



24 November 2020

Julian Knight MP
Chair, DCMS Committee
Digital, Culture, Media and Sport Committee
House of Commons
SW1A 0AA

Dear Chairman,

We refer to your letter of 19 November requesting an update on the progress of our discussions to resolve the issue of a Premier League-funded rescue package for the EFL Clubs as they deal with the inevitable financial difficulties caused by Covid-19.

Following the recent Select Committee hearing (10 November), the EFL held three separate divisional meetings (12 November) with representatives from its 72 Clubs in virtual attendance. Following the meetings, the EFL confirmed that 'in principle' agreement had been reached *"to move forward and finalise the negotiations"*. The support of Clubs for this position was predicated on reaching a satisfactory position in terms of the structure of the proposed package.

We can confirm that in the last two weeks the Premier League has reiterated its commitment to ensure that no EFL Club need go into administration this season because of the financial impact of Covid-19 and on that basis, positive discussions have taken place, with more planned for the near future. These discussions have involved the Chairmen, Chief Executives and Finance Directors of both organisations.

Further to these discussions, there have been the following meetings and communications that we wish to bring to your attention:

- The EFL wrote to the Sports Minister (10 November) to ask whether there could be a special dispensation from the normal requirements of the Coronavirus Job Retention Scheme that would enable Clubs to furlough players while keeping them in full-time training. The rationale for this being that Clubs have effectively been closed for business as a direct result of not being able to permit fans to attend matches, while at the same time needing to play matches in order to preserve their financial model.
- We represented our respective organisations at the virtual football roundtable chaired by the Secretary of State on 17 November, where the impact of Covid-19 was part of the discussions.
- The EFL's Head of Policy and Finance Director met with HMRC to discuss the current situation at EFL clubs, PAYE and furloughing.
- As has been the case throughout the pandemic, there have been daily calls and correspondence between members of the Premier League and EFL Policy teams and the DCMS Sport team about a wide range of challenging issues.

We will of course continue to keep you informed of the outcome of our discussions.

Yours faithfully,

A black ink signature of Richard Masters, consisting of a large, stylized 'R' followed by a horizontal line.

RICHARD MASTERS
Chief Executive
Premier League

A blue ink signature of Rick Parry, consisting of a stylized 'R' followed by a horizontal line.

RICK PARRY
Chair
EFL