. I wonder if, on reflection, you and your members regret the extent of that reliance and how it has grown.

Do you both worry about the prevalence of gambling advertising in our society? Not just in football, I mean on telly, online, public transport, you name it. Do you worry about that prevalence and the extent to which it is—I think in the words of someone quite high up in the gambling industry—so much in the face of the consumer these days?

Rick Parry: I think there has to be a balance. We have the most liberalised gambling environment in the world. I think that brings pluses, in that it is much better to have everybody betting in a regulated environment. There are protections for consumers in that. I guess the challenge with that, though, is that maybe the pendulum can swing too far in terms of advertising. Maybe there needs to be something of a reset.

My view is that it is a case of balance in all things. I do not gamble, I never have done, but people do want to bet. People like to bet, they always have and, frankly, they always will. Prohibition does not work. We have seen that America, after many years, is legalising and licensing betting. That is by far the better approach, given that there is a prevalence. If there has to be regulation to rein in the excesses, so be it. We should have the mechanisms to do that.

Richard Masters: As Rick says, there needs to be a balance. The Government deregulated gambling 15 years ago, and some of the issues we are facing today are about balance and how you protect consumers in the environment in which we find ourselves.

All our clubs have betting partnerships but are not necessarily as reliant, in quantum terms, as EFL clubs. I believe very strongly that they activate their partnership in a responsible way. I think you are seeing an element of self-regulation on behalf of the betting and gambling companies at the moment as well. Like Rick, we will be willing participants in the review and will be able to put our views forward, but ultimately there has been a long association between sport and betting. If there needs to be a rebalancing, that is fine, but we do not think there should be a prohibition on sponsorship of football clubs or other sports clubs, for that matter.

Q87 Damian Hinds: Rick also mentioned the international aspect and how this is a relatively highly regulated country. Richard, do you have a sense of how much of the revenue from gambling is ultimately from consumers outside the UK?



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Richard Masters: The gambling markets that are interested in English football, in particular the Premier League, are huge internationally. Obviously, we have no way of capturing any of that or having a view on it because it is in deregulated markets and, principally, this is a domestic conversation. There is huge interest in the Premier League generally. To some extent it is driven in some markets by—

Q88 **Damian Hinds:** Sorry, are you saying there is no direct advertising money, hoarding revenue, for example, connected to gambling operations outside the UK?

Richard Masters: No, but we have relationships with the domestic gambling companies in this country via data licensing and other relationships. That is not possible with regards to international markets, but clearly there are international betting companies who have interests in working with English football clubs, both in the Premier League and in the EFL.

Q89 **Damian Hinds:** Finally on gambling, have either of your organisations done any work, any research, with young people and children who are football fans on the impact of exposure to gambling messages and what effect that may have on them?

Rick Parry: We have done some, particularly in conjunction with our partner, Sky Bet. We absolutely intend to do more. We are commissioning research as part of our input to the gambling review.

Damian Hinds: Richard, have you done any work?

Richard Masters: No, we have not. We will happily work with the Gambling Commission on that. Historically, the Premier League has not had any betting partnerships, but this is an issue and it is obviously going to be part of the gambling review. As Rick said, we want it to be evidence based, so we should be able to produce our own evidence and our own understanding of the issues at hand.

Q90 **Damian Hinds:** Can I come back to the questions that both Kevin Brennan and Damian Green were asking about fan involvement, the fan-led review and the Premier League review? Richard, what estimate do you make of the total club revenue that comes from fans, either directly through match-day gate receipts, merchandise and so on, but also through the TV deals? How is that split these days between people coming to matches in person and people buying TV subscriptions?

Richard Masters: Directly or indirectly, it is all derived from interest in and support of the game, whether you have been buying a season ticket for decades or whether you are a Sky Sports subscriber who likes to dip in and out of your football watching. All of it is indirectly or directly associated with support, and people understand that.

In terms of the Premier League, I would say probably 60% of its revenue comes centrally and the rest of it is derived at club level. There is a big, significant chunk coming directly from fans domestically in terms of season tickets and merchandise, but increasingly from fans all over the



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world. The Premier League is now a global competition and has support all over the world.

- Q91 **Damian Hinds:** In terms of fan involvement, considering that ultimately it is all about people's interest in football, it is all about that—and you are right, there is a distinction between British-based fans and those abroad—for fans here at home, I wonder how deep you think their involvement should be in the organisation and governance of football. When you were speaking earlier, Richard, about a strategic review and then a fan-led review, it sounded a bit like strategy would be off bounds for the mere fan. What aspects do you think fans should be involved in and having a view on? What is out of bounds for them because it is more of a business decision for the clubs?

Richard Masters: As I said, our clubs talk to their fans all the time about all the decisions they make, particularly ones that affect supporters directly. What I was trying to delineate was the difference between our review of the Premier League and English football and the Government's fan-led review. Obviously, fans are going to have an involvement in both, and I think that is right. We will need to work on precisely defining the terms of reference and what we talk about with fans, but there is a structured dialogue that goes on with the fan groups. There is a significant commitment by the Premier League and its clubs to talk to fans about all the big issues in football and that is not going to change. It is part of our rulebook and part of our central commitment.

- Q92 **Damian Hinds:** Finally, Rick, what is your view of this Committee's recommendation to have a fans ombudsman within football?

Rick Parry: We embrace any positive suggestions with an open mind. It depends what the terms of reference are, exactly what issues they are supposed to address. As Richard said, we have dialogue with fans at two levels. We have it centrally and, much more importantly, at club level. It is the relationship between fans and their individual clubs that is incredibly important, but if an ombudsman can improve relationships, if it can bring more openness, then that is something we are more than happy to embrace and to consider.

- Q93 **Steve Brine:** Richard, can I ask you something completely different about substitutes, which you know has been in the news a lot in recent days? Jürgen Klopp and Pep Guardiola at Man City are apparently in favour of returning to five substitutes. I do not know if that is any comment on their lacklustre meeting on Sunday, but I simply do not understand where this comes from because there is clearly divided opinion within the managers. The Aston Villa boss said they should stick to three; others say they should move to five. What is your view? You will be aware that some are saying that the Premier League should be leading on this. What is the latest?

Richard Masters: It is another one of the issues that have been thrown up by the pandemic. We went to five subs, as you know, during Project Restart because there had been a long layoff and we were playing 92 games in short order. There was clearly a case to be made for



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continuation of that. In fact, most European leagues have done that. There is an argument to be made that five substitutes changes the competitive balance of a football match versus the very real issues of player welfare. It is a finely balanced argument. We have had two votes on it at club level, and both have been relatively conclusively supportive of three subs, of returning to the historical model.

That has created some frustration in the system, which you are seeing, alongside discussions about fixture scheduling, which is again a pandemic-related issue. Obviously, clubs had a very short period of time, some clubs much shorter than others, to prepare for the season. We are going into a slightly truncated season. We normally start in the first week of August but we started in the first weekend of September, so you are missing a month. We are trying to pack all those games into a shorter period of time. You can see why it is an issue of debate, particularly if you are, in Jürgen and Pep's case, competing in Europe.

Q94 **Steve Brine:** I mentioned my club earlier. They played on Thursday night and then again on Sunday. This is the life of a professional footballer, isn't it? Millions would love to have it, but the Liverpool and Man City bosses seem to say it is responsible for a spate of muscular injuries across the top flight. These are elite footballers. Is it really that much busier than any other season, when you have the cup, Europe and the league?

Richard Masters: It is busier. It is also coupled with the fact that we ended the season at the end of July, not the end of May, and the normal rest periods have not been taken. There is a real issue there. It has been discussed at length. I do not foresee it changing in the foreseeable future, however. Our job is to make sure that we create a calendar that fits with our very clear broadcast commitments and that we try to do our best, as we always do, to work with clubs to create a fixture calendar that has player welfare at its core. We cannot always do everything that everybody wants us to do but, where there is flexibility, we try to help.

Q95 **Steve Brine:** Welcome to our world. It is said that Jürgen Klopp feels you should have taken the lead in returning to five, but what you are saying is that it has been discussed, it has been voted on and, for now, it is as you were.

Richard Masters: Yes. It has been voted on twice.

Chair: We are going to conclude this panel in one second. I just wanted to say thank you to Richard and Rick. You are not wholly responsible for the mess that football is in, we know that. We know that you have to front up in front of these Committees, and it is probably as much pleasure as waiting for a dentist.

One thing I would like to say is that the Committee had you in front of it six months ago. There has not been a great deal of movement since then. You are seemingly stuck in terms of the quantum, in terms of the rescue package, and you are not willing to divide out League One and League Two at this stage, which I would strongly urge you to do if you



cannot come to agreement over the Championship. What the Committee will do is write to both of you every seven days. I am going to ask you what meetings you are having, what conversations you have had via Zoom and also what engagement you are having with Government, Government Ministers and their representatives.

We will put that correspondence on our social media so that the world can see exactly what efforts you are making, as organisations, to come to a conclusion. We will start that next week, and hopefully we will not have to write too many letters because, hopefully, you will be able to come to an agreement in double-quick time, particularly as we know that 10 clubs in the EFL currently cannot make payroll. Thank you for joining us today.

Examination of Witness

Witness: Greg Clarke.

Q96 **Chair:** Welcome to the Digital, Culture, Media and Sport Select Committee. This is our second panel of the day. We have one witness on this panel: Greg Clarke, chair of the Football Association. Good morning, Mr Clarke.

Greg Clarke: Good morning, Chair.

Chair: Thank you for joining us. Thank you for your patience. I know the previous panel overran.

I want to put something to you. You stated on 13 October that you discontinued your involvement in Project Big Picture in the late spring, "when the principal aim of these discussions became the concentration of power and wealth in the hands of a few clubs with a breakaway league mooted as a threat". You had 18 meetings up until 19 May on Project Big Picture. How did it take 18 meetings to realise this was a power grab?

Greg Clarke: I don't think I would characterise it as a power grab. When you put together a group of people to try to address some of the underlying problems of English football, with the whole idea of coming up with something that could support and involve Premier League clubs, the FA board, the alliance board and the EFL, you need to give things time to see where you are getting. If you walk out of the room the first time you do not like something that is said, there is never a deal to be done. You have to listen, learn and go through a process. By the time we got to the middle of May, it was apparent that there was not a deal to be done.

That does not mean there was not a lot of good stuff being discussed, a lot of the work looking at spreading money down the pyramid. We have talked a lot today about the EFL. I ran the EFL for six and a half years as chairman, and I know the troubles those community clubs have and I am very sympathetic. They desperately need more money, but so does the women's game, so does the kids' game and so does the semi-pro game. A lot of the good things that came out of Project Big Picture were big



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chunks of money for the women's game, for the semi-pro game, for the grassroots game, for facilities and for the EFL.

There were some things that I and others did not like so much, which was a concentration of power and money at the top of the Premier League, which may have made the Premier League less competitive. If the Premier League is less competitive, with the same guys winning all the time, the revenues would go down and that would hurt the whole pyramid.

In the middle of May, the discussion was about how on earth we would sell the proposition to the Premier League and get 14 votes when most of the votes we needed would be losers under this proposition. It was a practical discussion about whether to carry on or to stop. Some of us thought it would be better to stop, and we departed. Six months later, we found out that discussions had carried on and there was a leak. The leak led to some acrimony. I was guilty of getting slightly cross because I thought it was a bad time to come up with a proposal when we were trying to deal with all the Covid crisis in football, but I think we deserved to give all the ideas a fair hearing and to take as long as it took to understand them. That took two to two and a half months.

Q97 **Chair:** You say it was not a power grab, but you described it as "the concentration of power and wealth in the hands of a few clubs". That is a power grab, isn't it? It is almost the definition of one.

Greg Clarke: You could characterise it that way, and I accept your—

Q98 **Chair:** You have characterised it as such, "the concentration of power and wealth in the hands of a few clubs". Frankly, are you seriously asking the Select Committee to believe that you sat there for 18 meetings and suddenly, like the road to Damascus, it dawned on you that these big clubs would want to get more power, money and wealth? This is credulous. You cannot seriously expect us to believe that.

Greg Clarke: I have observed and participated in negotiations over many years, and I do not give up on them easily because saving the pyramid is vital to me, saving the women's game is vital to me. Girls do not have changing rooms; young girls do not have pitches. You largely cannot get to a Wildcats centre if your mother does not own a car. I believed it was worth hanging on to see if there was a deal to be done to get money to flow down the pyramid. I did not think a concentration of wealth and power among very large clubs was a route to that goal. At the end, I and others took the view that it was impossible to reach agreement.

Q99 **Chair:** What do you think was good from Big Picture? Obviously, we talked about the grassroots there, but what do you think, for example, of the greater distribution of TV revenue?

Greg Clarke: The greater distribution of TV revenue down the pyramid is absolutely vital for the long-term health of football in this country. At a council meeting the chairman of Carlisle United, a club that was



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mentioned in the earlier session, John Nixon—who I have known for a long time and who is an EFL board member—said, “Greg, do you still stand for redistribution of money down the pyramid?” and I wrote to him and confirmed that I did. One of the principal objectives of the FA is to achieve more sustainable funding for all areas of the pyramid.

Q100 Clive Efford: What were you seeking to achieve when you created Project Big Picture? What were the problems you identified that needed to be resolved?

Greg Clarke: There were a number of problems. The first one was revenue redistribution across the pyramid. The second one was to try to find a way to play less football, because we had our calendar so congested that this year, for example, even before Covid, the FA Cup was impinging upon the winter break, which we had designed and funded to help players to have a break mid-season, like just about every other major league in Europe. When you look at distribution across the pyramid, when you look at representation, when you look at the amount of football to be played, there were many things that needed addressing that have been talked about for decades.

In order to get things done in football—and I have been in football for 25 years—you get a few people in a room and try to come up with something for discussion. If we all agreed that it is worth a discussion, I would have taken that back to the FA board and we would have discussed it. The Premier League clubs would have taken it back to the Premier League shareholders’ meeting and the chair and executive would have discussed it, the EFL would have done the same, and we would have agreed what change was necessary. In order to get proposals taken to those decision-making fora, you need to have pre-discussions with a group of people.

This happens all the time. I am involved in discussions at least as big as Big Picture at the moment. I am in the stakeholder forum for the new Champions League and Europa League formats. Not all countries are represented. England is. I am there in confidential discussions trying to make sure that we end up with a healthier and better competition that benefits European nations and English football. These conversations happen all the time.

Q101 Clive Efford: What did you include in your initial discussion paper? Was it B teams; was it the threat of a super league; was it European TV rights? When you say you want fewer games or fewer matches, is that for the Premier League? The lower leagues rely on fans for their revenue, so fewer games means less revenue.

Greg Clarke: Yes. If, for example, we were to reduce the number of games, we would have to compensate them with more revenue. We accept that. It is not all areas of football. The young Wildcats—girls aged six, seven, eight and nine—do not need fewer games; they need more games. They just cannot get pitches. What I would return to is the fact that we need to discuss these issues. I do not believe in an axiomatic



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discussion. People can say democracy is a great thing. I think we need to justify why it is a great thing. I believe in it and am willing to defend it.

I think we needed to discuss B teams. I personally think B teams are a terrible idea. We needed to discuss Premier League 2. We did discuss Premier League 2 and the consensus was, on balance, it was a bad idea. It is very important to discuss things, even if you don't agree with them, to bring the room to a common level of understanding. We went through that process early on.

Q102 Clive Efford: When those are the problems that you want to discuss and resolve, why just the big six? Why not a representative group across the Premier League, Football League and the FA?

Greg Clarke: That is a very good question. This happens all the time in football. For example, one of my predecessors six years ago put together a group of people to look at why there were fewer and fewer England players playing Premier League football, why English kids are not coming through. The EFL signed up, I turned up and the non-league turned up. We had three England managers turn up, we had Greg Dyke turn up, and he was the chairman at the time. The Premier League chose not to participate. That is not because the Premier League are bad people; it is because it is sometimes difficult to get a consensus on its position. I could have taken the view that it is all too hard.

What I did was meet a senior club member, who has senior committee roles within the Premier League, and I said, "Is it worth having a meeting and trying to get a few people around the table to chew this over?" He said, "I will find three clubs, Greg. You get the Premier League and ask the EFL if it wants to play." I approached Rick. Rick said, "Yes, I am in. I would love to join." The Premier League, for the reasons Richard gave, declined to join. We ended up either deciding to have no discussions or have discussions with those who were willing to participate.

Q103 Clive Efford: Where are we with Project Big Picture right now? The Premier League has indicated that it had already started its own process and, according to reports that I have read, quite a lot of it is in alignment with Project Big Picture. What is your understanding of what is still on the table from Project Big Picture in the Premier League review?

Greg Clarke: Everything is on the table, because I listened to the incoming chair, Gary Hoffman, who has done a great job of marshalling these 20 clubs and getting them behind a common review of Premier League strategy. He said, "Everything is on the table. Everything is up for discussion. Nothing is off the table, let's have a discussion of all of these issues." All of these clubs will be interviewed, there will be a structured process and at the end of it, after consultation with the FA and the EFL, there will be recommendations, which I suspect the clubs will vote on.

Q104 Clive Efford: Are you involved in that review, like you were involved in Project Big Picture? Is the EFL involved?



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Greg Clarke: The EFL and the FA were involved. It is not our review; it is a Premier League review. I do not think that is a bad thing, because the absolute majority of economic value created in football is from the Premier League. Unless the Premier League sign up to a solution, there is no solution. It has to decide what to do, and then we have to work hard to make sure it works for the pyramid. Rick and I represent the pyramid.

Q105 **Clive Efford:** How powerful is the FA in all this? In terms of the Premier League, what is the FA's golden share and how can it be wielded?

Greg Clarke: The FA has a golden share, which can be wielded by the FA board, so that power is vested in the FA board. If our executive decide that the Premier League is doing anything that engages the FA golden share, like changing promotion and relegation rules, changing the number of clubs, changing which clubs are eligible for Europe, we can veto that. When there were discussions in Project Restart about whether they wanted to start, we reminded them that they could not unilaterally end the season or change promotion and relegation rules without FA approval. We have strong powers when we need them, but that is different from knowing how to run a league better than the league does. I have run the league. Running a national governing body is very different, and largely we do not interfere with a well-run league, and the Premier League is well run.

Q106 **Clive Efford:** Your golden share does not run as far as being able to veto any sort of financial recovery package for the EFL or anything like that?

Greg Clarke: No. I have been involved in those discussions, and I have spoken a lot to Rick, Richard and Gary. We engage directly with the EFL. For example, we took a proposal to the EFL at a Football Association board. The Football Association, back in February, took some very tough decisions. We let 100 very good people go to get our costs down. We have taken £300 million out of our cost base and we borrowed £100 million from the Government to make sure the FA could stay solvent during a protracted Covid period if it dragged on a bit.

For example, we forecast that there would be little or no crowds during the whole of this season. That may or may not be true, but if it happens, the FA does not go out of business if we cannot host pop concerts, cup finals, Carabao Cups or playoffs, et cetera. In parallel with that, we looked at raising an extra £50 million to donate to the pyramid, but we could not get the covenants in place to be able to support the extra level of debt with our reduced cash flows. I had discussions with Rick.

Secondly, we looked at providing them with expertise by applying for a Government CBILS loan. We helped the EFL appraise whether it could apply for such a loan. It could not; it did not meet the criteria. We then looked at whether the FA would be able to guarantee an EFL loan. I had a conversation with Rick. He was interested, but if the EFL had defaulted on that loan, there was a high chance that it would result in FA insolvency and we could not put our funding of the pyramid, our ownership of Wembley, at risk. We actively tried not only to facilitate discussions



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between the EFL and the Premier League, we tried to find ways to help ourselves.

Q107 Clive Efford: Finally, how powerful are the big six? How free are they to walk away and join a super league?

Greg Clarke: It is more complicated than it seems. For example, any European Super League needs approval from three bodies. It needs the approval of FIFA, which is the global governing body, and I sit on its board. It needs approval from UEFA, which is the European governing body, and I sit on the board, and it needs approval of the member association, which in this case is the FA. All three of those would have to approve the clubs' participation for the European Super League to be possible. It is very impractical to get an expensive lawyer to pick holes in that, because they will look at the words and say, "We could maybe do this, maybe do that" but once you move outside of association football, you cannot play for England, you cannot play for the Champions League. There are big consequences of moving outside of the association football pyramid.

Q108 Clive Efford: That is a power that the FA, if it was pushed, would ultimately use, that it would not give its backing to a European Super League if it did not think it was in the best interests of the football pyramid?

Greg Clarke: I would fight a European Super League at FIFA level, at UEFA level and FA level. I am sure I would get the support of the FA board, because our job is to protect football, not to create some sort of global elite that we would look upon from a distance and would be available to only a small number of clubs.

Q109 Clive Efford: Do you think the big six agree with you on that?

Greg Clarke: I do not know. The problem, and I alluded to this during Big Picture, is that there is a point of instability in football every few years, because every few years they renegotiate the Champions League, which is the big earner for clubs who play in Europe. The next negotiation is due to be finished by 2022 and take place in 2024, when the new Champions League format and the Europa League format take place. I told you I was on the stakeholder group discussing that. When that happens, usually there is lots of sabre-rattling, and sometimes more than sabre-rattling, about the formation of a competitor super league to the Champions League.

Usually that manifests itself as big clubs trying to create leverage for themselves to get a better deal out of the new Champions League, but I think it would be foolish in the extreme to assume there are not big money interests outside of football, private equity and so on, who are looking at that as a value-creation vehicle, and they have little interest in the long-term interests of the game.

Q110 Chair: Mr Clarke, I think you watched the first session.

Greg Clarke: I did.



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Chair: I asked Richard Masters about the meeting on 13 October concerning Project Big Picture. Were you virtually at that meeting?

Greg Clarke: No, I was there in person.

Q111 **Chair:** Fine. What did you say at that meeting about Project Big Picture?

Greg Clarke: I said relatively little, because I had met previously with Gary Hoffman, the chairman of the Premier League. Gary's objective was to get 20 clubs signed up to a Premier League strategy review, rather than end up with factions, with his clubs in different discussions. I 100% agreed with his objective. He presented it, argued it and achieved it without any help from me. I made a couple of observations. One was that you do not necessarily need to give clubs enhanced voting rights to improve agility in decision-making because some of the big clubs have said it is just too hard to get decisions made because just about everything goes to a major club vote. If they cannot get 14 votes, say in the case of five substitutes, it does not happen.

I said, "There are different models. In the US, for example, they have a commissioner. They empower their chairman and their board to make decisions in the best long-term interests of the league, which might not be in the short-term interests of the clubs." I said, "Have you considered that, as opposed to weighting votes in favour of the big clubs?" There are democratic ways of empowering your board, chairman and chief executive to bring proposals forward, that they can say, "Look, this is what we are going to do", but currently every decision needs a vote and you need 14 clubs. That does not promote agility and change. That was one of the issues I brought up.

Q112 **Chair:** Did you say at the meeting that you supported the efforts of big clubs to have greater voting rights, yes or no?

Greg Clarke: No, categorically.

Q113 **Chair:** So, categorically, you definitely did not say that you supported or understood their desire to have greater voting rights. Is that correct? The media reports that you did.

Greg Clarke: I checked my words with Gary after I read the media articles, and he said, "You didn't say that, Greg". I said, "I know I didn't, Gary." Someone selectively took part of what I said to make it sound as if I said something else. I did not say that.

Q114 **Chair:** As a politician, we are very used to that, I can tell you. What is it that you actually said that would have led them to do that? Generally a quote is a quote, you have to watch every single word that comes out of your mouth.

Greg Clarke: Yes, you do, but if someone takes half an argument without the second half of the argument—let me give you an example. Up to Big Picture, relationships were very good between all the people discussing it, even when we agreed to disagree. Nobody fell apart, nobody insulted anybody else. It was fine. Then there was a leak, and



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half the people thought the leak was by people who were trying to promote Project Big Picture and the other half thought the leak was by people who were trying to undermine Project Big Picture.

You will all be aware of the insidious nature of leaks. At that point I said, "Come on, guys. We can't let this become a power grab" and so on. You repeated my words back to me; I own those words. But some people who resented my saying that have been feeding to the media parts of the information I have spoken about. I am a big boy. That happens. Football is a full contact sport, but I can assure you that Gary Hoffman, the chairman of the Premier League, will back up my position on this. He chaired the meeting.

Q115 Chair: Given that, effectively, you have just described a whispering campaign, leaks and everything else, what do you think of your standing in the game after Project Big Picture?

Greg Clarke: I spend a lot of time talking to people in the Premier League, the EFL and the women's game. My standing within the game is absolutely fine. My standing within some sections of the media—but that is life. You run the game for the game and not for the media.

Q116 Chair: You do not recognise any characterisation that says, basically, your authority is shot?

Greg Clarke: If I worried too much about what people wrote about me, I would sit in my office and never do anything.

Chair: Yes, I agree. Never Google your own name. That is another tip.

Q117 Alex Davies-Jones: In the last hour or so, the Six Nations rugby tournament has made the decision to cancel the three remaining matches of the 2020 Women's Six Nations. The coronavirus pandemic has only served to shine a light on the misogyny in sport and the differences that are given to the men's game compared with the women's game. Last week the FA told girls at elite regional talent clubs and academies that they had to stop playing football for the four-week lockdown period in England, but boys training at EFL and Premier League clubs have been allowed to continue playing throughout the lockdown. This is completely outrageous and it even appears to contradict the UK Government guidance, which says that elite athletes aged 16 and above can continue to train. Many of these girls will be training to become professional players, just as the boys are.

Also, following the FA's decision to void the Women's National League in March, Fylde Women became the first women's senior football club to fold due to the pandemic. Why is the women's game deemed less important, and why are women being treated differently?

Greg Clarke: Very good questions and also sentiments I share. I am going to come back in detail on all your points, but I share your assertion that the women's game is treated badly. First, we were obeying Government instructions on women's academies for girls aged 16 and under, because they were not categorised as elite sport. We went back to



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the Government and pleaded for a change. The Government have now said, "Okay, where they can afford the medical protocols" because it is a money issue. Most of the girls' academies do not have a medical officer, a dedicated doctor, who can certify their Covid protocols, so they are not eligible for elite sport categorisation.

We have gone back to the Government and got agreement from them in the last 24 hours that, if they can meet those characteristics, they can be recategorised as elite sport. The Government have said yes. They are being helpful, but one of the reasons most of those academies cannot be categorised as elite—I am not trying to weasel out or bore you with detail—is because they do not have the money to support the protocols and the medical staff. Across the women's game, from the top level, the England team, all the way down to the Wildcats centres, we do not have enough money. The FA ploughs in £20 million; some of the big clubs plough in a lot of money. It is miniscule.

We go out there and find young girls, and we say, "Come and play football." The first thing they have to have—and this is a generalisation—is a mum with a car—

Alex Davies-Jones: Yes, I agree.

Greg Clarke: —because these players are a long way apart. They are not close like men's football. There isn't the infrastructure. That means kids in deprived areas where mum does not have a car cannot play football. That is not only discrimination against women; it is discrimination against ethnic minorities, who are overrepresented in metropolitan areas. One of the reasons I have been hammering for redistribution not just to be about the EFL is because, with more money, these girls will have pitches, they will have transport, they will have local facilities, they will have good mental health and they will have proper Covid protocols. We need money for the women's game, you are absolutely right.

Q118 **Alex Davies-Jones:** Where is it? Where do we get it from? How do we solve it?

Greg Clarke: I am hoping, because one thing I do not have the power to do—I am here to represent the FA, the powers vested in the FA board. The FA board has bent over backwards. For example, even when we took huge cuts of £300 million and lost 100 people, we protected the women's game, because we are coming from such a low base. We now have one of the top four international teams in the world. We have just hired one of the top women coaches in the world to act as a role model for young girls. The FA board has four women out of 10. We are serious about female participation and gender equality. We now have a very small gender pay gap, much better than most of our peer group organisations.

We are very serious about the same things you are serious about, but what we need to make it even better is to get some money. We are hoping that, when the Premier League strategy is finalised, money doesn't just go to the EFL but goes to girls' football, disability football and kids' football. The pyramid is more than just professional football.



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Q119 Alex Davies-Jones: I will ask you the question that I asked Richard Masters. He batted me away, saying it was not anything to do with him. In the proposals that are being put forward for the women's game, and also in Big Picture, are there any representatives of the women's game involved in these discussions?

Greg Clarke: There were not, but three big clubs who have big women's teams and who make major investments in women's football, Manchester United, Liverpool and Chelsea, are all big backers and put many millions into women's football. They were all—everyone in the room—very supportive of fundamentally changing the magnitude of the amount of money that goes to women's football under the new settlement.

Q120 Alex Davies-Jones: As a Committee, what we are hoping for from you today is a commitment, I suppose, that no further changes will be implemented without the explicit endorsement of the women's game. Can you commit to that today?

Greg Clarke: Absolutely, because the women's game is well represented. We have four out of 10. My aspiration is to have half women, because then we are representative of society, but we have four out of 10 directors who are female. They and all the other directors are absolutely passionate. We had a debate about growing the women's game and we talked about the Range Rover culture. If mummy hasn't got a Range Rover, you cannot get a lift to a Wildcats centre and you cannot get access to women's football. That is why we have disproportionate under-representation of BAME at the top level at the England team, because those kids did not get access. We are right with you in empowering women.

Q121 Alex Davies-Jones: I completely agree with that point. I was having this discussion yesterday with a former professional footballer. She used to play for Chelsea and she said that the training ground, now it has moved, is so much more inaccessible for people—girls are playing street football—and it massively under-represents the BAME community and those on low socioeconomic incomes. I completely agree with what you are saying. We need to make it more accessible.

On the topic of BAME, we know that unfortunately football and all sports— I have had discussions with Sport Wales about the representation on its boards—are not renowned for welcoming diversity. How diverse is grassroots football, in your opinion?

Greg Clarke: Not enough, not enough. We have started at the top, where we have our 10 board members. We have one BAME member and one BAME observer. We are hoping to get to two, because then we will be representative of British society, not 10 years ago, but 10 years ahead. In the next census, we are probably heading towards around 20% BAME membership of the UK population. Our job is to be ahead of the curve, not behind it. It is the same throughout St George's Park and Wembley. We are getting more and more diverse.



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The problem is—and this is an opinion, because I cannot give you reams of academic research to back it up—I talked to a major county FA, because the county FAs run women's football, grassroots football and kids' football in the community, not the EFL, the Alliance League or the Premier League. I had a good chat with the chairman, and it is a huge city with a big multinational ethnic community, and I said, "How are you getting on with attracting members?" He said, "We got 10 members of the BAME community to join our council, our committees, our board, et cetera." I said, "How are they getting on?" He said, "They have all left." Then I said, "Why is that?" He said, "They didn't feel they were making much of a contribution and things didn't move that quickly. They weren't committee men, and sitting there talking about, 'How are we going to get all the pitches treated to make sure we don't lose 35% to 40% of the games in February?' didn't float their boat."

Another example of this is when you look at the volunteers in the grassroots game. Very rarely do the volunteers come from players. Semi-pro players and pro players in the Alliance League tend to leave the game when they have finished getting paid. It is the referees and the other people that end up volunteering, marking the lines, hanging up the nets and sitting on the county committees. Disproportionately, the BAME community is represented in players, but they are under-represented in volunteers because they do not follow that path.

There are structural issues in making the whole volunteer chain more attractive to people from diverse communities. To do that, we need to understand why many do not want to participate. People do want to be coaches, people do want to be chief executives, people do want to be chairs of EFL clubs or Premier League clubs, but they disproportionately do not volunteer, as a community, on the grassroots side. That is not because they are not volunteers by nature; it is because they are disproportionately concentrated among players, and players do not tend to volunteer after their career is over.

Q122 Alex Davies-Jones: I agree with you. The FAW—I am a Welsh MP—released an advertising campaign recently, trying to encourage more people to volunteer in grassroots sport, trying to get more coaches involved. The advertising campaign was based on the slogan, "Dad, become a coach". Everybody in the advert was a man, everybody in the advert was white, so representation absolutely matters. What is the FA doing to try to increase representation and diversity in our grassroots football?

Greg Clarke: We have "In Pursuit of Progress", which is all full-time employees at the FA. We monitor ethnicity, gender and all the protected characteristics. For example, on Monday we published our ethnicity pay gap, which is nearly non-existent. We do not pay BAME people less than white people. That is unusual. If you look at most organisations, the BAME community is concentrated at the bottom of the pyramid, not the top of the pyramid. We have fundamentally reduced our gender pay gap now. We are a leader in sport in terms of our gender pay gap at the FA. We also have a diversity charter, which has been signed up to by all 50



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county FAs, and it looks at gender diversity on their committees, councils and boards. They have inclusion advisory boards, which are proportional to the amount of diversity in their community. For example, Birmingham would have higher diversity targets than Norfolk; London would have higher diversity targets than Cumbria. It measures and looks at how they are bringing it in. I talk every day, every week, to chairs and ask what they are doing.

I was talking to a chair of a county FA from the west country. He is now trying to make sure he has representation within diverse communities. He said, "I am overcommitted with south Asians. I am not getting enough from Afro-Caribbean backgrounds." We have to look, because the BAME communities are not an amorphous mass. If you look at top-level football, the Afro-Caribbean community is over-represented versus the south Asian community. If you go to the IT department at the FA, there are a lot more south Asians than Afro-Caribbeans. They have different career interests. What we have to do is treat each individual on their merits and make sure we are inclusive, we measure and have programmes that do not cross the line into positive discrimination, but encourage people from all those communities to participate in volunteering from their local football team, all the way to sitting on the Premier League board or the FA board.

Q123 Alex Davies-Jones: On leadership, it is important that we encourage people to get involved, but it is also important that we have representation in leadership at the top level of our football clubs. No Premier League and virtually no EFL club has a black owner, a black chairman or a black chief executive. What is being done to improve representation at all levels of club leadership? Will we see a black manager, owner or chairman in your lifetime, in my lifetime? When are we expecting to see that?

Greg Clarke: There is one black owner in the 92 clubs, Ben Robinson of Burton Albion. Ben Robinson is not just a member of the BAME community, he is a prince among men. He runs one of the best, most decent clubs I know in professional football. I use him as a sounding board. I have swapped WhatsApps with him. We have just come up with the diversity code, which is a co-operation across the EFL, the Premier League and the FA to get each club and each league to set targets, not just for coaches, but for executives, for board members. We measure them, so we will know which people are not delivering.

I chair a governing body that is absolutely committed to diversity, and our diversity bears scrutiny against any other national governing body you could mention. We have members of the BAME community, we have members of the LGBT community and we have four women out of 10. I used to do the presentations every year. We used to get Stonewall in and we would get a couple of hundred people from the LGBT+ community. We talked to them about how to make it more inclusive. I do not do that anymore because we now have people from the LGBT community at the top level, on the FA board, and the FA—



Q124 Alex Davies-Jones: Sorry to interrupt you, but we do not have an out and proud member of the LGBT+ community in the men's game at the elite level, do we? Why do you think that is?

Greg Clarke: I do not know, because I have spent a lot of time talking to people from the LGBT community. I talk to LGBT athletes from other sports who have come out. The views I have heard is that, if you look at what happens to high-profile female footballers, high-profile coloured footballers and the abuse they take on social media, not from the crowds—you will get misbehaviour in crowds, but largely people who have bought a season ticket are going to behave because they will be banned for life if they keep giving racist or homophobic abuse—but social media is a free for all. People can see if you are black and, if they do not like black people because they are filthy racists, they will abuse you anonymously online.

They can see if you are a woman. Some of the high-profile black female footballers take terrible abuse—I have talked to them—absolutely vile abuse. I have not talked directly to gay footballers, because I have not been able to find any who would meet me, but I talk to other people around the game. Gay sportspeople said, "Why would you voluntarily sign up for that abuse?" As soon as you put your hand up, the dark corners of social media will come after you. We need the Government to help us regulate social media so that racists, homophobes and misogynists cannot take aim at anybody who dares to say anything they disagree with. We need help in that area.

Q125 Alex Davies-Jones: I agree that the Government's online harms Bill needs to come forward, and we need it soon to tackle some of these issues you have mentioned, but ultimately this needs to stop at your door, Mr Clarke, in terms of what is being done inside the stadiums and inside the culture that is unfortunately men's elite football. That is why these men fear that they cannot come out. More needs to be done there. What are you doing to override this culture that seemingly exists in men's elite football?

Greg Clarke: I tested some of these hypotheses because I am a great believer in data. Prejudice gets me nowhere. What I have to do is find out how to measure it and change it. I talked to some professional footballers off the record, top-level professional footballers, and they said, "Greg, there is not a problem in the changing rooms. A lot of the guys know who is gay and who isn't. It is not an issue. It is their choice, not a big deal."

The real issue is once you run out in front of 60,000 people after deciding on Monday that you want to disclose your sexuality—and I would never pressurise anybody to disclose their sexuality. What I would want to do is know that anybody can run on to the pitch after saying on Monday, "I'm gay, I'm proud of it and I'm happy. It's a life choice, I've made it and my life is in a better place because I've disclosed it." If they have gone through that chain of events, that is great.



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I would like to believe—and I do believe—that they would have the support of their mates in the changing room. I believe we have things in place so that, if anybody misbehaves in terms of homophobic, misogynistic or racist abuse, we will find them and we will ban them from football. We have the powers. I would like to see that sort of behaviour criminalised so they get a criminal record as well, not just being banned from a football ground. But I would also like to see social media cleaned up because that, when you look at some high-profile BAME people on the media side who are writing—

Chair: Mr Clarke, thank you. It is a very extensive answer. It is very good. Kevin Brennan wants to pick up on one particular comment.

Q126 **Kevin Brennan:** Diversity is not the issue, is it? Football is diverse. It is inclusion that is the issue. When you said something earlier, I think you referred to “coloured people”. If that is the case, would you want to withdraw that language? Isn’t that exactly the sort of language that means that inclusion is not a reality, even though football is very diverse and has many people within it from ethnic minority backgrounds and also people who are gay?

Greg Clarke: Let me say three things. First, if I used that—

Kevin Brennan: What about one thing? If you did say that, would you be—

Greg Clarke: I am desperately trying to—

Kevin Brennan: It only takes one thing. It does not require three things.

Greg Clarke: If you will please allow me to respond, first, if I said it, I deeply apologise for it. Secondly, I am a product of having worked overseas. I worked in the USA for many years where I was required to use the term “people of colour”, because that is the product of their diversity legislation and positive discrimination format, and sometimes I trip over my words and I do apologise.

Kevin Brennan: All right, Mr Clarke. You have apologised. Thank you.

Chair: That is fine. Thank you for that, Mr Clarke.

Q127 **Mrs Heather Wheeler:** Mr Clarke, you said that you have had ongoing conversations with DCMS about changing the rules for women’s football and particularly girls’ football teams to start again. Are you saying today that an announcement is being made that my girls’ football teams can play again, as the boys have been allowed to? I say that on behalf of Maya Lee from Hilton, who just does not understand why she cannot play football, whereas the boys can.

Greg Clarke: Yes. What we were dealing with is the discrepancy in Government guidance between elite football and non-elite football.

Mrs Heather Wheeler: This is kids’ football, mate, come on.

Greg Clarke: No, no. I don’t set the law; I do not set the law. I plead on behalf of people like you for the Government to change it when they get



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it wrong, and I have consistently. Yesterday we went to the Government and said, "Do you really want us to discriminate between elite girls and elite boys?" and they said, "No. What's wrong with it?" We said, "You need to change this" and they changed it. I am with you. I cannot find anybody who can show me any data that playing football outside at any level increases Covid. Most people—

Q128 **Mrs Heather Wheeler:** So the girls can play football from today?

Greg Clarke: No. Listen, you have to understand that I don't set the law, I really don't. That is not my job. My job is to plead with the lawmakers when I believe there is a different point of view they need to hear. I am pleading all the time with the Sports Minister, with the civil servants, with the officials and with the Secretary of State.

Q129 **Clive Efford:** Can you just clarify that response? Has the Government said that boys' football can be played but girls' football cannot?

Greg Clarke: No.

Q130 **Clive Efford:** What is at fault here?

Greg Clarke: It is very nuanced. What happened is that elite academies have a lot of investment to manage the protocols around Covid testing, measurement and behaviour, and they have medical directors to sign off that those protocols have been adhered to. Many of the girls' academies do not have the same level of investment, so therefore cannot meet the elite Covid protocols, so they cannot play football. What we have said to the Government is, "How about allowing those academies that do meet the standard of investment and Covid protocols to play?" and they have agreed they will change the rules to allow that.

Q131 **Clive Efford:** I am still confused. How does that prevent young women from playing football? If the rules are not saying that football cannot be played at that age, surely it is within your powers to make sure that you can facilitate that.

Greg Clarke: No, sadly not. What happens is that there are elite sports exemptions. For example, if you play in the National League, the EFL or the Premier League, you are allowed to play football if you are an adult male. You are not allowed to play below that level. People pick up that school sport is allowed; grassroots football isn't allowed. Kids' football outside of school is not allowed. It would be easy for me to pick holes in the Government's rules, but the Government are not just legislating for football, they are legislating for rugby, they are legislating for aerospace and they are legislating for hospitality.

Occasionally, we have small disagreements. For example, when you talk to the medical professionals, they say people do not catch Covid playing football. They spend so little time close to each other, they are not going to catch Covid playing football. You talk to the Government and they say, "Yes, but they have to get to football. They share cars, they stand around together on the touchline. The overall effect is bad and we are not going to allow it," but there is a lively debate. The Government, when you



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convince them, will change things and they have changed things with elite academies.

- Q132 Damian Hinds:** Time is pressing on, so I am going to cut down what I was going to ask. It was about participation and particularly post-Covid, post-lockdown, the role that football can play in encouraging exercise and healthy living, as well as all the mental health benefits that come from participation. I wanted to press you particularly on the role of football with girls, and to follow up a little on what Alex and others have been asking about. I was looking at the figures for the United States. These days, as you know, soccer still has a lower participation rate than basketball, but it is comparable to other sports among children of what we call secondary school age.

The striking statistic is that participation among girls of high school age is at 86%, the level of boys. A lot of the constraining factors you mentioned, like distances, urban living and high rates of people from ethnic minority communities, are no different in America. Is it just a matter of money, or is there something else they are doing that we are not doing that has encouraged more girls to play the game?

Greg Clarke: Undoubtedly. The US, in terms of women's soccer, are who most people will look to as role models. For example, there is a lot more participation across all age groups, all ethnicities, all demographics. A good route into a good education in the USA is to win a sports scholarship. There are lots of football scholarships to be had for girls. They do not have to choose whether to be a professional sportsman or have an education; they can have both. You can go to many universities and say, "Yes, I have a sports scholarship for football" and come out with a good degree and play top level in top facilities. There is a lot about the nuances—

- Q133 Damian Hinds:** Sorry, forgive me for interrupting, only in the interests of time. I am not trying to be rude. That is true for kids at the top of the game in that age group, but there is also mass participation, not in the elite sector. What is it that has been done over the years—I grant you that this has not just suddenly appeared—in the United States that has not happened here? Is it just that you do not have enough money for Wildcats centres, or is there something else that we have not done?

Greg Clarke: There is lots we have not done. We started the journey effectively in 2016, when we said, "We are going to double the number of female participants between 2016 and 2020," and we succeeded. We appointed Baroness Sue Campbell to lead the charge. She has provided excellent leadership. She started up the Wildcats programme; she has driven the women's national teams hard; she has looked at participation. We have looked at pitches. We have invested millions and millions and millions across the game, but we were probably 10 to 15 years later than the USA in making it a priority. We are now on the same road, and we will get to the same place.

- Q134 Damian Hinds:** Specifically talking about secondary school age girls, we know there is a particular issue with large numbers of kids, particularly



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girls, dropping out of active sporting participation in secondary school. What level of participation and what proportion of girls in secondary school would you like to see playing weekly football?

Greg Clarke: This is not specifically a football issue, it is a sport issue. When you talk to the leaders of the women's football game, you have to sit down and understand how the women's game is different. I am not asserting that this is true, but I talked to a female coach. I said, "What is the issue with goalkeepers in the women's game?" and she said, "Young girls, when they take up the game at six, seven, eight, just don't like having the ball kicked at them hard." They prefer to kick it than have it kicked at them. We have to understand that we have to look at different ways of bringing women into the goalkeeper's position.

When you look at the issues about growing the game, women these days are equal partners in society and they have jobs, they work weekends. That means they cannot play every Saturday, because it is their turn and their partner looks after the child the other weekend, so they cannot play every week. That is as true for men.

There is an issue in sport at around 13 or 14, where there is a big dropout of females. I talked to one black female ex-footballer, and she said, "I carried on playing when I was 14 and the other girls called me 'geezer girl'. They were implying it was male to carry on playing football, and I got lots of peer group abuse for not giving up sport and becoming a 'proper girl' in their eyes."

There is peer group pressure, there is societal pressure, there is underinvestment, there are differences between the men's and women's game, but now we have the women's game run by women, we are starting to understand what is in the best interests of women, rather than men trying to figure out the answer to the question.

Chair: That brings our session to an end. Thank you very much, Mr Clarke, for appearing before us today.