

Football Governance (No. 2) Bill

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TO

Require professional and semi-professional football clubs in England to disclose the identity of their owners; to give the Football Association powers to block the ownership of a club by anyone whom they consider is not a fit and proper person; to require all creditors of a football club to be compensated equally should the club go into administration; to facilitate the raising by supporters' organisations of the finance required to acquire a controlling stake in a football club; and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Public declaration of the ownership of football clubs

A football club shall only be entitled to play in the top eight levels of English professional and semi-professional football if it declares to the Football Association and to its League, and publishes, the following information—

- (a) the identity of the ultimate beneficial owner of the club; 5
- (b) where the ultimate beneficial owner of the club is a trust, the ascertainable beneficiaries of the trust;
- (c) where the ultimate beneficial owner of the club is a discretionary trust, the beneficiaries of the trust as and when any payment is made by the trust; 10
- (d) where the ultimate beneficial owner of the club is a trust, the names of the trustees; and
- (e) where the football club is owned by a community benefit society as defined by the Co-operative and Community Benefit Societies Act 2014, the identity of any shareholders in the club. 15

2 Club ownership and the “fit and proper” person test

- (1) The Football Association shall not grant full or associate membership to any clubs whose owners it does not consider to be fit and proper persons.

- (2) In reaching any decision under subsection (1), the Football Association shall consider whether the owners of a club are able to comply, or are likely to be able to comply within a reasonable period of time, with the rules and with the Memorandum and Articles of Association of the Football Association.
- (3) The Football Association shall have absolute discretion in reaching any decision under subsection (1). 5

3 Treatment of football club creditors

- (1) The football first creditors rule as applied in England is abolished so that there shall be no preference amongst creditors except as set out in statute.
- (2) In Schedule B1 of the Insolvency Act 1986, after paragraph 43(6A) insert – 10
- “(6B) Where the company owns a share in the Football Association Premier League Ltd or the Football League Ltd –
- (a) no step or action may be taken by any person to withdraw or suspend such share,
- (b) any contractual provision under which such share or any rights exercisable in respect of such share is or may be withdrawn or suspended or no longer exercisable shall be void and of no effect, 15
- (c) any contractual provision under which any sum either –
- (i) is no longer due or payable by the Football Association Premier League or the Football League to the company which but for insolvency would otherwise have been payable to the company, or 20
- (ii) may be paid direct to a particular class of creditors instead of to the company, 25
- shall be void and of no effect.”

4 Supporters’ ownership of football clubs

The organisers of competitions in the top eight levels of English professional and semi-professional football may not make any rule against community benefit societies and member owned and controlled community interest companies operating a football club. 30

5 Short title, commencement and extent

- (1) This Act may be cited as the Football Governance Act 2014.
- (2) This Act comes into force six months after Royal Assent.
- (3) This Act extends to England and Wales, and Scotland. 35

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*Presented by Damian Collins,
supported by
Mr Clive Betts, Tracey Crouch,
Mr Jim Cunningham, Philip Davies,
Paul Farrelly, Penny Mordaunt,
Steve Rotheram, Mr Adrian Sanders,
Mr Gerry Sutcliffe, Justin Tomlinson
and Mr John Whittingdale.*

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