



REBUILDING SCOTTISH FOOTBALL

**A FAN LED REVIEW OF
THE GAME IN SCOTLAND**

JUNE 2023

**A PAPER BY THE SCOTTISH FOOTBALL ALLIANCE,
SPONSORED BY THE SCOTTISH FOOTBALL
SUPPORTERS ASSOCIATION**



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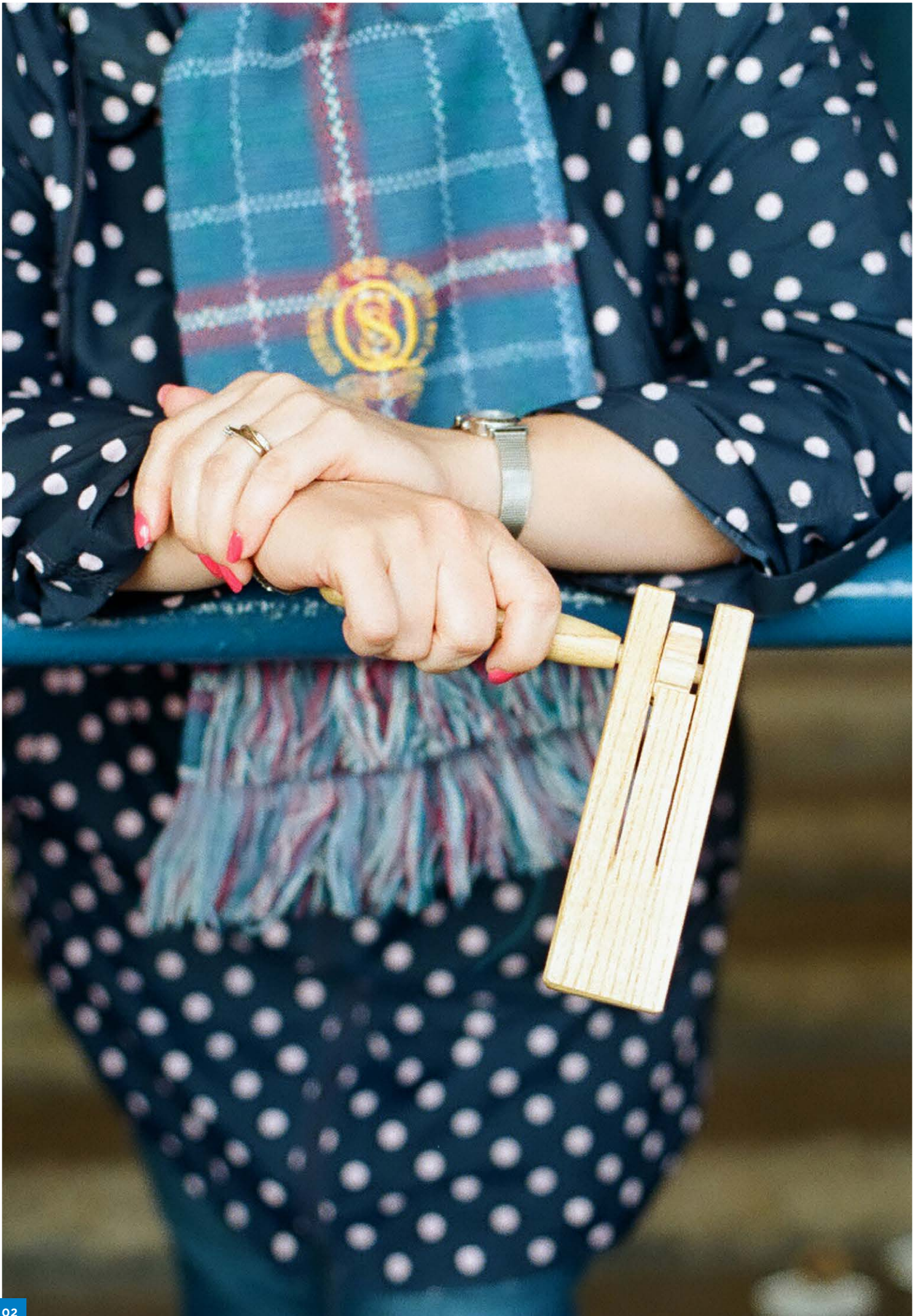
SCOTTISH FOOTBALL
Supporters Association

Details of the contributors to the review underlying this paper are contained in Appendix D. We wish to thank everyone for sharing their experience and expertise with us, and for giving their time so freely.

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HOMES
OF
FOOTBALL

A special thank you to photographer Stuart Roy Clarke of Homes of Football, who has generously supplied his fantastic images of Scottish football for use in this review.



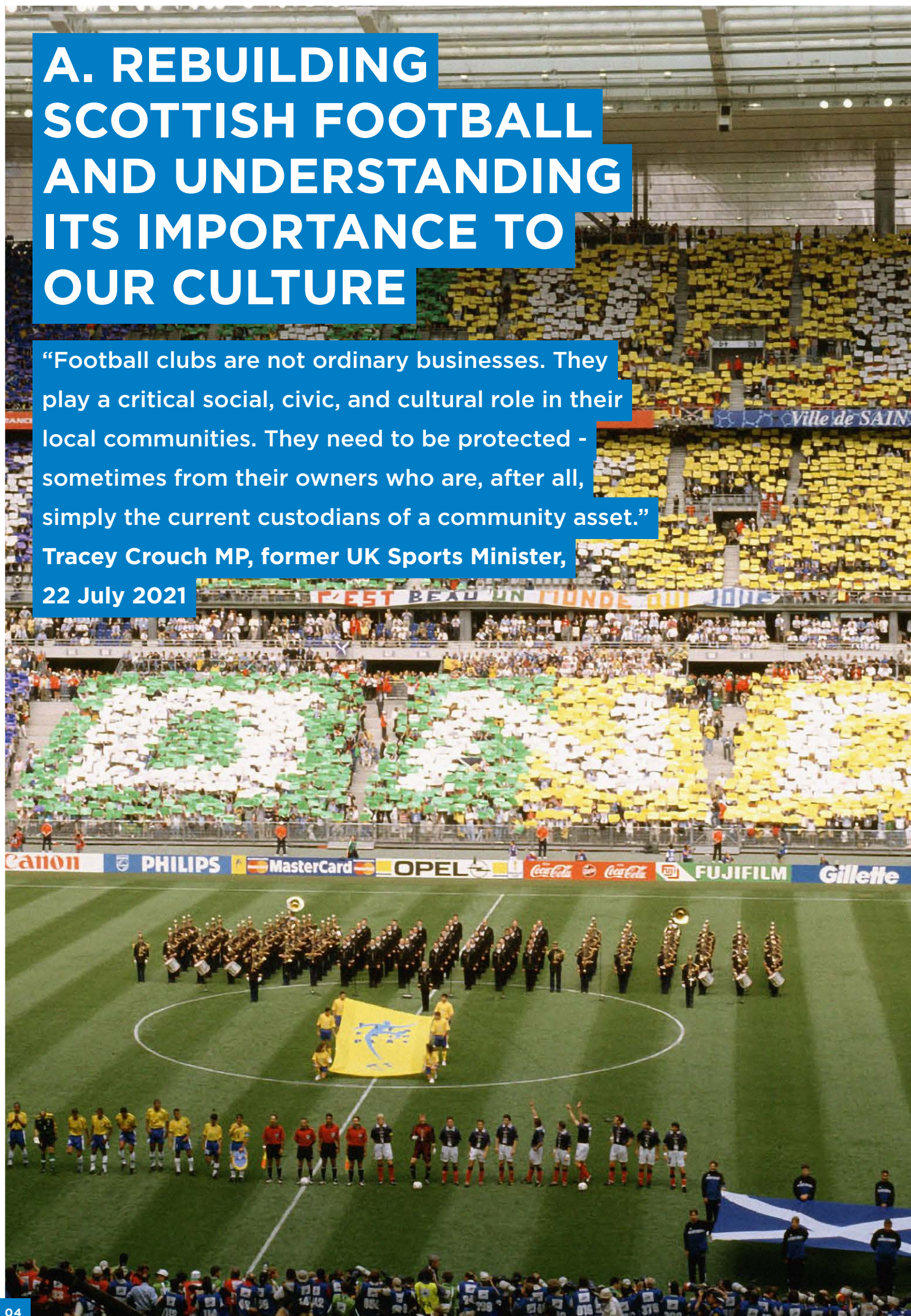
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A. REBUILDING SCOTTISH FOOTBALL AND UNDERSTANDING ITS IMPORTANCE TO OUR CULTURE

“Football clubs are not ordinary businesses. They play a critical social, civic, and cultural role in their local communities. They need to be protected - sometimes from their owners who are, after all, simply the current custodians of a community asset.”

Tracey Crouch MP, former UK Sports Minister,
22 July 2021



FOREWORD AND OVERVIEW: WHAT NEEDS TO CHANGE

Despite particular highlights and achievements, which we happily note at various points in this report, altogether football in Scotland is in a fragile condition in 2023. A fear of failure still blights our game at national and club level. Sporting failure can and does lead to financial distress. So this is the time for new ideas and, in difficult circumstances, a chance to embrace change in what is likely to be a rare window of opportunity for our country, our clubs and for every community in Scotland.

Football in Scotland lacks an overall vision and a comprehensive and coherent set of values, principles, outcomes, and objectives to secure long-term success and consistency. Bold leadership and reformed and improved governance must underpin structure, organisation and decision-making if long-term viability is to be secured; resilience is crucial for the success of any organisation.

Frankly, our game's institutions seem overwhelmed at times. Decisions are usually taken behind closed doors. Democratic procedures are minimal, embracing a few clubs at the expense of the many. Decision-making remains narrowly focussed within the corridors of the Scottish Professional Football League (SPFL). Overlapping membership of both the SPFL and the Scottish Football Association (SFA) has resulted in the undermining of the SFA's focus on the game as a whole. Its freedom and scope is curtailed by a few clubs.

The SFA should be at the heart of our wider ambitions for Scottish football, including elite, youth and the national side – both male and female – and ensuring that the grassroots of the game continues to be the source of community success and a key partner with government (national and local) in ensuring that sport, fitness and well-being combined remains a bedrock commitment of Scottish football.

Moreover, there is a growing lack of respect, trust and confidence between the game and major stakeholders. Consultation between the major stakeholders in the game and the Scottish Government could be a great deal more formal and constructive.

Confidence and belief in what our game has to offer our communities and wider society should be much higher. There is a real and pervasive sense of the football authorities “being an island unto themselves”, part of a cocooned setup that frowns upon outside advice; a space where ‘critical friends’ too readily become seen as critical enemies. No organisation has a monopoly of wisdom, and it is that sense of exclusivity which is holding the game in Scotland back. Wider Scotland wants to help, but is locked out. The game is very fragmented and at times decision-making and delivery often fails to match the urgency and complexity of the issues involved.

It is hard to escape the conclusion, which has emerged in the countless interviews involved in this fan-led review, that vested or special club interests are undermining investment in the broader national game and unfairly discriminating against clubs outside of the Premiership in the distribution of football finance. There is a sense, at least from our many interview conversations, that a great deal of concern surrounds the ‘survival versus success’ dilemma, and the failure to have a more enlightened and informed view of the problems concerning a broader sweep of Scotland's clubs.

The shortcomings of the recent Deloitte review process and report (in particular, its narrow focus, about which see below) has only deepened the concern of many smaller clubs at different levels that their voices are not being heard; and if they are heard, they are being ignored.



FROM PRIDE AND PASSION TO SCRUTINY AND ANALYSIS

There can be no doubting the importance of football to Scotland and the indelible mark it has made on the national psyche – body and soul, mind and spirit – of the nation, where it is inextricably linked to issues of identity, religion, class and community, and (without apology) sentiment and emotion. Scotland's collective football history is unique.

The spectacular history of the game in Scotland never fails to inspire those closest to it, and is captured in some sense in every club, as well as at national level. Since 1873, our spectacular achievements have been recognised and should be viewed today as an encouraging reminder of how, and why, we became a football loving nation. Yes, it is about sentiment, nostalgia, dreams

and memories. But is also about hosting some of the greatest games the world has seen. Above all, it is the thread of passion which runs through the rich tapestry of our football history. The recent upswing in the fortunes of the men's national team at the European Championships and the run towards a possible World Cup Qualification has once again ignited the interest of more than just football fans in hoping for future success at this global festival of football. Similarly, the women's game, despite its limited resourcing in Scotland, has started to fire the imagination of many.

Looking at the modern game now we can see the role of football in the sporting life of the country, and how it is such a fundamental part of the health, fitness, wellbeing, and confidence-building agenda that Scotland so desperately needs now and in the future. The myth that sport and politics do not mix has long since been dispelled. Football and government shares agendas within a wider Scotland, including efforts to tackle dementia (sadly impacting a number of our players), through to the provision of Brain Health Clinics, and of course the future of our children and young people being encouraged to participate in healthy activities. The work of football in local communities is already inspiring and productive. It could and should be better known and more widely supported.

Since we announced the genesis of The Scottish Football Alliance (TSFA), bringing together different stakeholders alongside fans, five senior football clubs have, in an extraordinary initiative, conducted their own somewhat narrow review. They did this by asking Deloitte (Deloitte Touche Tohmatsu Limited, commonly referred to as Deloitte) to author a report based on input from only those who commissioned the report, and a narrow, hand-picked selection of clubs.

The process, commission and nature of this report / review being conducted in secret, without input from key stakeholders such as players, managers, coaches and of

course football supporters, is symptomatic of the governance malaise that this Alliance report seeks to tackle. It strikes at the very heart of what is wrong with Scottish Football. Indeed, outcomes from the review are now being implemented, we understand, despite the review findings having never been published or distributed to clubs, let alone discussed more widely.

We believe that the modern game needs the benefits of openness, transparency, and consultation with all stakeholders. This is a fundamental principal that should drive Scottish football forward, ahead of the narrow self-interest that has prevailed for so long. It is incomprehensible in this day and age that such an important cultural industry (for that is what it is) has been allowed to self-regulate and remain relatively impervious to outside influence.

Meanwhile, a fan-led and UK government sponsored review of the game in England has now been completed (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1004891/TC_letter_to_Oliver_Dowden_Accessible_Format.pdf).

So this is an ideal time to reflect on some of the similar challenges that football in Scotland faces, as well as reflecting on the very different (indeed, unique) set of circumstances impacting our game here.

Our own review has been conducted by an Alliance of seasoned, independent professionals and assisted by the powerful contributions from key stakeholders in the game, not least fans themselves. This provides an opportunity for the Scottish Parliament and the Scottish Government to consider the need for a much-needed transformation of our game, particularly with regard to the kind of independent oversight and regulation that the game is incapable of providing itself. Our national game needs national leadership. We call on the Scottish Parliament and Government to support the national conversation for change that The Alliance has begun.



THE SCOTTISH FOOTBALL ALLIANCE

The Scottish Football Alliance (TSFA) is an emerging, voluntary network of individuals and organisations who possess a huge collective knowledge of, and history within, our game. Its work in enabling this review has been supplemented by hundreds of responses and data collected by ordinary supporters as part of our wider consultation (Appendix D). This is a reaction to the changing climate in football, whereby – at the top of world football, in particular – we have seen poor governance contributing to corruption and greed, feeding on financial and often oligarchic self-interest.

This is what led the UK government to collaborate with a fan-led review of the game in England. Here in Scotland, The Scottish Football Alliance (TSFA), built around the Scottish Football Supporters' Association (SFSA, founded in 2015) announced in June 2021 that it would be conducting its own, independent review of the game. While we have some different problems from those being encountered south of the border, and while the scale of our game (especially at the elite level) is quite different, there are many shared issues that football in both countries needs to face in the years ahead.

We believe that a constructive, independent look at the state of the game and ways forward has long been overdue. Our work on this over the past two years has been developed without the resources and funding made available to the English fan-led review (funded by the Westminster Government) or to the unpublished, unseen and non-transparent Deloitte Review (funded by five of our senior clubs). Our conviction is that the report you are reading here should be seen as the start of a process of engagement and reform which the Scottish Parliament and Government can help drive forward in a cross-party, non-partisan way.

WE HAVE BEEN HERE BEFORE!

Football knows that it has problems, knows that it can do better, and occasionally tries to take stock. This happened in 2010, when the McLeish report was billed as a watershed moment in Scottish football. Former East Fife footballer and First Minister, Henry McLeish, produced an in-depth report that looked at how the game in Scotland was governed. It also examined performance, or lack thereof, within the national game, operating against the backdrop of a continued lack of progress on the international stage. In short, we had been going backwards at both club and international level, and this report was designed as the wake-up call Scottish football needed.

The report had an immediate impact, with improvements being made by the SFA in driving through some important structural reforms – not least a review of youth and

elite football and governance, including the introduction of performance schools and the opening up of a football pyramid. Many recommendations that the McLeish Report highlighted have not been implemented, however.

That will probably surprise nobody, given the various chains of command in operation at Hampden Park, the continuing problem of self-interest among clubs, and lack of attention to the common good of the wider game. Other ideas looked like they were taking root in a very positive way including an all-Scotland academy structure for elite talent. But, sadly, the original ideas were abandoned, and we are now left with a club-only strategy which excludes nearly half of Scotland's professional and semi-professional clubs. Again, this looks like self-interest distorting and side-lining national football needs.

THE DELOITTE REPORT IN 2022

If we fast forward to September 2021 and the commissioning of the Deloitte Review, (<https://www.cityam.com/scottish-premiership-clubs-hibs-hearts-aberdeen-dundee-and-dundee-united-task-deloitte-with-finding-ways-to-increase-league-revenues/>) we can see that while the external party is independent of the clubs involved, the wider game has not been considered within its terms of reference. This naturally skews and shapes outputs from the review. There may well be some positive proposals for the game to consider, but no one within the wider game was consulted in the preparation of this report and only the sponsors have seen it.

This just about sums up the state of the game. The focus on commercial growth, the SPFL brand; governance and structure, and strategic projects, could be interesting and of use, but we may never know. Despite the fact The Scottish Football Alliance was announced in June 2021 (<https://www.bbc.co.uk/sport/football/57299624>) and has been consulting since then, we were not contacted to offer input to this report. Neither was the national fans' association, the Scottish Football Supporters Association (SFSA).

B. THE CONTEXT AND PROCESS OF A FAN-LED REVIEW



MOVING THE GAME FORWARD

If Scotland is to build and maintain a competitive edge in club and international football, create a modern spectator sport, contribute to community and society and be part of the government's plans for a healthy, fit and united nation, lessons must be learned from this sad history regarding half-hearted approaches to reform.

The key to centre-grounding long-term

needs is sustainable resourcing, attitude change, building capacity to deal with shocks (resilience), and a much more open and transparent approach to new ideas and innovation within our institutions and their infrastructure. The game must be able to reach out to, engage with, listen to, and embrace a wider Scotland. This is difficult. Our institutions are among the oldest in the world. The burden or legacy of history

influences what we do, how we think, and how we act.

Since the two-part McLeish report, and aside from changes to certain structures and youth development, little progress has been made in tackling institutional behaviour, cultural constraints, an exclusive and insular attitude, deep-seated antagonisms, and the fundamentally unequal distribution of power and finance. These issues lie at the heart of the game's current malaise.

Among the lessons learned from this valuable piece of work are new ideas from Europe. We need to ask how modern football can be organised and governed for success. Indeed, what does success look

like, and how do we create the conditions in Scotland for more innovation, enterprise and collaboration?

It is important to recognise that lack of engagement with a wider Scotland to advance the game is not necessarily the product of a "we know better" attitude, but rather a fear of stepping away from age-old methods and practices in a situation where history insecurity in a rapidly changing world leads, ironically, to an unwillingness to change. One example of this is the outdated method of deciding on the President of the SFA. This seems medieval or military in its method, and would be hard to find in any modern organisation. Why isn't an appointment such as this open to those both within and out with the game?

SPECIFIC GALVANISING FACTORS BEHIND THIS REVIEW

- 01** Independent Research commission by the SFSA from leading specialist sports German academics, back in 2017, highlighted the disconnect between the primary and paying audience (football supporters) and those running the game in Scotland (<http://scottishfsa.org/wp-content/uploads/2017/07/SFSA-Evaluation-2017.pdf>)
- 02** This research was criticised by the SFA and the SPFL as not being reflective of how they saw themselves perform, although the initial dismissal took place before there was time to give it serious consideration. There is little evidence that the picture portrayed in this SFSA report six years has improved notably since. As Robert Burns said, it is always important "to see ourselves as others see us". But there seems to be an inbuilt resistance to this within football's institutions.
- 03** From a UK perspective, a commitment was made in the 2019 Conservative Party manifesto to "set up a fan-led review of football governance". In Scotland, prior to the May 2021 Holyrood election campaign, political dialogue established manifesto pledges from the Scottish Conservative Party, the Scottish Labour Party and the Scottish National Party to look at reform of the game in Scotland. The Scottish Greens are similarly committed, and we believe there is openness within the Scottish Liberal Democrats, too.

Continued...

04

The crisis that COVID-19 created for football was unique and unpredicted, and massively impacted on the game. Club football was brought to a complete halt, threatening the continued existence of many professional football clubs. Due to a combination of government support and commitment from many football stakeholders, including fans and club owners, financial ruin was avoided. However, what the global pandemic highlighted was not only the fragile nature of the finances of many clubs, but the wider challenges of the football authorities who lurched from crisis to crisis due to structural protocols that were based on self-interest. A working group from within the game was formed to look at league structure, but it quickly wound up, having failed to reach any meaningful conclusion. At a time of need, another opportunity to embrace change and to become open, transparent, and accountable was lost.

05

While the crisis that emerged in England, following the attempt to set up a European Super League (ESL) in April 2021, might have seemed to be far from our concerns in Scotland, the impact in empowering football supporters to have a loud, credible voice was huge. Supporters from the clubs at the very top to those at the bottom of the football pyramid spoke in unison, with a voice that was loud and clear. “Football belongs to the people.” The threat to the entire English football pyramid led to an unprecedented outpouring of protest from fans, players, managers, commentators, clubs, government and opposition parties alike. In Scotland this spark reignited a fans’ movement which firmly believes that football is a key part of the social fabric of life in this country. No one who follows the game actively supports the continuation of a governance structure for football that effectively excludes many key stakeholders, not least supporters themselves. Such a situation is no longer wise or sustainable. Occasional ‘consultation’ is not sufficient. Those who run and pay to watch the game need an active role in running and shaping it.

The Scottish Football Supporters’ Association was formed in 2015 with the message that fans needed to #reclaimthegame. In 2021, with the pandemic sweeping across Europe, this mantra was subsequently used by fans in all the key football nations, with Football Supporters Europe (FSE) adopting it as a rallying call to unite fans across 48 different countries. This shows that Scotland can lead the way, as well as responding to developments elsewhere.

The message from fans around Europe is clear – this is OUR game, and it is critical that reforms are made to ensure that supporters’ voices are no longer pushed aside.

THE WORK AND PROCEDURE OF THE REVIEW

The Scottish Football Alliance (TSFA) Review Panel met for the first time in June 2021, and this was followed by a series of other meetings both on Zoom and, when allowed, in person. Evidence was heard from a wide range of football stakeholders, including representatives of supporters from all of Scotland's senior clubs, as well as many lower tier clubs and those from the grassroots game.

Over 90 football clubs were represented in evidence, as well as representations from the Scottish Football Supporters' Association (SFSA), the Scottish League Managers' Association (SLMA) and the Professional Footballers' Association (PFA Scotland). Several Zoom evidence sessions were also held with experts in finance and other relevant areas, as well as former CEOs, international players, coaches, managers, and football administrators. A list of those who contributed evidence is included in Appendix D.

In January 2022, the Review also conducted an online survey seeking views on the issues being considered. Over 2,500 responses were received, and the results are summarised in Appendix B. It follows our 2017 Review of Governance of the Game. This was research conducted

by independent, expert German sports academics, and had over 16,500 responses. Also included in Appendix B are the results of the recent (May 2023) research looking at fan perceptions to the introduction of an Independent Regulator for Scottish football.

This review was primarily set up to address the challenges encountered in Scottish men's professional football and the evidence that it received was overwhelmingly focused on these challenges. However, 100 years on from the banning of women playing football, there is a great deal of work still to do to develop the game in Scotland to benefit the women and girls of our country and to ensure that all aspects of the women's game at every level are given equal support.

Women's football is a great opportunity to modernise our thinking and widen the base of fan support and financial sponsorship. In short, we have come a long way since the SFA reluctantly, under pressure from UEFA and FIFA, lifted the ban on women's football in 1974. It is interesting to note that only one country failed to support the ban being removed – Scotland. However, male resistance had declined, and a great deal has been achieved since then. But there is undoubtedly more work to be done.

C. KEY PRINCIPLES AND STRATEGIC RECOMMENDATIONS



The Scottish Football Alliance (TSFA) of individuals and groups was not expected or required to agree on every detail of reform covering all aspects of the game. However, there was universal acceptance of the following 15 Principles which

we used to underpin our Key Strategic Recommendations and the related proposals from this review, which are detailed in sections 1 to 8 below. The principles are as follows:

IN PRINCIPLE, SCOTTISH FOOTBALL NEEDS TO:

- 01** Improve the product, build the brand, and better market itself in order to attract more income.
- 02** Increase the level of competition between all clubs, and in particular the Premiership.
- 03** Produce better quality players by nurturing youth development, with a fully funded Scotland-wide youth and elite strategy.
- 04** Develop a fairer distribution of resources.
- 05** Nurture the whole game from grassroots to elite levels for both sexes.
- 06** Maintain a full pyramid system in which every club can find its level.
- 07** Be accessible and welcoming to everyone, especially those who can least afford it, with a particular emphasis on tackling inequalities as a barrier to participation.
- 08** Improve the player and fan experience by improving the game's infrastructure.
- 09** Recognise fans as the lifeblood of the game and a key source of revenue.
- 10** Ensure fans can have an ownership stake and a strong voice in how their clubs are run.
- 11** Ensure the longer-term vision for the women's game is seen as a priority.
- 12** Ensure that fans have a strong input into how the game is structured and governed.
- 13** Change the game's culture from short-termism and narrow self-interest to seeing the bigger picture.
- 14** Achieve a root and branch reform of the governance of the game, with a remodelled SFA and a democratic means of working for the SPFL.
- 15** Work with Scottish Government and with other sports to create one of the healthiest and fittest nations in the world.

STRATEGIC RECOMMENDATIONS

To address this systemic challenge, our review coalesced around the following strategic recommendations.

Our first and foremost recommendation is that, to ensure the long-term sustainability of football, the Scottish Government, through Parliament, should create a new Independent Regulator for Scottish Football (IRSF).

We believe that without this bold step most of the recommendations made below will never be properly considered or adopted. Within this remit will be steps to improve the oversight of clubs, including issues of regulation, ethics, due diligence, financial probity and ‘fit and proper persons’ assessments.

However, we do not believe that IRSF should cover specifically ‘football issues’ such as the running of league competitions, video technology, the national game, Hampden Park Stadium, the delivery of a grassroots strategy and other such matters, which should remain with the existing bodies. It may be that at some point in the future a substantially reformed SFA could absorb the functions of IRSF, though evidence received indicates this possibility is some way off.

Likewise, though we are asking the Scottish Parliament and Government to approve

a process for appointing an Independent Regulator, and while we believe that parliamentary scrutiny of a publicly-facing industry in receipt of public funds is both helpful and appropriate, **we are not seeking in any way to put the Scottish Government in control of our game.** Government has a role for ensuring the necessary statutory backing for independent regulation. But as its name directly implies, and IRSF should be precisely that – independent.

The formation, membership, running and auspices of an IRSF are matters that will need careful consideration. A balance of persons with understanding of football and sports management, governance, finance, business and community engagement, including those with expertise and public standing would bring a huge amount of knowledge to the task.

We favour a bespoke body for the task of IRSF, with costs primarily borne by the football authorities with supplementary public funding, and possible assistance from Audit Scotland and the Scottish Parliament’s Audit Committee. This report should be seen as a prelude to detailed consultation on achieving a cost-effective and streamlined form and process for the IRSF, drawing on experience being developed in England, but fitted specifically to the scale and requirements of the game in Scotland.

WITHIN THAT FRAMEWORK, OUR RELATED RECOMMENDATIONS ARE THAT:

- 01** The new Independent Regulator for Scottish Football should work with the football authorities in order to effect change.
- 02** Following the proposed plan in England, it would be wise to liaise and collaborate closely with the regulator there concerning financial sustainability for the professional game.

- 03** The Independent Regulator for Scottish Football should oversee financial regulation in football. There are several options for doing this which our initial research has identified.
- 04** Drawing on lessons from the new Independent Regulator for English Football, new owners' and directors' tests for clubs should be established by replacing the existing procedures and ensuring that only good "potential custodians" and qualified directors can run these vital assets. It is important to ensure that no cross-border loopholes exist.
- 05** Scottish football needs a new approach to corporate governance to support a long-term sustainable future for the game, with a truly independent Scottish Football Association released from the conflicts of interest that restrict its current modus operandi. It is imperative that the Independent Regulator acts to develop a board structure which allows the game to attract appropriate external expertise onto the SFA Board.
- 06** Business moves forward at significant pace, and football is still coming to terms with concept of CSR (Corporate Social Responsibility) which has been developed in other sectors some 20 years or more. There is a huge opportunity here for Scottish football to embrace the most recent innovations by being one of the first sporting bodies to facilitate the development of a comprehensive Environmental, Social, and Governance (ESG) strategy. Investors are increasingly applying these non-financial factors as part of their analysis process, in order to identify material risks and growth opportunities. If the Scottish game is looking for a route to attract new investment, this will be the key to securing the right type of sponsorship and commercial opportunities.
- 07** The Independent Regulator should be charged with the development of an Annual Football Review, gathering information and performance data from all the component parts of the game in its capacity as an oversight authority. This Annual Review will be part of the ESG strategy, and will be the starting point for delivering openness and transparency to the game, as well as providing a marketing tool for appropriate sponsors.
- 08** As uniquely important stakeholders, supporters, players, coaches /managers and referees should be properly consulted by the SFA and SPFL in taking key decisions.
- 09** There needs to be recruitment of a suitably qualified and experienced board-level Marketing Director, charged with increasing audience participation and driving external revenues. We are pleased to see steps have now been taken to implement this.
- 10** The retention of the football pyramid and fair distribution of resources is vital to the long-term health of Scottish football. The Premiership should guarantee its support to the pyramid, and make proportionate contributions to further support football development at all levels.
- 11** The antiquated and undemocratic process of 'procession to office' of the President of the SFA should be removed and replaced with a fair voting structure whereby both clubs and season ticket holders can vote for nominated candidates from both inside and outside football.

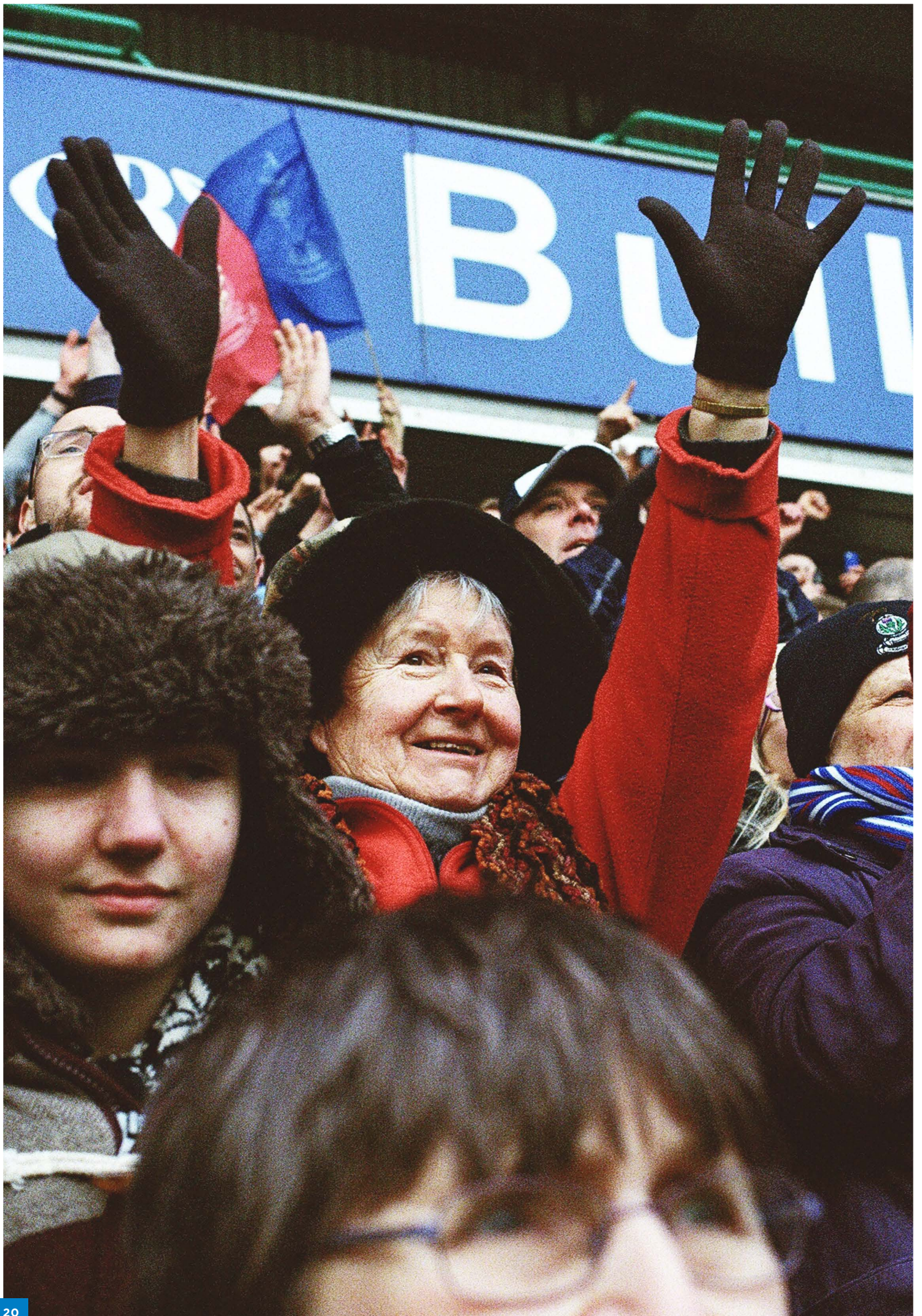
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- 12** It is critical that women's football should be treated with parity and given its own dedicated review.
- 13** As an urgent matter, the welfare of players exiting the game needs to be better handled - particularly at a young age. There is a need to improve the way children and young people are treated. This is a matter of some concern to the Children's Commissioner in Scotland at the present time. As an example the signing of players aged nine and releasing them two years later is damaging to the children and to schools and grassroots football too.
- 14** A Football Futures Fund should be created, to enable a small percentage of revenue from Scottish cup finals and Scotland international matches to be invested in the fund annually, like the much-heralded Norwegian Oil Fund model. This is about the revenue generated by fans, and it will therefore need to be a managed fund (by a reliable investment house) which generates annual returns.
- 15** The SFSA is keen to work with the Independent Regulator, the SFA, and the SPFL to develop an annual sustainability index of Scottish football clubs.
- 16** Evaluation of club licensing protocol processes should be reviewed, to see where some of these other appropriate considerations can be woven into their requirements.
- 17** There should be a Coaching Performance Review, whereby all C License (and above) coaches are monitored and evaluated every two years. Consideration should be given to a traffic light system, so that poor performers can be demoted or held in abeyance until performance improvements are met.
- 18** An annual review of the financial health of the game, developed from the previous Fraser of Allander Institute reports, should be commissioned and the results shared publicly.
- 19** A Fans Charter should be developed by the SFSA, working with the SPFL, and it should be ensured that this becomes part of SFA club licensing criteria.
- 20** There should be a regular review of the club licensing plan, to ensure that it is open, transparent, and aligned to wider football objectives.
- 21** The SFA should develop an alignment plan with all the other key stakeholders in the game, including the SYFA, the SJFA, the SAFA and the Scottish Schools FA, ensuring that the whole game ties into the new national vision for football.
- 22** Fans contribute over 50% of the revenue to our game. This should be recognised not just through having input on decision making but through the support for maintaining the national fans association. A small percentage from the money football generates should be attributed to the national football supporters' association, allowing for the growth of a sustainable democratic fans voice, as has been in operation in England for many years, enabling the independent Football Supporters Association there to be supported by the FA and the Premier League through a fans' fund.

THE PROPOSALS SET OUT ABOVE AIM TO:

- Transform football's weak, non-transparent and out-dated governance model, accelerating the modernisation of its structures, processes and institutions.
- Set in place more effective relationships with the world beyond football.
- Build new relationships with fans and supporters, widening and diversifying the game's fan base.
- Establish a larger ambition and a more enlightened vision for the game.
- Support a positive culture change across the game.
- Rebalance the distribution of power, finance, authority and opportunity within the game, between club and country, and between the SFA and the SPFL.
- Build the talent and level of our game, from recreational football through to elite performance.
- Bring an additional focus on football as Scotland's national sport, and showcase it to the world it as beneficial, progressive, democratic and attractive.





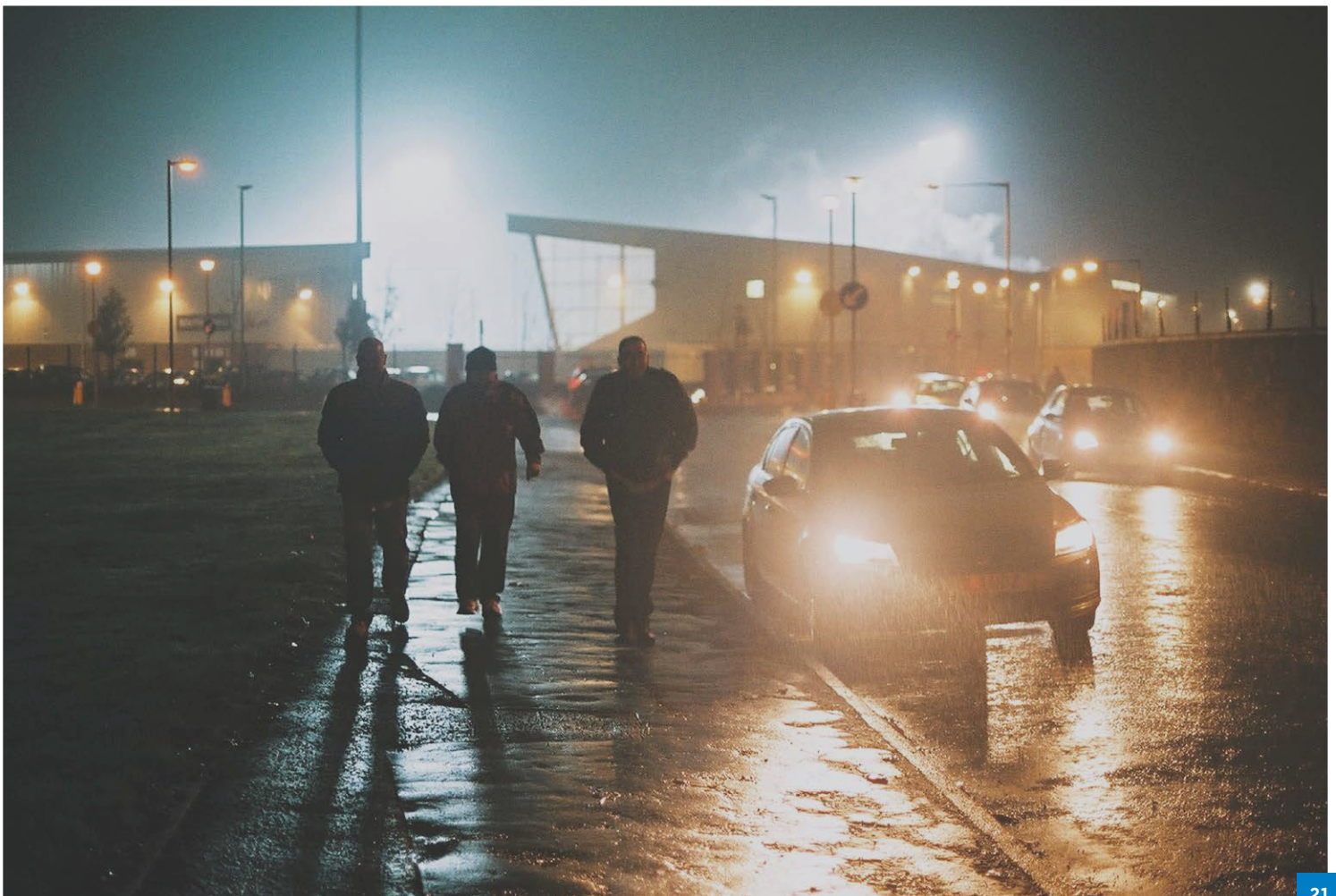
D. RELATED PROPOSALS FROM THE REVIEW IN EIGHT SECTIONS

This section of our report sets out the findings reached by consultation through the Scottish Football Alliance (TSFA), and its ideas for securing the future of the game in the mid-21st century.

We have chosen to focus on those aspects of our game which have attracted most comment in the wider consultation. What is obvious is that many of these subject areas cannot be seen in isolation. They are inextricably linked within the overall governance structure and its reform. We should stress that these comments and ideas are far from exhaustive, but they do indicate some of the main areas where change is required in our game.

Particular proposals are highlighted at the end of each Section. The overarching conviction embedded within the is that if you make the leagues more competitive, standards will improve, this will help to attract investment, and growth of the game will in turn be more likely to increase attendances and facilitate better TV deals and sponsorship revenues. Despite our bleak economic circumstances, a virtuous circle of improvement is possible.

Building awareness of the common good enables a framework to be established against which specific ideas can be assessed. The key question is always: 'Does this proposal serve the wider good of the game?'



D.1



SECTION ONE: IMPROVING THE PRODUCT, BUILDING THE BRAND AND ENABLING IT TO BETTER MARKET ITSELF, THEREBY ATTRACTING MORE INCOME

We should seek first to understand what makes our game distinctive, looking to build upon core strengths in the short term, while progressively addressing weaknesses in the mid to long term. The annual UEFA Benchmarking Report gives a clear steer on what is unique about the Scottish game, and shows that we are an outlier – a league which is markedly different from any other in Europe.

UEFA provides ‘source of revenue’ data for all fifty-five leagues under its jurisdiction, separating income into five categories – domestic TV, gate receipts, sponsorships and commercial, funds from UEFA, and other income. While every league has its own distinctive profile, no nation comes close to Scotland in terms of its dependency on gate receipts, which provide 43% of total income. The next largest is Switzerland, with 31%. By comparison, English football receives only 13% of its income from gate receipts, with 53% coming from domestic TV. By contrast, television provides only 10% of Scotland’s income.

Of course, comparisons are more meaningful between nations of comparable size, and UEFA’s analysis indicates that our domestic TV deal of 23m euros (net) is lower than the two nations with the most comparable populations –Denmark (36m euros) and Norway (25m euros). On the other hand, Scotland’s deal is better than some larger nations, including Switzerland (20m euros), Sweden (18m euros) and Austria (15m euros).

There is a similar pattern in sponsorships and commercial income. At 60m euros, Scotland pulls in the same as Norway, but far less than Denmark (89m euros) and Austria (90m euros), and a little less than Switzerland (66m euros) and Sweden (67m euros). We can reasonably conclude that while our TV, sponsorship and commercial deals are by no means outstanding, neither are they especially poor. They are better than some, worse than others, but broadly in line overall with what can be expected for a nation of 5.5m people. TV and sponsorship valuations are ultimately driven by audience size. So, with no prospect of rapidly increasing our population and changing demographics in Scotland, it is hard to see how these revenues can be grown exponentially.

Operating on contract cycles of several years, revenue streams cannot be increased easily or quickly. On the other hand, gate receipts and the ancillary commercial income from growing match attendances such as hospitality are much more amenable to growth.

Scotland is more reliant upon gate receipts than any other UEFA nation because we attend live football in greater numbers per capita than any other country. This derives from various factors, including our long football heritage and the fact most clubs are clustered across the central belt.

Football in Scotland is not easily compared with many other countries. Our game does not compete with other sports to the same degree, for example, as it does with cricket or rugby south of the border. Nevertheless, with a domestic market of 59 million people (plus huge international audiences) the English Premiership clearly has an extraordinary advantage, against which we can never compete as a television product or as a sponsorship opportunity.

Strategically, therefore, we should focus on our strengths rather than lament our weaknesses. Being less reliant on media or brand owners puts us less at risk from market fluctuations, executive whims, or indeed global pandemics. English Premier League clubs currently face having to repay £750m in loans and debts.

Although it may not feel like it right now, being dependent upon loyal fans for our income is actually a more solid base, making clubs more resilient and capable of absorbing financial shocks. However, all this highlights just how illogical it is for SPFL clubs to treat their supporters as poorly as they currently do. No doubt clubs would dispute this, but from a supporter's point of view their treatment tends to sit somewhere along a spectrum of being taking them for granted to being treating with contempt. No other industry or service treats its customers and investors (for fans are both) in this way.

For example, is it sensible to chop and change kick-off times to squeeze a small amount of extra value from a very average TV contract? It makes no sense at all if it disincentives those who are the very lifeblood of our clubs. Scottish football is hugely dependent on the goodwill and funding it receives from fans, yet they are never consulted on proposed changes to the way it operates, and their views are consistently ignored. For years the annual fans' survey, commissioned by both the SPFL and SFA, has reported that fans want

larger leagues and more Saturday 3pm kick-offs. Indeed, kick off times are cited by fans as the single most important factor affecting their match attendance.

It should be obvious that the only logical strategy for growing revenues, is to focus on increasing match attendances in order to improve gate receipts and grow connected commercial income. While attendance is our core area of strength, most matches are still well short of capacity. Attendances can be increased much more easily than either TV or sponsorship revenues. By successfully positioning the Scottish game as "the best live football experience" we could enhance our key distinctive, and positively differentiate ourselves from the EPL (and other top leagues).

In particular, we should seek to grow attendances amongst under-represented groups – especially women and children – and to entice armchair viewers back to live games. To this end, moving to a summer football season would be a sensible way to improve the overall match experience, and this would also provide football content when broadcasters are not spoiled for choice, thereby increasing its value.

In summary terms there are four main sources of income for our clubs:

- SPFL distributions from broadcasting deals and corporate sponsorship, and bonus payments based on League and League Cup and Challenge Cup performance.
- SFA distributions based on national association financial performance, licensing criteria, and benchmarks such as youth development attainment levels.
- Football customers who pay at the gate (admissions).
- Club sponsorship deals.

These club sponsorship deals are, in the

main, supplemented by the following, which have more or less significance based on the size of the club:

- Premiership redistribution from UEFA, based on past club performance. These are currently only shared through the Premiership.
- Merchandise sales.
- Corporate and venue sales revenue (matchday and other)
- Building awareness of, and a language around, the 'common good', enabling people from different backgrounds and interests to work in a joined-up way.
- Various Scottish Government / Sport Scotland distributions.

MAXIMISING REVENUE

In September 2021, as he established Terms of Reference for the Deloitte Report, the owner of Hibernian FC called the Scottish Premiership "one of the most exciting small leagues in Europe". A major focus on selling the Scottish game like never before is welcome. However, done in isolation and without further reform to the way the game is governed and run, this is not a meaningful or sustainable strategy in the long term.

Hibs and three other Premiership clubs are either American-owned or influenced by US practices. They think the league is not attracting enough investment relative to what it offers. Pre-publicity from the "ghost" Deloitte Report seems to agree. It suggests that broadcast revenues could rise to as much as £50m per year. Heart of Midlothian FC have also joined this mission, and it is speculated that Celtic and Rangers are watching with interest. They will no doubt benefit more than others if there is a successful uplift in broadcast revenue.

COMPETITION IS KEY

Again, Hibs' CEO was quoted as saying: **"I don't think you would find as exciting a league at the scale of Scotland anywhere else in Europe. The energy in Scotland is unique. We need to capitalise on that."**

Yet in our top league, competition to win it is non-existent. With an annual procession over the past 28 years, Celtic and Rangers, with their considerable resources, enjoy a duopoly.

So what is the wider sponsorship market? Prior to the current Cinch deal being agreed, over 4,000 companies and brands were contacted by the Sports Sponsorship Agency to see if there were interested in the deal. They were not. The US approach to sports, where multi-sport franchises have become marketing machines which can generate millions of dollars in revenue offers little, on the face of it, that Scotland could replicate. The USA has a huge market at the cutting edge of sport and its digital transformation, a massive sports mad population, and a multitude of national and international brands seeking sports fan (customer) engagement. None of that applies in Scotland.

Our collective view is that only with a clear vision and a positive customer engagement programme are there significant opportunities for long term, sustainable growth.

This skewed market prohibits meaningful competition in a way which is much more pronounced than in other leagues. Does this make for an exciting broadcast experience for the wider market beyond the Celtic and Rangers fans who buy a TV subscription package? It certainly creates a far greater challenge in selling the game to a wider TV audience outside Scotland.

MAXIMISING THE EXISTING AUDIENCE AND GETTING MORE FANS TO ATTEND GROUNDS FOR LONGER IS THE WAY FORWARD

There is no doubt that clubs and supporters believe the match day experience can and should be enhanced; but to do so they will battle against tradition, the weather, and legislation. There is support from fans to see hospitality at grounds extended, and to have the alcohol ban in football grounds (in place since the 1980 Scottish Cup final) overturned by the Scottish Government. But caution is required in relation to alcohol and other issues impacting fan behaviour.

Could the standard hospitality offering be extended, so that rather than just turn up for the 90 minutes and leave again, fans could be encouraged to spend more time and money at the ground, enjoying a broader social experience. Reference is often made to the 'tailgating' culture at US sports events, where supporters spend several hours at a stadium before a match. At present we lack the facilities and conditions to make this possible.

PRISING MORE MONEY FROM BROADCASTERS AND SPONSORS

Sky Sports is believed to have paid around £160m for exclusive rights to show 48 Scottish Premiership games per season (plus six play-off matches) through to 2025. They outbid the incumbent, BT Sport, who were the only other bidder. There is no doubt that increasing value is problematic when there are only two serious bidders for a product. The reality is that the recent history of this market, marked by the trials and tribulations of the ITV Digital and Setanta collapses, shows that the ball is very much in the court of a small number of digital broadcasters, and increasing revenue from such deals will be challenging. Given that Sky Sports were the only ones to make an offer the SPFL deemed acceptable, and that the price paid per game is a lot higher than many comparable leagues in Europe, there seems little scope for achieving a significant improvement in the terms of a broadcast deal.

The only obvious routes in attracting greater TV investment are through



Premier League	£8M
Bundesliga	£3M
La Liga	£2.5M
Serie A	£2M
EFL	£708K
Scottish Prem.	£550K

TV VALUE PER GAME SHOWN*

*Reported figures for the average price paid by broadcasters per game in European leagues. Source: BBC.

selling more matches and re-evaluating and promoting the global rights deals to maximise income. As part of the UK television experiment, both terrestrial and digital TV have no borders. As a UK broadcaster, Sky understandably prioritises the lucrative English Premier League, for which they pay around £8m per game. There may of course be some hope that the growth of digital streaming will ignite the interest of Netflix or Amazon Prime. But this is yet to be properly tested.

REVIEWING THE STRUCTURES OF OUR LEAGUES, AND WHAT THEY OFFER

As Scotland's largest clubs look towards reform, there will inevitably be consequences for those further down the pyramid. The SPFL was formed in 2013, after the merger of the Scottish Premier League and Scottish Football League formed one 42-team organisation (having previously split in 1998). The main message from the Deloitte report, again with the caveat of no access to the full document, is that the current structure is once again under threat.

There can be no doubting that it is in the best interests of the game to protect our full-time clubs. But, likewise, so is ensuring that there is a wide and dynamic game beneath the professional game,

to support both upward and downward pathways for players. This debate is for the whole game, as it involves everyone. Issues such as league sizes, regionalisation, player pathways and the opportunity for progression through sporting merit (the pyramid) must all be re-considered. Given that the key contributor to our football economy is the fans, what they want should be carefully considered.

The concern for some fans will be the prospect of a US-style 'closed shop', whereby franchises are protected from relegation, giving greater certainty to owners and investors. That may suit some in our boardrooms, but it would be an anathema to supporters across the country.

MORE MONEY FROM COMMERCIAL SUCCESS TO STRENGTHEN THE GAME

Scottish Football is littered with the debris of failed football adventures. Across the UK as a whole there have been over 150 business failures involving football clubs over the past 25 years. Equally, there are few high-profile industries where you can buy such well-established businesses with such a strong identity and a guaranteed loyal customer base so inexpensively.

Given that our clubs are social and cultural icons belonging to a wider community, it is essential that such commercial success as might accrue to them works its way to the foundations of the game,

thus strengthening the whole. There is real concern that some owners see the landscape differently. When taking over Dundee United in 2018, Mark Ogren said, **"This isn't a hobby for us, and we expect to make money long-term."** Across Scotland, most clubs have a desire to make a profit, but seeing that profit reinvested in the club is also the norm.

It is critical for the future of the game that the fruits of a long-term strategic vision bring commercial rewards which can be used to support the whole industry.

REVIEW PROPOSALS

It is essential that, at a national level, a senior Marketing Director is given a key board position to drive fresh plans and possibilities forward. Scottish football has limited resources and a collaborative approach, whereby a professional commercial / marketing function works for the whole game, is long overdue. This would involve:

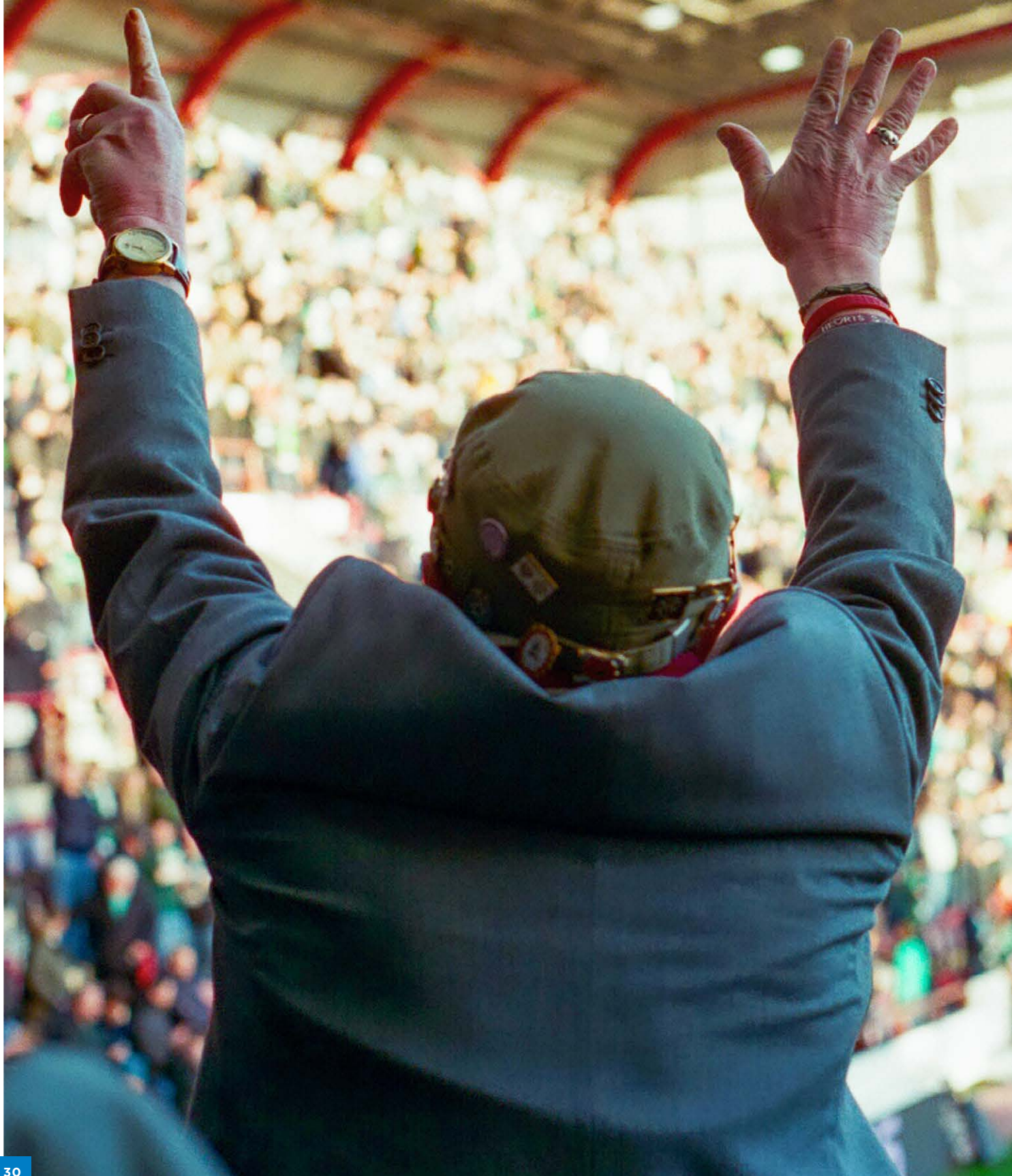
- 01** Researching the European broadcasting market and, in conjunction with the work set out below, preparing proposals ahead of the next broadcast deal for Scottish football.
- 02** Setting up a Scottish Football Innovation Think-tank (with club, players, coaches, supporter and business input). This should have a remit to a) increase attendances at games b) develop commercial opportunities for clubs. This platform can be extended every year, with different tasks.
- 03** A plan to augment football's on-field product with additional benefits that will attract and retain new fans and families.
- 04** Building on Covid-19 recovery work and previous Fraser of Allander Institute analysis (<https://fraserofallander.org/wp-content/uploads/2021/02/2020-03-Economic-Impact-of-SPFL.pdf>) with an annual review supporting dialogue with the Scottish Government, broadcasters and sponsors. Part of this review should involve stakeholder engagement through which loyal customers can be rewarded.
- 05** The SPFL has no central marketing budget, with clubs left to plough their own furrow. We should create such a central budget and develop a calendar-driven marketing plan for a range of campaigns. This could include 'Support your Local Club' marketing support schemes, Mums go Free weekends, discounts for the 76,000 grassroots players to access clubs as spectators, et cetera.
- 06** Ongoing research utilising robust data gather by the SFSA on 'fan types and habits' to build a deeper understanding of the market and its opportunities.
- 07** A sustained effort to maximise income by using football as a platform for ethical sponsorship and public health messaging. Conducting further research and create a county wide plan. This will allow Scottish football to strengthen its contribution to the health and wellbeing of local communities, and make a compelling case for government partnership and support.
- 08** Group buying opportunities should be explored through a top-down approach to maximise savings, as well as driving opportunities for new revenue schemes and sponsorships.

Continued...

Many believe that the excessive contribution from betting firms over the past 10 years has damaged the image of the game. A controversial issue in society yet it was allowed to be the mainstay of the Scottish game. The English FA has agreed to phase it out. Is it justifiable or sensible to have vodka company as a sponsor of our elite game? As we mentioned above and set out below, an ESG strategy is called for. There is undoubted scope for a new sponsorship scheme based on health and wellbeing. This and the issue of betting requires further scrutiny and action.



D.2



SECTION TWO: INCREASING THE LEVEL OF COMPETITION BETWEEN CLUBS

Before the 1975–6 season, the Scottish Football League had a divisional structure with two divisions. A three-tier league structure was introduced in 1975, with the innovation of a ten club Premier Division. Between 1975–6 and 1994, Scotland had a three-division structure. Then from season 1994–5, a four-division structure was introduced, including a new third division, with all divisions comprising ten clubs.

Until 1997, there was only one league structure in Scotland. The next major change took place in 1998 when Premier League clubs split from the Scottish Football League to establish the Scottish Premier League. Further changes have taken place in the past few years, including the setting up of the SPFL in June 2013, the demise of the Scottish Football League, the renaming of the SPL as the Scottish Premiership, the development of a pyramid system, the regionalisation of the leagues outside the SPFL, and more competitive game deciders.

There are presently 12 clubs in the Scottish Premier League and a further 30 in the three other divisions of the SPFL. Post-1998, the debate on the future structure of the leagues has continued. Originally the SPL contained ten clubs, but it was subsequently enlarged to 12 for the 2000/1 season. Since then, the SPL has operated ‘a split league format’ to prevent the need for a 44-game schedule, something which was once used in the previous Scottish Premier Division.

The issue of finance now dominates the debate. Many Scottish fans do not favour our almost unique league structure, the split format, or the size of the leagues. They

would like to see a further discussion on reconstruction. This is unlikely to happen because the power is out of their hands and financial issues prevent new thinking about growing the game and creating larger leagues. Money is in danger of distorting the football debate, to its long-term detriment. For example, it increases the drive of the Scottish Premiership to protect its interests by seeing policy areas such as our youth strategy as less about investment in young talent and more about income for specific clubs and self-interest.

The lack of effective democracy within the SPFL, a membership organisation in name only, means that safeguards are weak and opportunities for change are rare – unless there is a massive shake up in how the SFA and the SPFL are run. Once a structure becomes a vehicle primarily for safeguards and self-interest, the game’s future can start to unravel. This is what has been happening in Scotland.

What is true is that Scotland has a league structure where generally there is a balance and equilibrium across the various divisions. There are fundamental aspects of this structure that we believe are essential to maintain for the greater good of the game.

In the 2013/14 season, for the first time, a football pyramid structure was introduced to Scottish football. Prior to this, clubs were only ever admitted via an election process whenever there was a vacancy through league expansion or the demise of a club (e.g. Clydebank FC and Gretna FC). We believe that the pyramid system works, but that could and should be more progressive. We also believe that the meritocracy of on

field progression must be maintained and celebrated.

The equilibrium we refer to means that most of the teams with full time resources are congregated in the top two divisions, where most of the revenue accrues. However, in recent seasons some of the larger clubs (such as Partick Thistle, Dunfermline Athletic and Falkirk) have dropped to Division One.

Meanwhile, part-time teams such as Alloa Athletic and Dumbarton held their own at Championship for several seasons before dropping back down the league. The compelling story of Arbroath, when they were the top part time team in Scotland, sitting at the top of the Championship, was applauded by football fans generally, because it embodied the power of David v Goliath. It is essential that the opportunity to dream and to strive for better like this is not blocked through restraint of trade practices. In this context, the importance of the central distribution of finance cannot be overstated, since few clubs have the benefit of a rich suitor coming to their rescue.

There is significant data that shows that Scotland's most successful period in European competition came when we had a larger league structure. There is a universal desire from football fans, coaches and managers to see the return of larger leagues. The coaches' and managers' viewpoint is that this would bring a freshness to our leagues, and would also make it easier to introduce young players to squads via games against lower ranking teams, as was done in the Jock Stein era. This move chimes with the consistent view of the football supporters across a range of surveys during the past decade. They favour larger leagues, and more importantly the return of playing opponents twice (rather than four times) a season.

The more competitive our leagues are the easier it will be to sell to the game sponsors and broadcasters. It is of course important that we protect our full-time clubs, alongside looking to see if there are opportunities to bring some of the more ambitious part-time clubs into the full-time arena, perhaps through the Scandinavian hybrid model (football AM, and flexible working PM).

REVIEW PROPOSALS

- A full review of league structures that accesses the viewpoints of all those with an interest in this area. Look at full-time clubs, regionalism, community owned clubs. Open the debate.
- Revisiting ideas mooted in the 'Fans' Plan' for larger leagues developed by Alastair Galloway and others immediately preceding the establishment of SFSA.
- Producing development plans to see if part-time teams could be moved sustainably to full-time status.
- Investigating the reintroduction of a Reserve League.
- Commissioning a full feasibility study on the opportunities for the whole of Scottish football to move to a summer football season.
- A better model for distributing funds fairly.
- Look at the possibility of a levelling-up or handicapping system in the Premiership, to try to improve its competitiveness. There could be bonus points for the number of academy graduates in the first team, for example, or affirmative action regarding the number of Scots in a club's line-up.



D.3



SECTION THREE: PRODUCING BETTER QUALITY PLAYERS BY NURTURING YOUTH DEVELOPMENT

If you believe that playing for your country is the pinnacle of a professional career, then ascending to the national team is an important journey for young players currently honing their skills in playgrounds across the country. Youth talent is the key to success. In this regard, we have learned too little (if anything) from Europe. Project Brave, which promised so much, is now a mere shadow of what was envisaged.

Unlike other successful European countries, we have handed elite development to the clubs and abandoned a Scotland-wide strategy, thus relegating our national and international aspirations to a failed idea. The situation is dramatic and damaging. If we consider the disproportionate number of foreign players, the lack of finance being invested in the game, and the fact that 50 per cent of our 42 league clubs have no access to elite facilities, this has become a national scandal.

Over the past 20 years Switzerland, Sweden, Croatia, Belgium, Portugal and

Denmark have produced 138 players between them in their World Cup squads – but, incredibly, only 13 of them played in their own domestic leagues. That means more than 90 per cent of their players have spread their wings to experience different countries, languages and cultures. Scots who have successfully played abroad (such as Paul Lambert, a Champions League winner with Borussia Dortmund), believe that this is the key to the international experience and to building a stronger, more rounded professional player.

The relationship between the Bundesliga and the DFB in Germany is a great example of a league and an association coming together to recognise how positive change can benefit the nation. You only have to look at the success of the Bundesliga, and how many young German players are playing in it, to see the effect that it is having on their national team. They have a disproportionate number of home-grown players. It is over 60 per cent, compared to our 30 per cent.

SOME EXAMPLES FROM EUROPE, WHERE SUCCESS IS ALWAYS A JOURNEY

Iceland recently rose from 100 in the FIFA rankings to a high point of 21, while being a country with a population only 50 per cent larger than Aberdeen, half the size of Glasgow, and the same size as Fife. So how did Iceland climb 150 far in FIFA's rankings within five years, qualifying for Euro 2016, and again for the World Cup in 2018? The

secret, according to their joint national manager in the course of that journey, is that there is no secret.

Heimir Hallgrímsson was invited by the Scottish FA to talk at its 2015 Convention about European football's unlikely success story. It is reported that he was

eloquent, honest, proud, self-deprecating – and the tale he told couldn't have been simpler. It is one of joined-up thinking between the national authorities and sports, of better-educated coaches and community-driven facilities, of putting the health and wellbeing of kids at the core of everything they do. Then reaping the rewards when it all comes together. Hallgrímsson, said **“There was no manual, no plan written down, no great secret. But many things must click to be successful. What's changed for us? Our coaching, our facilities, the way we train. There's an explanation for all of it.”**

AN ONGOING AND PROGRESSIVE COACHING ETHOS

Seventy per cent of the coaches in Iceland have a UEFA B Licence and 23 per cent have the A Licence, far higher than in Scotland. Football is for all, from recreational to elite level. The emphasis is on developing all players, not a select few. The best move up the age groups. The best girls train with the boys up to sixteen. Hallgrímsson explained: **“Everyone trains. Everyone is allowed to come to practice. Within that we have ability-based groups. The best players train together. The mediocre ones train together, and**

What Iceland recognised is that the world where you are harvesting your talent has changed dramatically in the way that people now live. While Hallgrímsson said rhetorically that there was ‘no plan’, it is clear from looking at the changes made that considerable care and effort went into practical reforms with a clear overview, trajectory and aim. Has Scotland ever looked strategically at changes from the ‘jumpers for goal posts and tanner ba’ era, or has it just happened? It is essential that we do.

the poorer players do the same. They all play against teams of the same level, but everyone gets the same standard of coaching. So, a late developer does not drop out. He is not rejected at 10, 11, 12 [years], like in most countries, and that has benefits. We don't lose kids from the system, and if they get better at a later age, they are still with us. Also important is that all the coaches are paid. That is why the quality is high. The parents pay for the kids to play, and that money goes into paying for the coach.”

FACILITIES MATTER, AND SO DOES JOINED-UP THINKING

That is where the joined-up thinking comes in. With a climate worse than Scotland's, one of the things they realised in Iceland was they had to give their kids better opportunities to get a ball at their feet. In 2002, they had one indoor football hall, five artificial pitches and seven mini-pitches across the whole country. Now? They have seven full-size indoor pitches, 12 half-size indoors, 23 artificial pitches outdoors, and 136 artificial

mini-pitches in schools (pods effectively), which are floodlit and let children play before and after school and during breaks. **“In the past Icelandic footballers were powerful, but had no technical ability. That has changed – but we have been careful not to leave the character behind. As far as the facilities go and the cost? The local communities and authorities build them, and the club runs them (Heimir Hallgrímsson).”**

HOME OR ABROAD?

Iceland has 75 professional players dotted around 14 countries in Europe. If we look at other countries such as Denmark or Croatia, we can see that they have less competition in their leagues and as a result the better players are heading towards leagues with a higher standard in order to hone their skills. If the 'best versus best' strategy is to be believed, then there are only two routes to improving our standings. The first is to increase the standard of our leagues, and the second is to see more of

our players in leagues of a higher standing, while encouraging talented youngsters to come through.

Our own league is weakened by the import of foreign players in a way that often blocks a pathway to our young players. In the new post-Brexit trading situation, our young academy talent is taken (prior to the opportunity for a first team debut) as a low-cost speculative investment by comparatively wealthier clubs in England.

REVIEW PROPOSALS

There is no reason to believe that we have a shortage of potential talent in Scotland, but better systems are needed to coach and nurture the skills and aspirations of our boys and girls. The huge assets in grassroots football – young players, coaches, Review, and families – can be mobilised to support and build the game from the ground up. The re-prioritisation of schools football should be considered as one measure to get more young people playing the game. With over 2,500 schools, this is the natural focal point for children and young people, with vast acres of sports resource to be utilised.

We need to reinstate the regional elite academies (which have mostly vanished) and to ensure that the best club coaches are involved in our academies.

The academy system could include individualised development plans for every academy player, enabling their progress to

be followed, monitored and supported. Senior clubs need collectively to commit to developing home grown talent and to giving more young Scottish players opportunities on the field of play. Young people will benefit from this, as will the national team. Incentives could be introduced to encourage a change in attitude. (Meanwhile, an interesting footnote is that the 1987 Scottish Cup Final, when St Mirren beat Dundee United, was the last time when all the players, managers and officials were all Scots.)

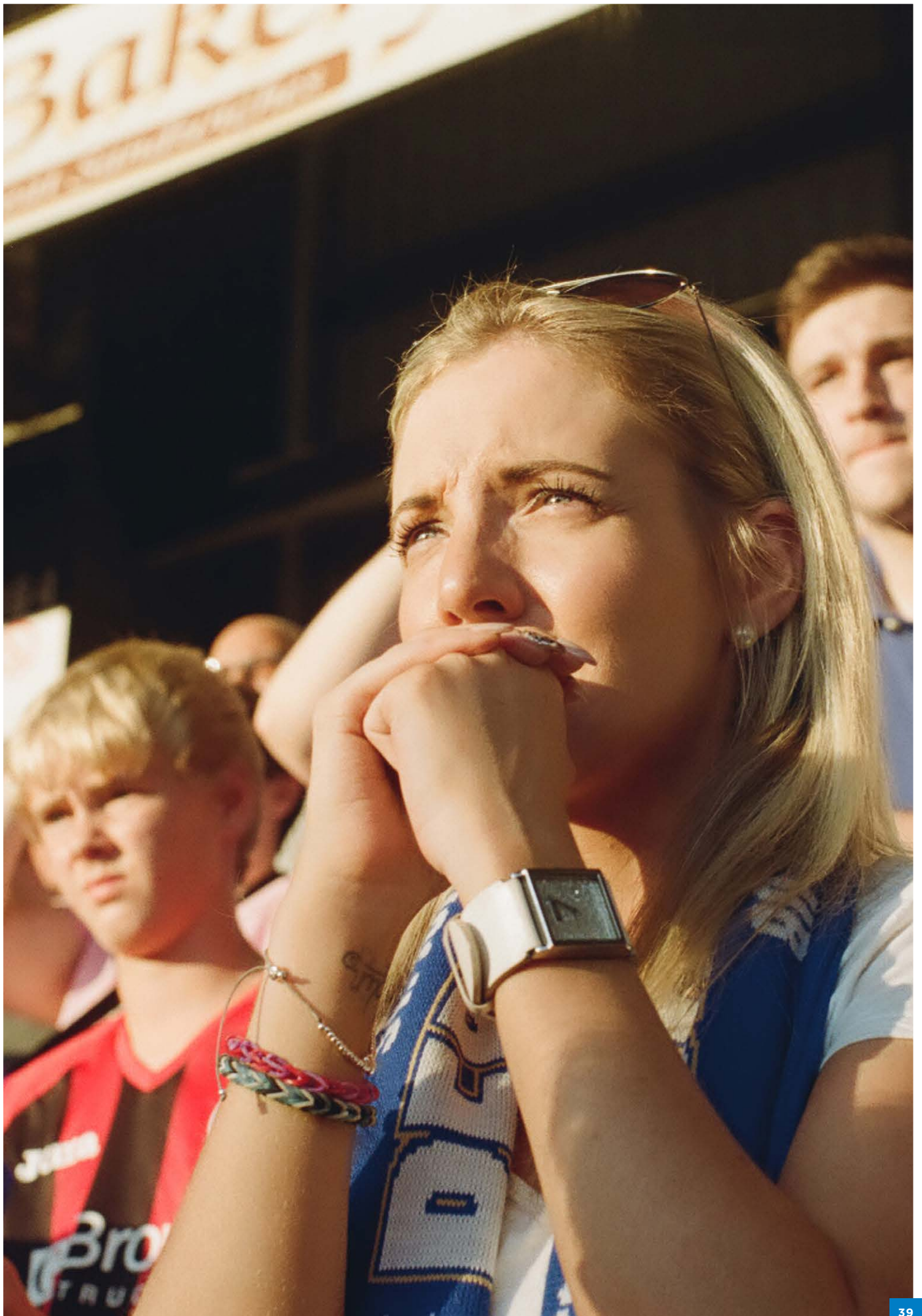
To drive change, a task force should be set up (comprising former international players coaches and administrators) to look at the suggestions we set out below, and to produce a comprehensive action plan. Here are just some of the suggestions that Alliance members made. Project Brave has now largely disappeared, and if we want to make real progress on the international stage, a bold new approach is needed in its place.

[Full list of proposals overleaf...](#)

REVIEW PROPOSALS

We need to:

- Review the remit of our elite programme, to ensure that it becomes an all-Scotland asset.
- Ensure that every one of the 42 Scottish clubs has access to a nation-wide academy structure, which will need more collective financial investment.
- Consider how schools could link up with a new academy structure.
- Distribute more of the funding from the elite programme, based on outcomes.
- Review and extend the SFA's performance schools.
- Introduce a draft system between top two leagues to get Under-20s first-team action.
- Introduce a five-point bonus for fielding two Under-21s in every league game.
- Introduce a revamped Scottish League Cup, forcing clubs to play at least five Under-23 players.
- Totally modernise and restructure every aspect of the youth programme, including boys' clubs and schools football. Explore the possibility of a modern-day restricted S (schoolboy) form.
- Establish more safeguards and protections for children and young people, in association and consultation with the Children's Commissioner in Scotland.
- Bring back Reserve Team Football to give youth players the opportunity to compete against established professionals.
- Increase the number of all-weather, indoor, full-pitch facilities from four to ten, and link these with local councils to make sports facilities available to all, and at all times during the year.
- Review coaches and coaching at all levels – with a traffic light system, whereby an assessment performance review is established.
- Develop, for the first time, an integrated plan for schools / grassroots / performance-elite-clubs.
- Utilise high profile retired players / coaches to form a link between grassroots and senior clubs. This team can also work to monitor and evaluate coaching performance.
- Investigate a cap on the number of foreign players allowed in the Scottish Premiership.
- Explore new financial incentives to persuade clubs to use younger talent.
- Use the accumulated wisdom of Europe to infuse our thinking and boost the culture of prioritising youth development.
- Ensure girls and young women play a much larger role in our approach to youth and elite development.



D.4



SECTION FOUR: ENSURING A FAIRER DISTRIBUTION OF RESOURCES

We believe that good governance and a unified approach to nurturing the whole game is an achievable and valuable aspiration. To deliver this will require significant resolve and of course the necessary external interventions that might facilitate the significant change in direction. There is no magic bullet to achieve this, and without the introduction of a Scottish Football Regulator we cannot see any mechanism that would allow a progressive debate in this area.

As we have outlined in Section One, we believe that the whole game, working together, has the capacity to increase overall revenues. Now would be the perfect time to review current distribution models and push towards a progressive process (ideally via club licensing) whereby an incentive and performance matrix is applied to allow more ambitious and hardworking clubs to thrive.

This would be based on more than the existing outdated league position meritocracy. A good example of the existing failure came with the first wave of Scottish Government Covid payments.

Alloa Athletic received £500,000 as a part time club with no Academy infrastructure or significant community activity; whereas Partick Thistle, a full-time club with a significant operational academy and community structure in our largest city, received just £150,000 compensation.

In addition to the income streams identified in Section One, the largest “skew” factor at senior professional level is the distribution of UEFA Champions League participation money. A successful Scottish club is talking about an extra £40m plus per annum, which not only creates a gulf between the top clubs and the rest, but also creates the temptation to gamble to get Champions League cash. If the gamble fails so can the club, as happened in 2012. UEFA do provide a solidarity payment to the SFA for distribution to the other SPFL clubs (around £4m). But by increasing the latter so that it is spent making other clubs more financially secure, perhaps setting resources aside some for a future Covid event, and reducing the prize money to the winner by a commensurate amount, then the moral hazard caused by a ‘win or bust’ gamble all but disappears.

REVIEW PROPOSALS

- The Independent Regulator for Scottish Football (IRSF) should oversee a Football Finances working group to take a fresh look at distribution, resourcing and contingencies.
- Develop annual, industry-wide reporting by football section – senior, junior, amateur, grassroots.
- Develop a plan which is engrained in the club licensing regime.
- Look at a range of incentives based on non-playing performance criteria, giving scope to enhance earnings.

D.5



SECTION FIVE:

TO NURTURE THE WHOLE GAME, FROM GRASSROOTS TO ELITE LEVELS

A shift in power between the SFA and the SPFL/SPL has been developing since the late '1990s, but has accelerated in recent years. It is currently derailing major initiatives within the game, such as Project Brave – our recent youth and academy policy – which has become a pale, distorted shadow of its original idea, hijacked by the few at the expense of the many.

The 'Golden Age' had natural talent in abundance at a different point in the development of the world game. Elite talent was based on schools and school football. That was the key to success. We seem to have lost focus on many important issues because of strains, tensions, vested interests and the scramble for cash.

The current distribution of power, status, authority, finance, and opportunity within the game is having both intended and unintended consequences, undermining the national game in Scotland and the prospects for our international team. Since a major review of youth and elite talent in 2010, we are still struggling to put together a coherent, innovative and state-of-the-art academy-youth system for children and young people of both sexes.

The prevailing view is that elite talent is best left to a few clubs to find, nurture, and develop. There is little evidence to suggest that this is working for Scotland. With a 95% plus attrition rate from our elite and youth structure, there is a failure to embrace the idea that a holistic approach from grassroots to professional full-time players is urgently needed.

The national game is losing out to the club game, which is in the ascendancy and is distorting the distribution of finance, power, opportunity, and authority within the football as a whole. This was not the case in the 'Golden Age.' Scottish football is in danger of being undermined from within. The power grab may have started off as an act of narrow self-interest or self-protection, either consciously or unconsciously, for the few. But it is now fast upsetting the balance of the game and sacrificing the spirit and substance of our national team and of the grassroots game too.

The grassroots game is badly under-represented in football's corridors of power, and is in desperate need of reform. We need to stop the wasting of talent every year and the many young Scots who sever all connections with the game never coming back to play football again after having bad advice, or no advice, and some having their school career undermined by the head spinning idea of playing for a professional club.

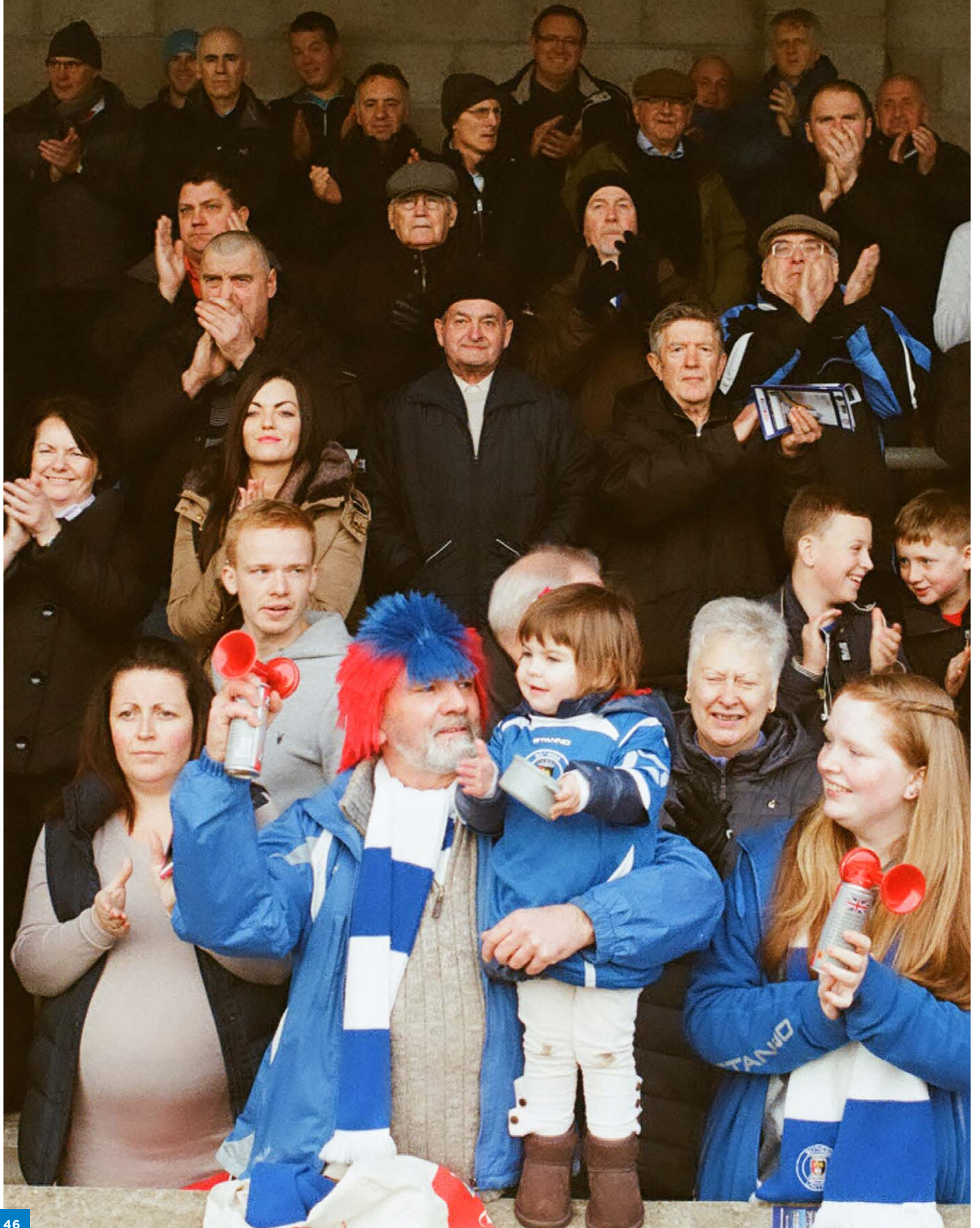
With no obvious wealth or prestige attached to the grassroots game or indeed schools football the beating heart of our game lies underrepresented and underutilised. Yet there is no player who ever pulled on a Blue Shirt for Scotland at Wembley stadium who didn't succeed in honing their early talents in a school or grassroots team.

REVIEW PROPOSALS

- A new working group to explore the player pathways programme, making recommendations for grassroots and schools football.
- Review the operation of the SYFA and develop an integrated approach that links it to schools football and to the professional game. We need collectively to develop an action plan which recognises the interdependencies within and across the game – what’s good for one part can be good for all (the common good should come first).
- An emphasis on health and care issues, such as dementia, where a great deal of news coverage has, understandably, focussed on former football players with the condition. The National Football League in the United States has been active in this area, and has initiated safeguards for school age children. The SYFA had instructed ‘no heading’. We believe there is room to take this further, maybe with a ban on heading in games up to Under-15s level. This will have obvious health benefits and should improve our game by playing more on the ground. The aerial content of our game and the lack of an intense passing regime marks us out from most of the best European countries.
- Development of a summer football plan for all grassroots levels, up to Under-18s, across Scotland.
- Explore facilities for a deal between the Scottish Government, local councils and private sponsors to be part of national health plan, possibly involving other sports.
- The development of schools football for girls’ teams.
- The way we play football in Scotland requires some examination. Comparisons with other more successful countries suggest two key differences: a lack of close integrated passing, and individual ball skills.
- Addressing the issue of child sex abuse and the problems surrounding the contractual relationships between youth players and professional clubs needs constant review and reported on annually.



D.6



SECTION SIX: MAINTAINING A FULL PYRAMID SYSTEM IN WHICH EVERY CLUB CAN FIND ITS LEVEL

Overall, the structure of men's football in Scotland has been among the most fractured and multi-faceted in Europe, being unique in having a plurality of adult male governing bodies (Seniors, Juniors, Amateurs and Welfare). It was not uncommon for a given town or county to have clubs in as many as three or four separate systems. When you add in a youth structure and schools' football, there is significant overlap.

Having waited for so long to get a pyramid structure it is encouraging that it has become a positive aspect of the game. Some concerns remain that there is still an element of favouritism, because teams living a division above always benefit from have less games to play before the final play-off games. There is a definite need to build the profile of the pyramid itself, and to maximise the interest for those involved. There is a marketing opportunity here to address the wider football audience. This opportunity needs to be maximised.

REVIEW PROPOSALS

- Protect our full-time clubs through the club licensing process and realise that the more full-time footballers that are active in Scotland, the stronger the national team will be.
- A review of the professional lower leagues (Division One and Two), including the possibilities of regionalisation.
- Coach mentors for new managers in the lower league should be considered.
- Take brave and bold moves to assist opportunities at European level, and to see if an exit strategy can be explored for clubs like Celtic and Rangers.
- Link all areas of the pyramid to the national vision and plan and ensure that ALL stakeholders including football supporters are consulted as part of this process.

D.7



SECTION SEVEN: BEING ACCESSIBLE AND WELCOMING TO EVERYONE, ESPECIALLY THOSE WHO CAN LEAST AFFORD IT

Scottish football has much to offer our modern society and there is great work already being done across the country. Much of the focus from a club perspective is through the SPFL Trust which is a registered charity that works in partnership with all 42 SPFL clubs to develop community activities across Scotland.

Having a national focus, the organisation strives to use the power of football to make a real difference, empowering club partner community trusts and associated SPFL clubs to create opportunities at the heart of our communities that they serve. The Trust has been hugely successful in developing schemes and partnerships that bring people together and change lives for the better through the use of football. This work deserves greater recognition. Football is having a positive transformational impact, and this has been shown at a time of the cost-of-living crisis, inflation and rising energy costs.

There is so much more that football has done either directly by supporters or by clubs themselves. The pandemic was a prime example of football supporters from across the country going the extra mile not only in raising significant sums (estimated in the region of £2m) to protect the clubs they love, but also in delivering extra local initiatives such as food bank donations, delivering meals, helping many in the wider community who had a need. Many of our clubs are located in areas of deprivation and multiple inequalities where there is further scope for aid support.

Football gives back through its supporter champions, and as an industry we believe there is more to do to make the game accessible to those who at any given moment have difficulty affording the admission costs. There is the scope to look at a national scheme that can extend these ideas further. There is much that can be done with an open and innovative plan in place.

REVIEW PROPOSALS

- Integration of activities with a national football marketing plan – developed centrally, but on the back of full local engagement and consultation.
- Proper support for the National Fans Awards from football authorities, to celebrate and widen fan culture, as well as the awareness of it beyond the game.
- Development of a national wellbeing scheme for football, linked to the Free School Meals programme.
- Development alongside the Young Scot Programme, to help bring more young people into the game.
- Look at extending national football links into schools. Since the 1980's schools football has been diluted to become an afterthought. Every international player started kicking a ball at Primary School and represented their secondary school. A focus on producing a plan promoting schools football needs to be developed.
- Further development for the 76,000 young people currently playing the game through the SYFA. Can we help plan a positive journey for them to continue playing the game, refereeing the game, coaching in the game and being supporters of the game. This is the future of the game, and it is like wind or solar energy – it is free and just needs tapped into.

D.8



SECTION EIGHT:

TAKING SUPPORTERS SERIOUSLY

This means, in short:

- **Improving the player and fan experience by improving the game's infrastructure.**
- **Recognising fans as the lifeblood of the game and its key source of revenue.**
- **Ensuring that fans have an ownership stake and a strong voice in how their clubs are run.**

Football in Scotland can be a power for the common good in and across our communities, as we have shown in this review. It is essential to recognise fans not just as the lifeblood of the game and its key source of revenue, but also an untapped resource of experience from trades to professions to businessmen. For too long the door has been closed to supporters.

The mind-set of far too many in power positions is to look down at their most loyal and unique supporter base, “the customers”. There is no suggestion that this is a deliberate ploy of the custodians of the game, but another example of a game time warped to the past where routine and “we have always done it this way”, provide a block to progress.

The structures of the game represent democracy in name only. The overwhelming majority of the 42 clubs have no influence in what is happening in Scottish football and the current league structure is out of step with other countries in UEFA. There is widespread acceptance in Scotland that the leagues are too small, that the split in the Premier League at the end of season makes no sense, and that the finances of the game, and their distribution, govern the size of the Premier League unhelpfully.

We are not asking whether this is the best model for Scottish football. Most fans do not support the current structure, but because money matters and interests must be protected, change has become difficult. Most clubs fear using their democratic rights in the SPFL and SFA to propose change, because they have become unwilling participants in what is a rigged system. No one disputes the idea of having strong, financially-sound clubs to compete in Scotland and in Europe. No one disputes that money and broadcasting income are now the key material influences on the game.

No one disputes the globalised nature of the game and the intense competition at European level. No one disputes the domination of Scottish football by one club, which used to be two and could in the future be five or six.

No one disputes the fact that clubs are businesses, companies that need to keep afloat. No one disputes the fact that clubs need a return on the financial and football capital they invest in. No one disputes the fact that in the ‘real’ world, reality is knocking on the club door every day. No one disputes the fact that clubs need to draw on the best young people.

But all of this can never be at the expense of every other aspect of the Scottish game; or to the exclusion of our main priority, which is the success of Scotland's national side and our role on the world and European stage.

If the football industry wants to change, it is vital to listen to what the fans want. A revolution is not required, but there is data going back over the past decade showing that what the fans are getting is not what

they want. This must change. No industry can afford to ignore its core customers and have any hope of succeeding.

All stakeholders deserve to see that both the football authorities and the clubs they follow are well managed and appropriately owned, allowing fans to have confidence that football is being properly run, with decently scrutinised decisions and actions. As was pointed out by the Fan Led Review in England:

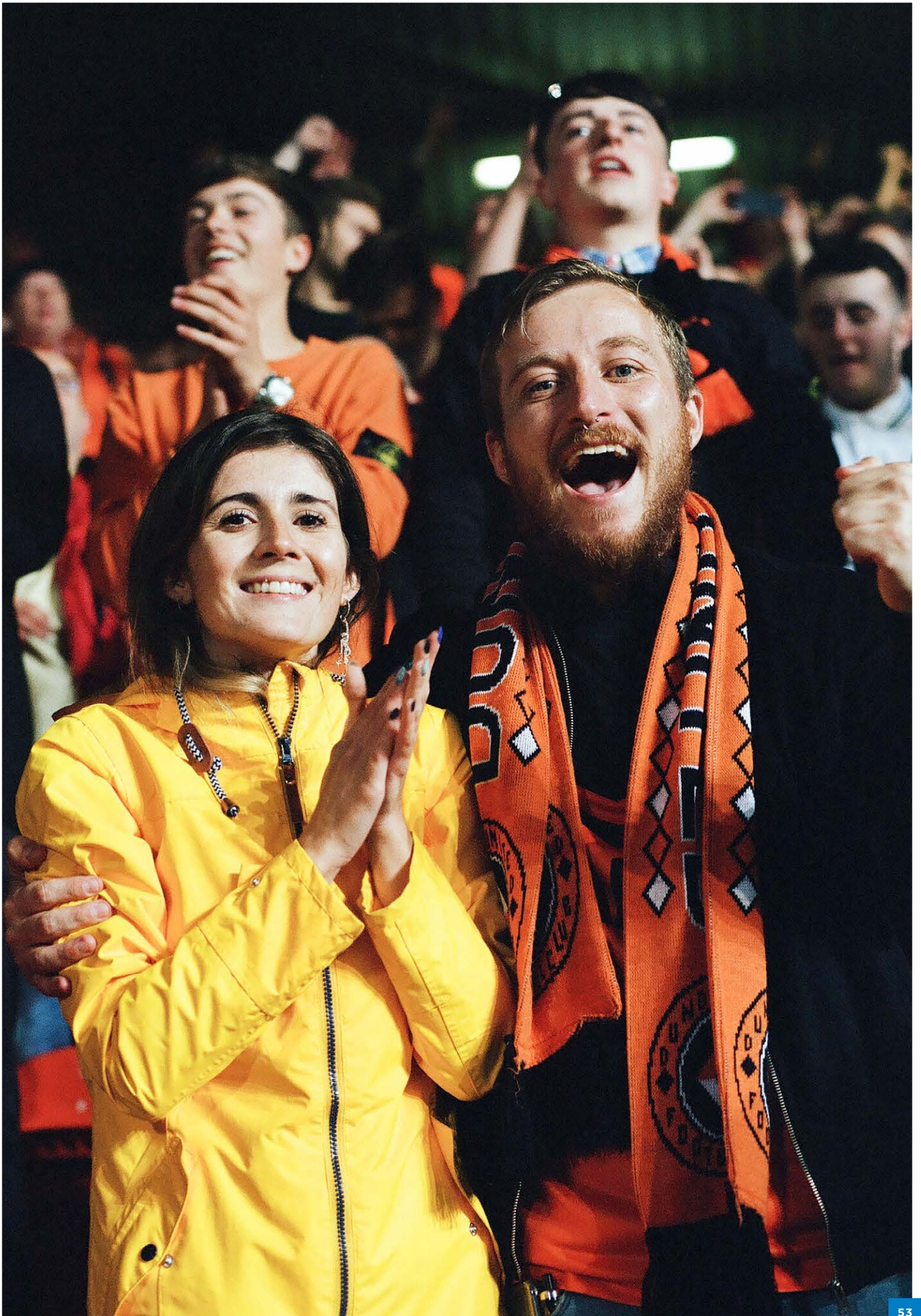
“Football is a unique business in its nature. The fan loyalty of a football club is nothing like a customer of a normal business. This fact, coupled with the unlikelihood of removing poor performing club owners, means that there is no incentive for league

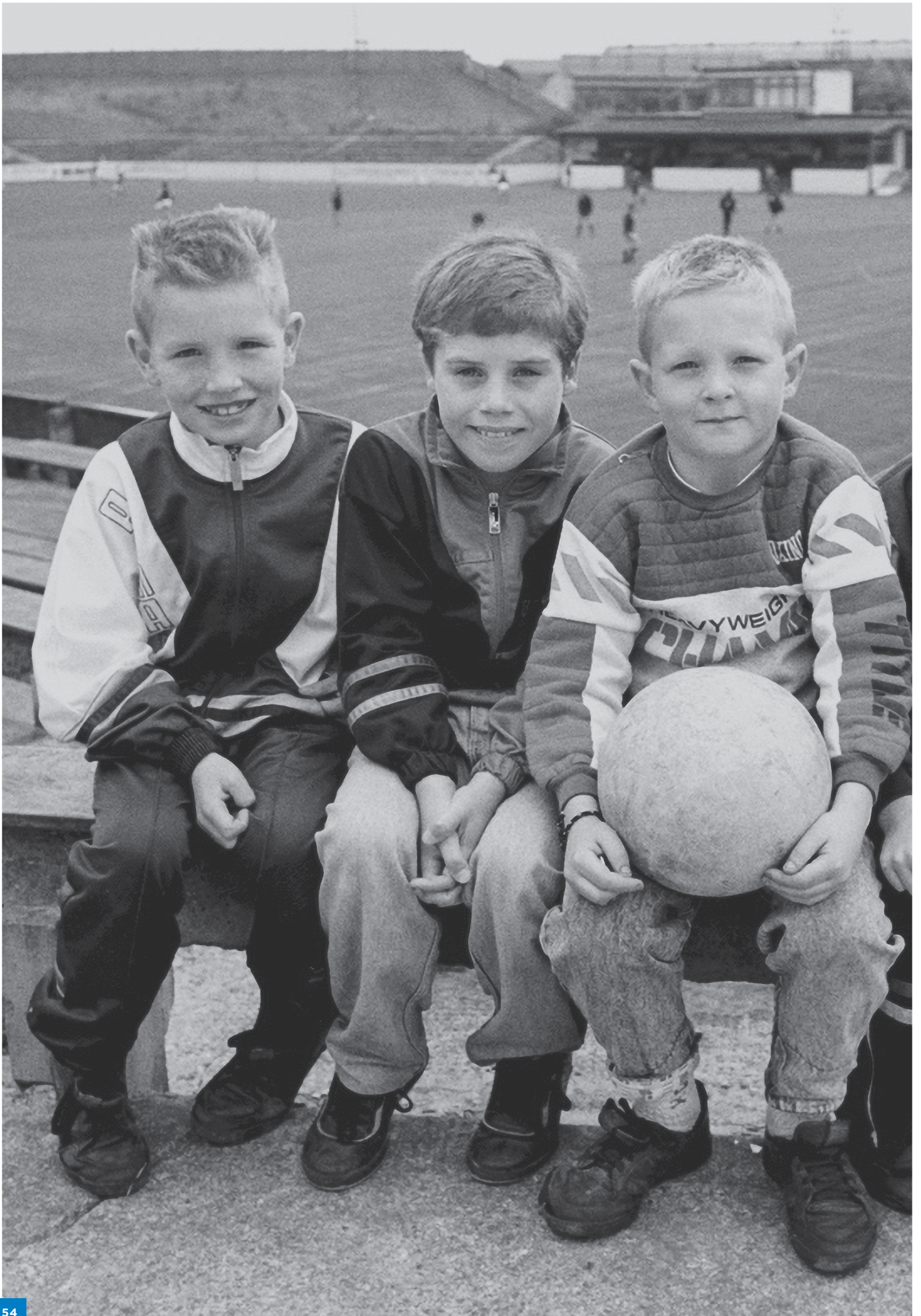
clubs to implement good corporate governance frameworks. It is therefore right that IREF should impose corporate governance requirements as part of its licensing regime.”

The fan experience has been neglected and in the modern era there is very little in terms of new amenities or innovation that will attract the new fans to our grounds that we desperately need, especially children, young men and women. Centralising many aspects being done by individual clubs could make a significance difference and help defray costs. We firmly believe that with these recommendation in place there is a direct pathway visible to allow for improving the infrastructure of the game.

REVIEW PROPOSALS

- Acceptance of the governance scrutiny proposals set out in our Strategic Recommendations (above) and throughout this report, accompanied by annual progress reporting from the SFA in the interests and furtherance of an open and transparent ethos.
- A nomination process for fan representation on the Board of the SFA, through the offices of SFSA as the national fans’ organisation.
- Annual formal reviews of all outcomes from performance drivers throughout the game.
- All Scottish football season ticket holders to be allowed to vote for the President of the SFA – removing the ‘blazer procession’ that currently exists.
- The development of a Fans’ Bank to support community ownership and stakeholding, fully operational, working with the SFSA, and with the exploration of an annual contribution to the fund through the game.
- Away ticket price caps, developed in discussion with the national fans’ body.
- Investigation of integrated transport proposals.
- A Community Ownership Recognition Scheme to be established, including recognition via a ‘blue plaque’ type scheme, and club licensing rewards based on openness and transparency.
- Promoting interest inviable pathways to Community Ownership and giving fans a positive role in scrutinising club finances.
- A statutory Fans’ Charter, to be incorporated within the SFA’s licensing protocols.
- Involving supporters in exploring different views and actions to address anti-social behaviour, and seeking to bridge differences between the government, the police and those across the game on how to tackle sectarianism and bigotry within and outwith football (this will involve ongoing research and behavioural audits involving the football authorities, government, the police, clubs, and supporters).





AFTERWORD: BOLDLY EMBRACING THE FUTURE

This review represents a new staging post and opportunity in considering the future of Scottish football. We have been necessarily forthright in assessing the current overall state of the game, and we have sought to make proposals corresponding to the scale of the challenges we face – with the recommendation for an Independent Regulator for Scottish Football (IRSF) as the key way of ensuring major changes in governance, accountability and transparency.

This review comprises not just the views of the SFSA, but of a large and significant number of concerned people, organisations, and groups – those who have first-hand expertise and experience in all aspects of the game, and who believe that change is vital and long overdue.

The challenges are daunting, but in commemorating the last time Scotland appeared in the World Cup in June 1998 (which is 25 years ago), surely this is the right time not just to live with memories, impressive as they are, but to look to the future and modernise our game. Football matters to so many people, and to our country, in ways that extend well beyond its own fabric. It impacts wellbeing and society at large. The urgency of the task of renewal can and should bring people together to build a consensus around next steps in a programme of reform.

Of enormous encouragement in our own efforts to revitalise the game in Scotland are the parallel developments in England, where the initiative of supporters and the indomitable spirit of Tracy Crouch MP, supported by Parliamentary colleagues from all parties, looks set to create an

Independent Regulator for English Football. This would be ground-breaking move: one capable of transforming the English game and bringing serious oversight to bear on how it is run. Similar conversations are opening up in other parts of Europe, too.

We contend that independent scrutiny and regulation is also the way forward in Scotland. There are clear differences between Scotland and England in the way football is organised, of course, but on the issues of financial monitoring and control, corporate governance and ownership, including tests for owners and directors of clubs on an ongoing basis, there is a great deal in common. It is this which has spurred us into similar action north of the border, in an independent but related and collaborative way.

Presenting the gospel of football is relatively straightforward, especially to a receptive audience. The recent Parliamentary reception marking the 150th anniversary of the SFA rightly lauded particular achievements by clubs and national squads over the years, the grassroots game, youth, the impact of general wellbeing and mental health (not least for women) and strikingly positive initiatives like Street Soccer Scotland. There were also hints at this event of the desire for further development, especially with regard to greater access to football through the extension of affordable facilities, which we naturally applaud.

But truly sustainable, joined-up and systemic change is a far more complex issue to embrace and deliver than individual projects. It requires far greater engagement, involvement and collaboration across all stakeholders, and trust based

on regular review and transparency. This is what we are calling for. Our message to the football authorities, therefore, is to trust those who gave their advice to this review, to trust those who have the highest respect for the game and have invested their lives in football, and to trust the hundreds of thousands of supporters who make their pilgrimages to club grounds up and down the country every Saturday in all weathers, young and old. These people matter, and their voice must be heard and respected. Football and its governance must be answerable to them as part of the health of the nation and its communities.

In producing this report, and in commending its strategic and

transformative recommendations for an independent regulation of governance and finance, we believe that here is now an opportunity to open a new chapter on how the game is run in Scotland. We invite the SPFL, the SFA, clubs at every level and all those who care about the game (including fans, other key stakeholders, our Parliament, the Scottish government, businesses, and civil society across Scotland), to respond to this appeal; to become involved and committed for change. Let us now build consensus on a way forward, which in turn can only be based around shared aspirations and a common agenda for the future of Scottish football.



APPENDIX A:

CROSS REFERENCE TO WHAT IS HAPPENING AT WESTMINSTER: THE FAN LED REVIEW IN ENGLAND, TRACY CROUCH MP

ESTABLISHING AN INDEPENDENT REGULATOR

I have stated publicly that there is a compelling case for a new independent regulator, and I have heard nothing in evidence that has dissuaded me from this view. I believe that IREF should be established to address issues that are most relevant to the risks to the game and already at least partially a matter of English law - particularly financial regulation, corporate governance, and ownership. The related requirements are likely to include cost controls, real time financial monitoring, minimum governance requirements (inc. a requirement for independent non-executive directors on club boards) and revised separate tests for owners and directors of clubs on an initial and ongoing basis.

However I do not believe that IREF should cover “football issues” such as the running of league competitions, video technology, the national game, Hampden Park, the delivery of grassroots strategy and other

such matters which should remain with the existing bodies. It may also be at some point in the future a substantially reformed FA could absorb the functions of IREF, though evidence received indicates that this possibility may be some time off.

It is my intention to work with the panel over the summer to consider, in depth the role that such a regulator, established by legislation, might play and its operating model. In this I will look to learn lessons from successful regulators in other industries to ensure workable and effective regulation that ensures clubs are well run sustainably in a way that promotes competition without reckless risk taking. This will include consideration of the detail of a number of areas such as independent appointments to the regulator, its primary duties, funding and political independence, as well as investigatory and enforcement powers.

PROTECTING HERITAGE ASSETS

We have seen convincing evidence that existing protections of key club heritage items of great cultural and emotional importance to fans is not sufficient. The most pressing of these has been the many clubs who appear to have lost the rights to their home grounds, but much evidence was also received of concerns relating to items such as club badges, location, colours and competitions. I therefore intend to develop proposals with the Panel to offer greater protection for these important assets through a ‘golden share’ for fans,

giving veto powers over reserved items, to be held by a democratic legally constituted fan group. I will work over the summer to consider the appropriate matters to be covered by this golden share veto and alongside this we will develop proposals for additional protections such as enhancing the existing legal provision for ‘Assets of Community Value’.

The Panel has also received evidence that some fan groups would like the ability to buy shares in their club, as well

as suggestions for greater opportunities for supporter groups to be able to buy their clubs as part of formal insolvency processes. These are highly technical areas

DEEPENING FAN ENGAGEMENT AND TRANSPARENCY

The Panel has also considered evidence regarding the effectiveness of existing requirements relating to fan engagement and transparency, including the impact of the structured dialogue recommendations advanced by the Expert Working Group. It is clear from this evidence that while there has been progress with some clubs demonstrating excellent fan engagement and transparency, too many clubs have not made sufficient, meaningful progress. This lack of transparency also extends to football authorities. I therefore intend to explore measures to mandate greater fan engagement, and in particular measures that will seek to provide for fan consultation on key issues.

To date, there has been no consensus in the evidence presented to the Review on the correct vehicle for such fan engagement, with suggestions such as fan appointed directors not universally favoured by supporter groups. Indeed, evidence was received from existing fan elected directors of some significant difficulties that they face. The final results of the Review's fan survey will be of great assistance in considering an approach to fan engagement. I also intend to consider further some of the examples of existing 'supporter heritage committees' that evidence suggests have worked well at some clubs and which other clubs are in the process of introducing.

The Panel has received significant evidence of a need for greater independence in the decision-making structures of the existing football authorities – the Premier League, English Football League, The FA and National League.

of company and insolvency law, and I will consider these suggestions in more detail in the months to come.

I believe that there is a strong case for reform across all of these bodies and am inclined to direct them to develop proposals. In the case of the FA, I welcome initial proposals from the FA Chief Executive Mark Bullingham on FA Board reform, which he worked hard to secure and present to the Panel, and am inclined to recommend that at least 50% of the FA Board are genuinely independent non-executive directors and that significant reform of the FA Council is undertaken. I believe that this is a principle that should extend across all funded National Governing Bodies in sport, established within the Sports Governance Code.

The removal of club directors from the Board of the EFL (as recommended in its own earlier governance review) and the National League with both appointing new independent directors would also be a welcome reform. With regard to the latter, although this letter represents my interim findings, I would recommend urgent reform of the National League Board and voting structures as it is clear that a significant part of the league has no confidence in the current set up. I am also aware of the Football Supporters' Association survey of National League supporters in which a strong majority supported the National League top division being absorbed into the EFL structure. I recommend that the EFL and National League enter into meaningful discussions to consider this further. I am aware that there are existing working practice agreements in place between the English football authorities and politely suggest that my recommendations should be considered as superseding these existing agreements.

GROWING WOMEN'S FOOTBALL

The growth and popularity of women's football in recent years is hugely encouraging. However, the Panel has heard much evidence that the sport is now at a critical juncture facing complex and tough decisions regarding the best approach to take for future stability and growth at both elite and grassroots levels. I believe that improvements in corporate governance of clubs and football authorities under a new regulator will benefit the women's game as much as the men's game. As noted above, I also believe that there should be consideration of the money flowing into

the women's game and exploration of ways that funding can be increased.

However, it is more difficult to discern the right model for the future structure of women's football and the evidence from those within the game has been varied. I believe it is crucial to get these issues right before proceeding further, and we will be considering this further over the coming weeks. It is likely that I will recommend that the future of women's football receive its own dedicated review.

PROTECTING THE WELFARE OF YOUNG PLAYERS

The Panel heard compelling evidence that the football industry needs to take greater steps to protect the welfare of young players, and in particular the vast majority of young players who become part of football academies but do not go on to have professional careers. The Professional Footballers' Association (PFA) gave evidence that their involvement with

football has a significant impact on the mental health, social development and educational development of these young people. I therefore strongly recommend that the FA, Premier League, English Football League, National League and PFA urgently cooperate to develop a joined-up approach to player development and player care both inside and outside of football.

CONTRIBUTING TO THE GAMBLING REVIEW

Although not within the scope of the terms of reference of this Review, a number of supporter groups were very concerned about the high levels of gambling advertising in and around football, and the impact that this had on supporters, players, and also the game. I am aware a separate

review of the Gambling Act is currently underway which is covering gambling advertising. I would recommend that the Gambling Review hears the concerns of football supporters on this issue, and that they have an opportunity to submit evidence to that review.

Conclusion overleaf...

CONCLUSION

This is just the start. Thanks to the extensive engagement from the football community, building the foundations of this Review, I have been able to set out the direction of travel towards the final recommendations. The Panel and I, supported by DCMS officials, will undertake further substantive work over the coming months to scrutinise, test and challenge these initial findings and to give more detail in the Final Report in the autumn.

I believe this is the opportunity to address some of the very real challenges facing the English game while at the same time

building on its many strengths to make it stronger still. Stronger competition.

Stronger protections, regulation, and governance. Stronger fan involvement. Stronger controls allied to financial reform. A stronger national game for everyone across the men's pyramid, the women's game, and the grassroots.

I am sure that you would like to join me in thanking all those who have contributed to the Review so far, the Expert Panel for their valuable time and officials who have assisted the work to date.

APPENDIX B: SURVEY RESULTS

1. 2017 REVIEW OF RESPONSES TO THE GOVERNANCE OF THE GAME IN SCOTLAND

This landmark survey, which saw over 16,000 people participate, was carried out by the SFSA in partnership with Professor Dr Axel Faix and Dr Joachim Lammert, two respected German sports academics from the University of Applied Science and Arts in Dortmund and the University of Leipzig, respectively. Both have significant experience in carrying out similar evaluations in Germany and on a European level.

Key findings from the survey include:

- Stakeholders were very dissatisfied with the leadership of both the SFA & SPFL across a range of activities.
- 73% believe their own club is committed to the good of football.
- 65% believe their own clubs are open and honest.
- 93% believe that Scottish football should be overseen by an independent watchdog.
- 95% of fans believe it is essential to have an independent national fans body.
- 90% feel that the Scottish Government should put pressure on football authorities to improve.
- 60.5% said that they could lose interest in football in the future.
- 32.5% attend fewer than 10 games a season.
- 24.5% said they never attend away games.
- 60.7% said they attend between just 1 and 10 away games a season.
- 92.5% say football is important to them.
- 13.5% don't think football is more important than their other leisure activities.
- 93.8% want more supporter influence in the SPFL.
- 94.1% want more supporter influence in the SFA.
- There is little difference between the key stakeholders' opinions (players, managers, coaches, club officials, referees and supporters) throughout the research.

The main report is available here:

<http://scottishfsa.org/wp-content/uploads/2017/07/SFSA-Evaluation-2017.pdf>

2. 2022 SURVEY BY THE SCOTTISH FOOTBALL ALLIANCE ON SATISFACTION WITH THE GAME AND ITS GOVERNANCE

Key findings from the research include:

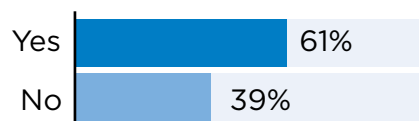
- Just 12.9% of supporters believe that the SFA do a good job for our game.
- 83% of respondents believe that there should be supporter representation on the Boards of the SFA /SPFL.
- Just 9.2% of supporters believe that the SPFL do a good job for our game.
- Only 4% of supporters feel the football authorities value them.
- 73% believe that having one body running the game would be better.

- 93% of respondents believe the Minutes from the Board meetings should be in the public domain.
- Only 3.9% of supporters support the position Referees being silenced after professional games.
- Only 9.3% of supporters believe that the current distribution model for clubs is fair.
- Only 11.1% of supporters believe that the current governance structure of the Scottish Game is sustainable.
- 88% of fans believe the Scotland matches should be free to air broadcasts.
- 86% of fans believe there is too much bigotry in our game.
- Only 17% of fans believe the current league structure and playing the same teams 4 times is worth keeping.

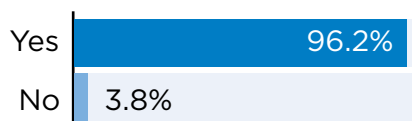
3. 2023 RESEARCH ON KNOWLEDGE AND UNDERSTANDING THE ROLE OF AN INDEPENDENT REGULATOR IN FOOTBALL

This survey was carried out in association with University of Edinburgh, Sport Management Studies department in May 2023 and elicited 1,225 responses. The full survey can be downloaded via: scottishfsa.org

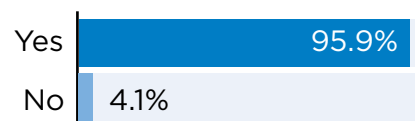
Q1. Are you aware of the White Paper regarding an Independent Regulator for Football in England?



Q2. Do you think an Independent Regulator would be a positive step for Scottish Football?



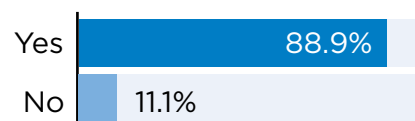
Q3. Would an independent regulator improve governance of the game in Scotland?



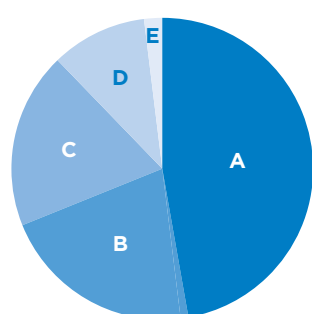
Q4. The most important job of the regulator, by preference:

1. Ensuring financial mismanagement seen before will not occur again.
2. Ensure a more stringent owners and directors test is developed and monitored independently.
3. Ensuring a fairer distribution of income to protect all clubs.
4. Stop the threat of breakaway leagues and review league formats.
5. Given fans power to stop owners damaging integrity of the club.

Q5. Would the creation of an Independent Regulator stop club financial failures?

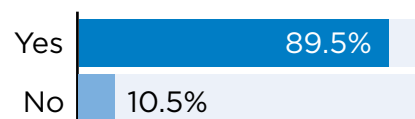


Q6. What drawbacks / difficulties might the proposal encounter?



- A.** Clubs will not welcome it (47.3%)
- B.** There are no drawbacks (21.6%)
- C.** Could be seen as political interference (18.9%)
- D.** Could lead to less investment if there is more regulation (10.4%)
- E.** Scotland could be out of step with other countries (1.9%)

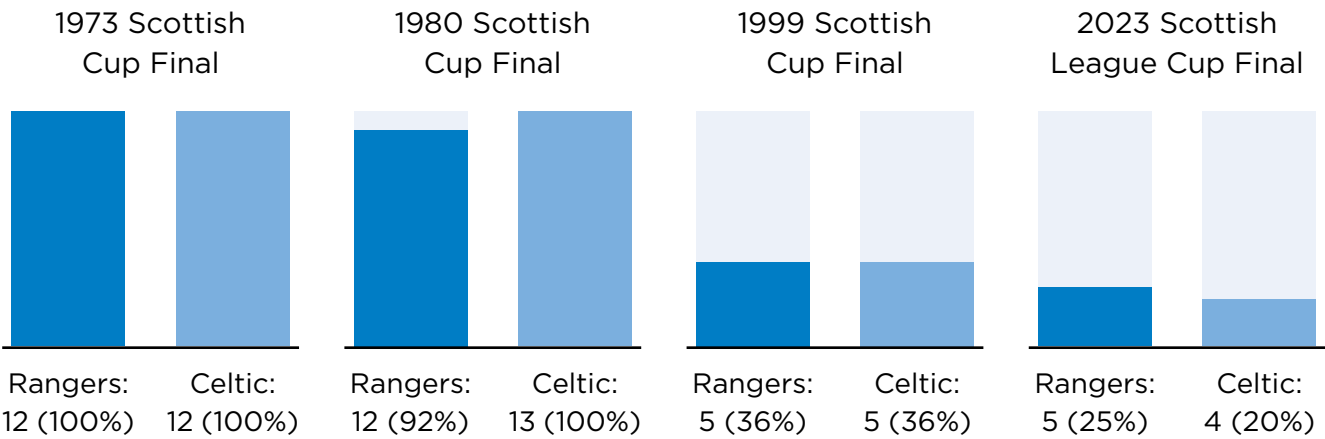
Q7. Do you think fans should have a seat on the board of the SFA?



APPENDIX C:

DATA ON ELITE INTERNATIONAL PLAYERS (% BASED ON SQUAD SIZE, RANGERS V CELTIC CUP FINALS)

Players eligible to play for Scotland:



APPENDIX D:

CONTRIBUTORS TO THE REVIEW

This review was a large task undertaken by our volunteer team over a two-year period. We have respected the wish of a number of contributors working across football in Scotland to remain anonymous, but we include here a cross-section of those consulted and engaged.

The project was led by Dr Andy McArthur. We conducted over 30 multi-participant Zoom calls, held had in excess of 100 meetings, and engaged in several hundred phone calls – as well as receiving contributions from over 280 fans and supporter groups during the process. Some contributors provided many hours of valuable input. Since The Scottish Football Alliance (TSFA), galvanised by SFSA, forged a collaborative approach to the review process, it was agreed that no individual inputs would be attributed to individual participants in the final report.

The final document was edited and compiled by Simon Barrow, and typeset and designed by Daniel Sweeney. Acknowledgment here (either as an individual or as an organisation) does not necessarily imply agreement with all aspects of this report, which is a summary and exposition of key findings and proposals by the Steering Group, whose members are included in the list below.

Among the main contributors who provided time and insights were:

Mark Anderson, Arveen Arabshahi Gordon Alexander, Stuart Adam, Alastair Blair, Arveen Arabshahi, Hannah Bardell MP, Prof Dr James Black, Mike Barile, Ian Blackford MP, Simon Barrow, Mark Brennan, John Blackley, Crawford Boyd, Jimmy Bone, Billy Brown, Craig Brown CBE, Ally Byres, John Bleasdale, Mark Carroll, Dave Cormack, John Colquhoun, John Collins, Gary Cooke, Bruce Crawford, Tracey Crouch CBE MP, Heather Dewar, Alastair Dickson, James Dornan MSP, Iain Emerson, Tom English, Ian Ferguson, Tony Fitzpatrick, Dr Alan Fraser, Sandy Fyfe, Peter Forde, Stewart Gilmour, Peter Glancy, Gregor Goodwin, Paul Goodwin, Ally Graham, Hazel Guilder, Rose Hagan, Paddy Hailey, Kevin Harper, Tony Higgins, Gerry Hassan, Nick Hobbs (Advisor, Children and Young People's

Commissioner for Scotland), David Irons, Bryan Jackson, Cathy Jamieson, Kenny Jamieson, Prof Dr Jochen Lammert, Mathew Lindsay, Keith Lasley, Stuart Lovell, Shaun Maloney, Greg Marshall, Scott Masson, Kevin Miles, Prof Stephen Morrow, Ian Murray MP, Stuart Murphy, Ross McArthur, Gordon McAllister, Pat McCaughey, Fulton McGregor MSP Mike MacGregor, Paul McLellan MSP, John MacLean, Craig Maclean, Henry McLeish, David MacKinnon, David McNabb, Jackie McNamara Jnr., Iain McMenemy, Patrick McVay, Murray Napier, Gavin Newlands MP, Pat Nevin, Pat McCaughey, Maureen McGonigle, David McPherson, Stuart Murphy, Dr Tom Neal, Paul Pettigrew, Allan Preston, Angela Rayner MP, Fergus Reid, Logan Reilly, Charlie Richmond, Stewart Russell, Scott Robertson, Douglas Ross MP MSP, Anas Sarwar MSP, Dave Scott, Jocky Scott, Prof Dr Jim Shields, Andrew Smith, Alex Smith MBE, Gordon Smith, Willie Smith, Walter Smith MBE, Steve Smart, Alyn Smith MP, Jim Spence, Sir Keir Starmer MP, Dr David Stewart, Donald Stewart, Mark Stewart, Paul Sturrock, David Southern, Colin Thomson, Jim Thomson, James Thomas, Gordon Waddell, Murray Watt, Rob Wicks, Fraser Wishart and Mel Young (Chair, Sport Scotland).

Organisations who participated in the review:

All the major football stakeholders were offered the opportunity to contribute to the review process, including the SFA and the SPFL. The following chose to participate or respond:

- The Scottish Government
- Professional Footballers' Association (PFA) Scotland
- The Scottish League Managers Association
- The West of Scotland Football League
- South of Scotland Football League
- Scottish Welfare FA

The authors of this report would like to put on record their particular appreciation for the significant contribution to our team of our volunteer football researchers: Abbie Trotter, Paddy Hailey, Murray Napier and Scott Masson from the SFSA's 'engine room'.

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