

£915m football 'New Deal' faces delay amid fears over regulator

Premier League clubs are expected to further delay signing off a £915m "New Deal" to finance their lower league counterparts amid renewed anxiety about the scope of a new independent football regulator.

Sky News can reveal for the first time the details of the latest proposal for a redistribution of funds from English football's top flight throughout the rest of the professional football pyramid.

Under a blueprint outlined to Premier League clubs on Thursday, the New Deal would run for six years, commencing immediately with an £88m handout to the English Football League (EFL) in the first year, rising to £190m in the 2028-29 season, the final 12 months of the period, .

The seasons in between would see payments of £101m, £174m, £178m and £184m, according to forecasts shared with clubs including Burnley, Chelsea, Liverpool, Manchester United, Newcastle United and Tottenham Hotspur.

Insiders said there was, however, growing unrest among some clubs about agreeing to such a significant wealth transfer to the EFL without assurances about the future regulation of the sport.

Ministers have pledged to establish an independent watchdog which would issue licences to every club operating in the top five tiers of English football.

Legislation paving the way for the regulator is expected to be included in the forthcoming King's Speech.

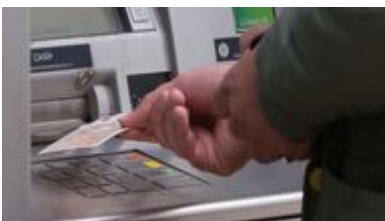
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However, the proposal for a bespoke licensing regime floated by the government has created distinct unease among a number of Premier League clubs, some of which believe that the New Deal should remain unsigned until there is greater clarity about how the regulator will operate.

EFL clubs – the likes of which include Leicester City, Fleetwood Town and Sunderland – are also said to have been alarmed by some of the regulatory proposals.

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Thursday's meeting follows talks held earlier this week between club representatives from the Premier League and the EFL, as well as executives from the two competition organisers themselves.

Discussions have been taking place since last year, but an agreement has proved elusive owing to a range of sticking points such as the parachute payments made to Premier League clubs which are relegated to the Championship.

The funding for EFL clubs would be in addition to existing annual solidarity payments of £110m and further funds earmarked for youth development.

There also remains uncertainty – and potential conflict – within the Premier League about how the New Deal money would be allocated between the 20 clubs.

One executive at a club outside the so-called 'big six' said that remained another major obstacle to broader approval of an agreement.

The New Deal was not put to a vote at Thursday's shareholder meeting, and the anxiety about the powers of a football regulator mean a ballot could still be some way off.

Last month, Richard Masters, the Premier League's chief executive, told the 20 clubs that he was "hopeful that a resolution can be reached quickly".

In June, MPs on the culture, media and sport select committee said the Premier League and EFL should urgently reach agreement on the provision of funding throughout the English football pyramid, or have a settlement imposed on them by the

new regulator.

“Unless the football authorities get their act together soon on agreeing a fairer share of revenue, we risk more clubs collapsing, with the devastating impact that can have on local communities,” Dame Caroline Dinenage, the committee chair, said.

In a white paper published earlier this year, the government said: “The current distribution of revenue is not sufficient, contributing to problems of financial unsustainability and having a destabilising effect on the football pyramid.

“Therefore, there remains a clear need to reform financial distributions in English football.”

The white paper highlighted a £4bn chasm between the combined revenues of Premier League clubs and those of Championship clubs in the 2020-21 season.

The impetus for a new regulator came after the collapse of the European Super League project in 2021, with public and political outrage over the participation of Arsenal, Chelsea, Liverpool, Manchester City, Manchester United and Spurs.

The Premier League declined to comment.