

# The Football Club Corporate Governance Code

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## Introduction

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### Context

The Football Governance Act 2025 (the Act) requires the Independent Football Regulator (IFR) to publish this Football Club Corporate Governance Code (the Club Code or Code) setting out expectations for the corporate governance of regulated clubs.

The Club Code's principles articulate the key objectives of sound corporate governance.

Each of the principles in the Club Code is supported by recommended practices to assist clubs in their corporate governance.

Clubs should apply these principles in a way that is proportionate and appropriate to their own circumstances. While the principles apply to every club, it is recognised that some of the Code's recommended practices may not be practical for every club.

If clubs are uncertain on how to apply any elements of the Code, they should contact their designated supervisor.

### The 'apply and explain' approach

The Club Code operates on an 'apply and explain' basis. Every two years, clubs must use their corporate governance statement to report on their progress. The Corporate Governance Statement reporting guidelines found in Annex B of the [Licensing Guidance](#) will help clubs clearly explain how their governance practices, policies and procedures are achieving the goals of each principle.

Clubs may also adopt corporate governance practices that are not recommended in this Code however, they should explain in their statements how those practices apply the principles of the Code.

Clubs should also refer to the IFR Rules and Guidance on Licensing for more details on applying the Code.

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## Principle 1: The board, purpose and strategy

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- a. Every club should have an effective board that takes collective responsibility for the sustainable success of the club. The board's role is to provide leadership of the club
- b. The board should define the club's purpose, strategy and values. It should make sure these, together with the club's culture, promote the club's financial soundness and take into account the views of fans, stakeholders and the local community

### Context

- 1.1 The intention of this principle is that a club's board:
  - a. acts as the club's ultimate decision-making body
  - b. holds the executive management to account for financial and non-financial performance and delivery
  - c. establishes and oversees a clear purpose, strategy and set of values that ensure the club's long-term success
- 1.2 A key role of a club's board is to ensure decisions are made in the best interests of the club.

### Recommended practices

#### The board

- 1.3 The board should be the ultimate decision-making body of the club and should exercise all necessary powers to lead and oversee the club effectively.
- 1.4 There should be a clear distinction between the board's strategic oversight function and the executive's day-to-day management. Clubs should consider the value of separating the roles of chair of the board and chief executive to ensure effective organisational checks and balances.
- 1.5 In clubs where the distinction between board, management and shareholder are less clearly defined, it may be necessary for owners or managers to fulfil more than one role. However, board meetings should still be conducted separately and distinctly from management meetings.
- 1.6 All directors are responsible for adhering to their statutory obligations under UK company law, including the duty to promote the success of the club. Directors must be able to demonstrate independence of judgement and objectivity, particularly where there is a dominant or influential shareholder-director.

#### Purpose and strategy

- 1.7 In consultation with stakeholders, including fans, the board should clearly define the club's purpose, i.e. why the club exists and what its priorities and objectives are. This purpose
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should guide the club and those involved in it, including employees and volunteers. It should inform how the club develops and implements the club's strategy and determines its appetite for risk.

- 1.8 The board should establish and oversee a strategy for the club that sets out how the club will direct its activities and resources to ensure that it can achieve its purpose in the medium to long term. When developing this strategy, directors should take into account the views and interests of all stakeholders, including fans.
- 1.9 The club's purpose and strategy should be supported by a board-approved business plan. The plan should be developed in collaboration with the club's executive management and backed by the necessary financial and non-financial resources to achieve the club's strategic objectives.
- 1.10 The board should oversee executive management, ensuring they are held accountable for the implementation of the club's approved business plan.
- 1.11 The board should ensure that the club's purpose and strategy are clearly articulated, communicated and implemented throughout the club.
- 1.12 The board should promote high standards of professional and ethical conduct across the club. This includes workplace conduct such as conflicts of interest, anti-discrimination and anti-harassment. These standards should be set out in a code of conduct applicable to the board, employees and volunteers, communicated through induction and training, and used as a benchmark for performance management and disciplinary processes. Clubs may also consider initiating confidential whistleblowing mechanisms to enable stakeholders, including employees, to report misconduct without fear of retaliation.

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## Principle 2: Risk oversight and controls

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- a. The board is responsible for overseeing risk. It should maintain effective systems and controls to identify, manage, monitor and report risks, so the club and its assets are protected. The board should satisfy itself that all material risks are identified and managed.

### Context

- 2.1 The intention of this principle is to ensure that the board:
- a. has effective oversight of the risks facing the club
  - b. ensures those risks are identified, managed, monitored and reported in a timely and effectively manner
- 2.2 A club's board is collectively responsible for the club's approach to risk management, even where responsibilities are delegated, for example to committees or group companies. The board should maintain appropriate systems of internal control and ensure clear accountability for risk management.
- 2.3 Risk is an inherent part of both business and sport, and this principle does not seek to eliminate risk altogether. Instead, it will help boards identify and manage significant risks effectively. This reduces the chance that unmanaged risks threaten a club's financial stability, operational resilience or long-term sustainability.

### Recommended practices

#### Risk management framework

- 2.4 The board should establish and maintain a risk management framework to enable management to take informed and timely decisions and ensure that both established and emerging risks are escalated to the board promptly when appropriate.
- 2.5 The risk management framework should be proportionate to the club's size, complexity and activities. It should include clearly defined roles and responsibilities for identifying, assessing, managing, monitoring, and reporting risks.
- 2.6 All club directors should satisfy themselves as to the integrity of the club's financial information and make sure that the club's financial controls and wider risk management framework are effective and able to withstand scrutiny.
- 2.7 The board should establish and approve the club's risk appetite, outlining the nature and extent of risk the club is willing accept in pursuit of its strategic objectives.
- 2.8 Board meetings should include standing agenda items to discuss and assess material risks. These may include: safeguarding, ground safety and security, cyber and information security and key financial risks such as liquidity and debt exposure.

## Risk register

- 2.9 The club should maintain a risk register which is regularly reviewed by the board. The register documents the main risks faced by the club and should, at a minimum, include:
- a. a description of each significant risk
  - b. an assessment of the potential impact of that risk
  - c. an assessment of the likelihood of the risk occurring
  - d. the key controls and mitigation measures in place
  - e. planned actions the club could take to manage or reduce the impact of the risk

## Policies and procedures

- 2.10 Clubs should maintain documented policies and procedures regarding all material risks that foster an effective internal control environment. These policies and procedures should be easily accessible to all directors, senior managers, employees or relevant volunteers.

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## Principle 3: Board composition and accountability

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- a. The size and composition of the board should reflect the scale and complexity of the club's activities.
- b. Boards need a capable chair with the skills, experience and knowledge to understand the club's activities and main risks. Individual directors should bring a suitable mix of skills, experience, and knowledge. They should also receive sufficient information in good time, to enable them to make a valuable contribution.
- c. The board and individual directors should have a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision-making and independent challenge.
- d. The board and its committees should be competent, well run and have an appropriate degree of independent membership. This ensures they can make high quality decisions that ensure the soundness and sustainability of the club.

### Context

3.1 The intention of this principle is that:

- a. the size of the board is proportionate to the size and complexity of the club and its activities
- b. the chair and directors collectively have the rights skills, experience and knowledge to provide effective leadership and oversight of the club
- c. individual roles and responsibilities are clearly defined to support effective decision-making, accountability and strategic focus
- d. directors receive timely, accurate and sufficient information to contribute effectively to board meetings
- e. independent thinking and constructive challenge are embedded in board and committee discussions to support different perspectives to decisions, reduce bias and protect stakeholder interests
- f. the risks associated with a concentration of decision-making power in any one individual are appropriately mitigated

- 3.2 A board composed of individuals with a broad and complementary mix of skills, experience and knowledge is better equipped to understand the club's activities, risks and opportunities. This diversity strengthens challenge, improves the quality of decisions and supports prudent and sustainable management of the club.
- 3.3 A clear delineation of roles, especially between the chair, the chief executive, and other directors improves efficiency, accountability and strategic focus.
- 3.4 Independent membership on the board and its committees, including independent non-executive directors, further strengthens governance by providing objective perspectives, scrutinising decisions and reducing the risk of undue influence.

## Recommended practices

### Board size

- 3.5 The board should carefully consider its size and structure to ensure it can address the strategic needs and challenges of the club as well as enable effective decision-making:
- the board should have enough directors to ensure an appropriate balance of skills, experience, diversity, independence and knowledge
  - the board should not be so small that decision-making is dominated by a single person, or small group nor should any one director have the unconstrained authority to take decisions
  - the board should not be so large that it inhibits open discussions, effective challenge or meaningful contributions by individual directors
  - the board should establish formal quorum requirements to ensure effective decision-making with sufficient representation and collective accountability

### Skills, experience and knowledge

- 3.6 Individual directors should collectively bring an appropriate mix of skills, experience and knowledge, having regard to the club's needs (see also Principle 4: Equality, diversity & inclusion). To support this, clubs should maintain a record of the skills, experience, diversity and independence of board members.
- 3.7 Executive management should provide directors with timely, relevant and high-quality information to enable them to contribute effectively to board discussions and fulfil their statutory and governance responsibilities. The focus should be on the quality and clarity of information rather than its volume.
- 3.8 Board papers should be presented in a clear, concise and accessible format to aid understanding and informed decision-making.
- 3.9 Requests from directors for additional information in advance of board meetings should be supported, with the chair and/or executive management facilitating access as appropriate. Boards may wish to establish formal procedures for handling such requests.
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- 3.10 All directors should receive tailored induction training when they join the board, with the content and level of detail reflecting the club's size and complexity. They should also undertake regular refresher training to maintain effectiveness.
- 3.11 Clubs should encourage ongoing professional development for directors, including training focused on governance, leadership and their responsibilities as board members.

### **Board policies and procedures**

- 3.12 The board should maintain clear corporate governance policies and procedures that define decision-making authority, establish lines of accountability and support effective oversight.
- 3.13 Board culture and procedures should actively promote independent challenge, including within committees, to mitigate the risk of undue influence.
- 3.14 Directors should have access to independent professional advice at the club's expense where they consider it necessary to discharge their duties.
- 3.15 The board may establish committees, for example, audit, risk or remuneration, to support its work. Each committee should have clear written terms of reference, while the board retains ultimate responsibility for decisions.

### **Well-run board meetings**

- 3.16 The chair should ensure board and committee meetings are conducted effectively, including by:
- a. preparing a clear agenda for each meeting
  - b. circulating agendas and papers in sufficient time for preparation
  - c. ensuring accurate minutes are taken, recording decisions, dissenting views, actions and timescales
  - d. monitoring progress against agreed plans, budgets and actions
- 3.17 The chair should facilitate meetings to encourage full participation and constructive challenge, especially from non-executive directors and independent non-executive directors.
- 3.18 The board should conduct a periodic evaluation of its overall performance and that of each director, including the chair. The frequency, level of detail and formality of this review should reflect the size and complexity of the club.
- 3.19 The chair should act on the outcomes of board evaluations, addressing identified weaknesses through training, changes in board composition or, where appropriate, seeking the resignation of directors.

### **Independent non-executive directors**

- 3.20 Clubs should consider appointing non-executive directors (NEDs), preferably independent non-executive directors (INEDs), through an open and publicly advertised recruitment process so that they represent a meaningful proportion of the board.
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- 3.21 To be considered independent, a director should not:
- a. have been an employee of the club or an affiliated entity within the past five years
  - b. have a material business relationship with the club or an affiliated entity
  - c. receive remuneration from the club or an affiliated entity other than directors' fees
  - d. have close family ties with owners, directors or senior executives
  - e. hold cross-directorships or significant links with other board members
  - f. represent a significant shareholder
  - g. have served on the board (or an affiliate board) for more than nine years
- 3.22 A fan of the club may still be regarded as independent notwithstanding the factors listed above.
- 3.23 Care should be taken to ensure that NEDs and INEDs have sufficient time to dedicate to their new roles. Letters of appointment should clearly specify the expected time commitments, and appointees should disclose other significant commitments before accepting the appointment.
- 3.24 INEDs should be appointed for fixed terms, for example three years, while considering limits on total tenure to maintain their independence, for example three terms or nine years.
- 3.25 Where an NED or INED resigns due to concerns about the club's governance or management, the director should submit a written statement to the chair for circulation to the board.
- 3.26 As an interim step towards the appointment of INEDs to a club's board, smaller clubs may consider:
- a. appointing independent specialists to advise the board on matters such as risk or strategic decisions
  - b. appointing a non-voting advisory board or committee to advise and provide expertise without the regulatory obligations of full board membership
- 3.27 It is important to note that advisors or advisory boards do not dilute the decision-making powers of the board and, as such, do not mitigate the risk of an individual director, or group of directors, having unconstrained decision-making powers.

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## Principle 4: Equality, diversity and inclusion

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- a. The board should make sure that the club's equality, diversity and inclusion (EDI) strategy and initiatives are in line with the requirements and objectives set by relevant competition organisers, governing bodies and the law. The board should review and adapt its EDI approach regularly to ensure compliance with these requirements and evolving best practice.
- b. Appointments to the board and senior management should be made through processes that promote diversity, inclusion and equal opportunity. These processes should help ensure that the board and senior management team have the right balance of expertise, diversity and objectivity, and that it strives to reflect the club's community.

### Context

- 4.1 The intention of this principle is to ensure that boards demonstrate clear and visible leadership on EDI, setting a strong and consistent 'tone from the top' through the application of relevant EDI standards.
- 4.2 Boards and senior management teams should be diverse and well-balanced, bringing together individuals with a wide range of backgrounds, skills, and perspectives. Such diversity supports better-informed decision-making, reduces the risk of groupthink, enhances objectivity, and contributes to stronger, more sustainable long-term outcomes for clubs.
- 4.3 This principle also recognises the importance of boards and senior leadership reflecting the diversity of their fanbase and local community. Clubs are deeply rooted in their communities, and leadership that is representative of those communities is better placed to understand their needs, build trust, and ensure decisions are made in the interests of all stakeholders.
- 4.4 While the efforts of clubs and competition organisers to advance EDI are recognised, it is clear that more can and should be done. By applying this principle, boards and senior management are expected to demonstrate leadership in implementing and embedding competition organiser and governing body standards, while proactively adapting to evolving best practice. Collectively, this reinforces accountability, strengthens governance and establishes a credible, enduring commitment to EDI at the highest level of the club.

### Recommended practices

#### Ensuring compliance with EDI requirements

- 4.5 The board should assign clear responsibility for overseeing the club's EDI strategy and initiatives, either to a designated director or committee. This responsibility should include monitoring delivery, tracking progress against objectives, and ensuring compliance with relevant requirements. Regardless of any such appointment, all directors should be able to demonstrate a clear understanding of, and engagement with, the club's EDI strategy, objectives, and initiatives.

- 4.6 Club boards should include a standing agenda item to review the club's compliance with relevant competition organiser, governing body and legal EDI requirements. They should also monitor progress in improving the diversity and inclusiveness of the club's workforce and leadership.
- 4.7 Club boards should periodically review and where necessary, update the club's EDI strategy to ensure ongoing compliance with competition organiser and governing body requirements and alignment with evolving best practice.
- 4.8 Clubs are required to include within their corporate governance statement an explanation of the actions they are taking to improve EDI. This requirement applies regardless of whether the relevant competition organiser imposes EDI compliance obligations. Clubs competing in competitions without such requirements should still adopt and implement an EDI strategy appropriate to their circumstances.

### **Strategy, policy and public commitment**

- 4.9 Clubs should publicly commit to clear, measurable, and time-bound diversity goals for their board and senior leadership. These goals should promote greater representation across the protected characteristics outlined in the Equality Act 2010. They should also reflect diversity of skills, professional experience and perspectives, and should be appropriate to the club's size and complexity.
- 4.10 Clubs should adopt and uphold a board-approved equality, diversity, and inclusion policy that aligns with the club's overall strategy. This policy should support appointments to the board and senior leadership, as well as succession planning, and should consider relevant government and industry initiatives, targets, and independent reviews.
- 4.11 The board should establish its own diversity targets for both the board and senior leadership, in line with its published goals. Progress towards these targets should be tracked, reported to the board, and reviewed regularly.
- 4.12 The board should regularly review the composition of the board and senior leadership, including skills, experience, diversity, and independence, in relation to the current and future needs of the club. The results of this review should be used to identify and address gaps and to guide recruitment and succession planning.
- 4.13 The chair should assess whether the chair and/or board members would benefit from training to promote inclusive leadership, encourage open discussion, and effectively manage differing perspectives.

### **Recruitment and appointment processes**

- 4.14 Clubs should publicly advertise vacant board and senior executive positions. Where clubs face challenges in enhancing diversity at board or senior management levels, they should consider engaging transparently with external organisations and initiatives that offer guidance and support.

- 4.15 Clubs should ensure that the processes for candidate selection, shortlisting, interview and appointment are fair, transparent and designed to prevent disadvantaging candidates from diverse backgrounds.
- 4.16 Club boards should be able to demonstrate that appointments are based on a careful and structured assessment of the skills, experience, backgrounds and knowledge required by the club. This should encourage accountability, objective decision-making, and constructive challenge at board and senior leadership levels.
- 4.17 Clubs should commit to diverse candidate shortlists and where practicable diverse interview panels as part of an inclusive and objective appointments process.
- 4.18 Clubs may consider strengthening diversity within middle management to support inclusive talent pipelines and ensure that succession planning for senior roles draws from a broad and diverse range of candidates.

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## Principle 5: Stakeholder relationships and engagement

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- a. The board should build effective stakeholder relationships in line with the club's purpose. It is responsible for overseeing meaningful engagement with stakeholders, including fans, employees, and the local community, and for taking their views into account when making decisions.
- b. Boards should consider how the club contributes, and continues to contribute, to the economic and social well-being of its local community.

### Context

- 5.1 The aim of this principle is to ensure that boards proactively develop and sustain effective, transparent, and constructive relationships with the club's key stakeholders, including fans, employees (such as players), and the local community. This helps build trust, support informed decision-making and promote the long-term sustainability of the club.
- 5.2 Corporate governance, as defined by the Act, explicitly includes a club's contribution to the economic and social well-being of its local community.
- 5.3 For the purposes of this principle, a club's local community includes the individuals, businesses and organisations that live, work, or operate within the geographic area associated with the club and are affected by its presence and activities. This may include both fans and non-fans, local residents, businesses that benefit from the club's operations and local transport or emergency services that serve the club. While some stakeholders, such as sponsors or suppliers, may be geographically dispersed, the local community's relationship with the club is rooted in a shared location and the club's direct impact on local life.

### Recommended practices

#### Stakeholder engagement framework

- 5.4 The board should adopt a stakeholder engagement framework that aligns with the club's purpose and strategy, identifying key stakeholder groups such as: fans, employees, players and the local community. It should also outline engagement objectives and clarify how the club will have regard to stakeholder views in its decision-making.
- 5.5 The club's stakeholder engagement framework should enable stakeholder engagement to support risk identification and management, including identifying potential conflicts, reputational risks or community concerns at an early stage.
- 5.6 The board should assign clear responsibility for stakeholder engagement, either to a designated director, committee or senior executive, while retaining overall accountability at the board level.

## Board responsibility

- 5.7 Club boards should include a standing agenda item to review stakeholder engagement, enabling directors to consider stakeholder feedback, emerging issues and trends and any associated risks or opportunities.
- 5.8 The board should oversee the club's stakeholder engagement framework to ensure the club maintains regular, structured, proactive and meaningful engagement with groups such as:
- a. fans, including recognised supporter groups, to understand their priorities and concerns and to communicate significant decisions affecting the club
  - b. employees (including players) and volunteers, incorporating opportunities for engagement on matters that affect workplace culture, well-being and performance
  - c. local stakeholders, such as residents, businesses and public services, on issues where club activities may significantly impact the community (for example, matchday operations or major developments)
- 5.9 The board should ensure their stakeholder engagement involves underrepresented groups.
- 5.10 The board should periodically review the effectiveness of its stakeholder engagement framework, taking into account stakeholder feedback and evolving best practice.
- 5.11 Clubs should be transparent in their communications with stakeholders, providing clear, timely and accurate information on matters of significance.
- 5.12 Clubs should be able to demonstrate in their corporate governance statement how stakeholder engagement has influenced decisions, outcomes or mitigations where appropriate.
- 5.13 Clubs should be able to demonstrate in their corporate governance statement how the club has contributed to the economic and social well-being of the local community.