

Premier League sets goal of swift funding 'New Deal' with EFL

The Premier League is targeting a financial agreement with its lower league counterparts within weeks as English football seeks to head off political criticism over the distribution of money through the sport.

Sky News has learnt that the Premier League told its 20 'shareholders' on Thursday that it now hoped to reach a swift conclusion to the long-running talks, with top flight clubs preparing to fork out well over £100m in additional funding every year to the English Football League (EFL).

Further details of the so-called 'New Deal' for football were unclear on Friday, but the communication to clubs including Arsenal, Manchester City and newcomers Luton Town suggests that an end to negotiations may finally be in sight.

However, an imminent agreement may yet prove elusive, according to one executive involved in the discussions, reflecting the complexity and significance of a deal.

The talks have focused in part on the proportion of 'net media revenues' – or combined broadcast income – across the two organisations that the Premier League would agree to see redistributed to the 72 EFL clubs.

In March, Sky News revealed that the top flight had offered a £30m annual cash sweetener in an attempt to secure a deal, but talks since then have made only painstaking progress.

One club executive said on Friday that they had been told that Richard Masters, the Premier League's chief executive, was "hopeful that a resolution can be reached quickly".

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A further update is expected this month, they added.

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Sources on both sides of the table said that a switch in the EFL's desired formula for calculating the sums that it would

receive had taken place during the process.

The communication came on the eve of the new Premier League seasons and at a time of intense scrutiny on the potential impact of the huge sums being splurged by the Saudi Pro League on signing players from around the world.

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 a new regulator that ministers have pledged to establish.

“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 £125m-a-year proposed by the top flight in March would be in addition to the current system of ‘solidarity payments’ it makes to Championship and other EFL clubs – currently totalling £110m-a-year.

Excluding teams which are in receipt of parachute payments, each Championship club received £4.8m last season, while those in League One and League Two got £720,000 and £480,000

respectively.

Meanwhile, clubs which relegated from the Premier League received £44m in their first season in the Championship in 2022-23, £36m in year two and £16m the season after.

The Premier League declined to comment, while an EFL spokesperson said discussions were ongoing.