

Written evidence submitted by The FA

The FA: Sport in our Communities Inquiry

December 2020

About The FA

1. The Football Association (FA) is the not-for-profit national governing body of football in England, which in recent years has put more than £180m back into the game annually. It grows participation, promotes diversity and regulates the sport for everyone to enjoy.
2. Twelve million players of all ages, approximately 400,000 volunteers, over 200,000 coaches all qualified within the last decade, and over 27,000 qualified referees help The FA keep the grassroots game going.
3. The FA runs 28 England teams across men's, women's, youth and disability football, utilising the world-class facilities of Wembley Stadium and St. George's Park. It has oversight of football at every level and works to ensure that the 11.8 million people who play football in England have a positive and safe experience of doing so.

Question 1

Are current sports governance models fit for purpose? At what level of sport should the government consider spending public money?

4. The FA is the national governing body of football in England. We have direct responsibility for England teams, the National League System (NLS), the Women's Super League (WSL) and the grassroots game.
5. The FA is a not-for-profit organisation that reinvests all its surplus funds back into the game, and generated over £180m to return to English football before the Covid-19 pandemic took hold. No other organisation in the world directs such a level of annual investment back into one single national sport.
6. Whilst the FA is the lead regulatory authority for English football, there is delegated authority for competition rules and regulations, including the application of club financial and ownership rules to the professional leagues.
7. The FA sanctions the Leagues' rules every year as a check and balance, and has the authority not to sanction them. However, in reality, The FA, Premier League (PL) and English Football League (EFL) work closely on all issues in the game - supporting each other and sharing information.
8. This delegated responsibility exists as the Leagues are in the best position to regulate their competitions, and over recent years have made significant progress to improve the sustainability and security of clubs.
9. New league rules have been brought in over the Summer, including financial controls in the EFL. The PL, EFL and The FA will further review the Football Supporters' Association's (FSA)

governance recommendations with the latter in December 2020 - and the football authorities will continue to evolve rules and regulations to support the game.

10. Further discussions on the future of the game are welcome, including the Premier League's structural review which was agreed in October 2020. This agreement followed 'Big Picture' discussions, which the former FA Chairman participated in. These conversations looked at football stakeholders' underlying concerns about the game. Big Picture didn't reach conclusions The FA could support, but it highlights the need for detailed discussions between stakeholders.
11. One of these concerns is the distribution of income in the game. The professional game sustains itself through matchday revenue, broadcasting rights and utilising other intellectual property rights. The game has long since had redistribution mechanisms throughout the professional game.
12. Further down the pyramid, in the amateur game, community football can be considered a public good which provides a focal point for communities and extensive opportunities for physical activity. For example, Steps 1 to 6 of the football pyramid may cover around 880 clubs, but they in turn enable over 10,000 teams within those clubs to play community football.
13. At this level, the Government has an important role to play in supporting clubs.
14. There are incredible community benefits from successful local sport infrastructure, with the economic return from grassroots football totalling over £10bn per year. Grassroots football also provides over 1.8bn hours of social interaction, meaning around 150m hours of interaction was lost during the second national lockdown in England. The financial, as well as physical and mental health, impacts on England are clear.
15. Within the NLS pyramid, the Leagues followed Government classification guidelines for elite and non-elite sport during lockdown - with Steps 1 and 2 considered elite because participants are deriving a living from the game, and Steps 3-6 considered non-elite.
16. Non-elite football was permitted to have reduced, socially distanced crowds of up to 600 people before the second lockdown, while elite football was being played behind closed doors as required by the Government's Return to Play protocol.
17. Clubs in Steps 1 and 2 had prepared their grounds for a limited and socially distanced return of fans at the start of October 2020, in line with the Government's plans (roughly 25-30%, following Sports Ground Safety Authority guidance). When this return was postponed, Steps 1 and 2 were unfortunately left commercially unviable, with little to no broadcasting revenue compared to the professional game.
18. We were therefore delighted when the Government brokered a £10m support package for the NLS through Camelot so that they could start their League in October -with the funds replacing income from the loss of crowds.
19. Non-elite football was paused during the second national lockdown in England in November 2020. When the restrictions were lifted on 2 December, Steps 3-6 were allowed to resume play – and the Government permitted a limited number of fans to attend matches in Tier 1 and 2 areas. However, given the financial challenges of playing with limited crowds and with limited opportunity to derive further income from sales, Tiers 3-4 elected not to restart. Here, players are often paid as they play – which means that stopping play is financially the best option.

20. We welcomed the Government's announcement on 19 November 2020 that they will be making a £300m cash injection to protect the immediate future of major spectator sports in England that have been impacted by the Covid-19 restrictions. This 'Sport Winter Survival Package' will include £14m for NLS Steps 3-6 and £3m for the Women's Super League and FA Women's Championship. We are currently in discussions with the Government and Sport England on the funding process, and have conveyed clubs' concerns that they will be unable to pay loans back, however favourable the terms, as not-for-profit community entities.
21. Here the Government must decide what its policy objective is. If it is to ensure that clubs survive, then it may be possible to mothball the clubs. However, this would present a significant risk to the football pyramid - with some clubs stopping and some continuing. This will leave some leagues unfinished and, given the tiering systems, the likelihood of a far more detrimental effect in the North than the South.
22. If the Government's desire is to keep community hubs available to the public, and for clubs to provide opportunities for local communities to safely engage and keep active over the Winter, then grants may be the only option. The FA has concerns about the long-term viability of grassroots clubs if participants drop out now and do not retain their sporting habit after extended mothballing.
23. Likewise, Steps 1 and 2 may well opt not to continue in January if the Sport Winter Survival Package only provides loans, and fans are still not allowed to return in sufficient numbers to make playing viable. Upon receiving the Camelot funding, the Leagues were only able to restart due to the Government promise that grant funding might be available in January if needed.
24. Through its welcome support of Steps 1-6, the Government itself has answered the Committee's first question regarding what level it is appropriate to support the game - and we agree that the Government should be supporting football below the professional game.
25. As mentioned previously, the FA invests a substantial amount of money into grassroots football. However, with the quality of local football facilities being the most common concern for grassroots football and more than 150,000 matches having been called off last season due to poor pitch quality, additional funding is critical.
26. In truth, it is highly probable that more matches will be lost to poor facilities than the Covid-19 pandemic this season, and additional Government support is therefore needed to ensure the sustainability of grassroots facilities for communities across the country.
27. This is why we are working with the Government on a 10-year plan to transform grassroots football facilities across the country, with the Government pledging to invest an additional £550m in grassroots football facilities during the 2019 General Election campaign, as part of a £2bn nationwide project. This would be a ready-made legacy ahead of the UK and Ireland potentially hosting the World Cup in 2030.
28. Crucially, this funding will bring jobs and local investment, as well as outstanding physical activity opportunities and health and wellbeing benefits. This would be a powerful tool in the Government's battle against Covid-19, and would help to unite and level up the country.
29. We welcome the Government's commitment to this important Manifesto pledge, and are working closely with them on next steps.

Question 2

What are the biggest risks to the long-term viability of grassroots sport? What key measures could the Government introduce to increase the resilience of sports clubs and venues?

30. The biggest and most pressing risk to the viability of grassroots football is the ongoing Covid-19 crisis.
31. Football across England stopped at all levels of the game in March 2020. Thousands of clubs were unable to complete their league season, and millions of recreational footballers across the country were unable to play.
32. Almost all income came to a halt, as smaller clubs depend heavily on paying spectator ticket sales, catering, bar facilities, merchandise - as well as player subscriptions, pitch hire, non-event income, etc.
33. For the start of the 2020/21 season, clubs in Tiers 3-7 had seen a return of limited, socially distanced spectators under strict Covid-19 protocols.
34. Non-elite football was paused again during the second national lockdown in England in November 2020, but we very much welcomed the Government's commitment to ensuring that grassroots sport was first out the blocks when the restrictions were lifted on 2 December 2020. The FA worked very closely with Government officials again to update the post-lockdown guidance on grassroots sport.
35. We have put strong protocols in place to ensure that the environment in which games are played is as safe as possible, and there has been no evidence of Covid-19 transmission in grassroots football. On the pitch itself, data analysed from GPS positioning in 240 Premier League games showed that in every match the average time a player spends within 2m of another player is only 90 seconds; therefore, if off-field protocols are maintained, football should be considered a safe environment.
36. While we are delighted that outdoor grassroots football has been able to resume, we remain concerned about the impact that the restrictions on travelling in and out of Tier 3 areas will have on competition and leagues; and the financial impact of reduced spectators and clubs' ability to generate revenue from sales on matchday.
37. Meanwhile, as the largest investor in grassroots sport, The FA's current financial position presents a risk to the future of grassroots football. Whilst some of The FA's main revenue streams - such as the FA Cup competitions - have been able to resume, the impact from the first and second lockdowns continues to have significant financial ramifications on The FA.
38. The initial cancellation of England internationals, the remaining Women's Super League matches, Emirates FA Cup matches and Wembley events had a significant impact on the business. In addition, The FA will no longer benefit from Wembley's concert programme over Summer 2021 as the Euros have been delayed by one year.
39. The FA has already lost £180m and this is expected to rise to £300m if fans do not return this season. The FA Board has approved an annual budget cut of £75m for the next four years to offset potential losses of up to £300m, and has put loans in place to cover the shortfall.

40. The FA also utilised the employee furlough scheme. This was deployed prudently, largely affecting individuals such as events staff and football coaches, who were unable to carry out even a modified version of their responsibilities during lockdown. Senior staff also received a pay cut.
41. Whilst none of these decisions have been taken lightly and we are acutely aware of how they will affect different levels of the game, we have welcomed the various support packages from the Government that grassroots football has benefited from.

Question 3: To what extent should elite professional sports support the lower leagues and grassroots? How should the Government make this happen?

42. The most important prerequisite to football's survival was that the elite game could resume play and retain enough broadcasting revenue to allow solidarity flows to continue, even if at reduced levels.
43. The Government's efforts in supporting elite sport to restart - thereby allowing broadcasting contracts to be completed – has provided football with the opportunity to support itself. The Culture Secretary made it clear that a condition of the resumption of play was that the funding "benefits the entire football family".
44. We are very pleased that the PL and EFL recently agreed a rescue package.
45. It is also important to note that the Government has strong mechanisms in place for supporting the grassroots game. The FA, alongside the elite professional side of the game represented by the PL, and the Government, fund the Football Foundation. The largest sports charity in the UK, the Foundation provides funds to communities to improve their local football facilities through football grants.
46. The Foundation has sought to address the challenges presented to local facilities and clubs as a result of the Covid-19 crisis, and in May 2020 launched the Pitch Preparation Fund to provide clubs with grant funding to prepare their pitches for the return of football. The £7million scheme has provided funding for 2,902 clubs and organisations which will allow 9,588 football pitches to be made match-fit, benefiting 33,153 football teams in the grassroots, non-League and women's game, as well as Welsh Cymru Premier League.
47. In order to further support clubs affected by the pandemic and provide them with financial aid towards the costs of re-opening their stadiums, preparing for fixtures, and welcoming back supporters throughout the 2020/21 season, the Football Foundation launched a new £6.25m Matchday Support Fund. This made grants available for teams who play in the NLS, the WFP and the Welsh Premier League of between £2,000 and £20,000 depending on clubs' level and size.
48. More recently, the Foundation has provided a £2.19m Club Preparation Fund for clubs needing to modify their facilities due to new Covid-19 protocols. Funds are available for modernisation such as signage and floor marking, building repairs and modifications, safety repairs and installing safety screening and contactless payment systems.