

# FAIR GAME

# BRIEFING

## The Proposed Funding Models

### September 2023

There are seven potential funding models on how to distribute the current TV broadcasting revenue of £3.19bn.

#### **The existing model**

Parachute payments for relegated Premiership clubs.

Distribution as follows:

- 88.242% To Premier League clubs
- 7.348% To Championship clubs in receipt of parachute payments
- 3.285% To Championship clubs not in receipt of parachute payments
- 0.622% To League One clubs
- 0.415% To League Two clubs
- 0.058% To National League clubs
- 0.015% To National League North clubs
- 0.015% To National League South clubs

#### **Premier League's "New Model"**

An Extra £130m for EFL clubs.

The amount given to each EFL division is split along existing distribution percentages.

Parachute payments for relegated Premiership clubs.

No extra money for clubs in the National League divisions.

*Note: While the total pot given to Championship sides is to remain the same, the percentage of that amount given to Parachute Payments clubs is still to be decided. So for modelling purposes the percentage of the broadcasting revenue given to those five clubs is the same (7.35% of the total broadcasting revenues).*

#### **Premier League's "New Model"+**

Raising the amount given to EFL clubs to 25% of the total broadcasting revenue (currently this figure is 11.67%).

Parachute payments for relegated Premiership clubs.

No extra money for clubs in the National League divisions.

*Note: 25% is the amount the EFL are currently calling for*

#### **The Fairer Distribution Model**

Premier League funding pot remains the same (88.284% of £319bn), leaving £375m to be distributed to the six divisions directly below the Premier League.

Abolition of parachute payments.

Distribution below Premier League based loosely on divisional average attendances. So pot below the Premier League is split:

- 50% Championship
- 25% League One
- 13% League Two
- 6% National League
- 3% National League North
- 3% National League South

### **The Fairer Distribution Model +£130m**

Abolition of parachute payments.

An extra £130m is given to the six divisions immediately below the Premier League and distributed according to the “Fairer Distribution Model” (taking the total pot distributed to the six to £505m)

### **The Fairer Distribution Model +25%**

Abolition of parachute payments.

Raising the amount given to the six divisions directly below the Premier League to 25% of the total broadcasting revenue (currently this figure is 11.758%). This leaves £798m to be distributed between the six according to the “Fairer Distribution Model”.

### **The Fair Game Model**

Abolition of parachute payments.

Raising the amount given to the six divisions directly below the Premier League to 25% of the total broadcasting revenue.

Introduction of the Solidarity Levy – a key recommendation of the Fan-Led Review chaired by the former Conservative Sports Minister Tracey Crouch and published in November 2021.

The levy is a 10% stamp duty on transfers between Premier League clubs, and Premier League clubs and overseas clubs. If the levy had been in existence, it would have raised £278m over the last 12 months.

This gives a total pot of £1076m which would be distributed to the six divisions below the Premier League according to the percentages outlined in the “Fairer Distribution Model”.

### **So what does it mean on average?**

#### **National League South club (24 clubs)**

- **Current Model:** £20,000
- **New Deal:** £20,000
- **New Deal+:** £20,000
- **New Deal+25%:** £20,000
- **Fairer Distribution:** £469,000
- **Fairer Distribution+:** £631,000
- **Fairer Distribution+25%:** £997,000

- **Fair Game:** £1,344,000

**National League North club (24 clubs)**

- **Current Model:** £20,000
- **New Deal:** £20,000
- **New Deal+:** £20,000
- **New Deal+25%:** £20,000
- **Fairer Distribution:** £469,000
- **Fairer Distribution+:** £631,000
- **Fairer Distribution+25%:** £997,000
- **Fair Game:** £1,344,000

**National League club (24 clubs)**

- **Current Model:** £77,000
- **New Deal:** £77,000
- **New Deal+25%:** £77,000
- **Fairer Distribution:** £938,000
- **Fairer Distribution+:** £1.263m
- **Fairer Distribution+25%:** £1.994m
- **Fair Game:** £2.689m

**League Two club (24 clubs)**

- **Current Model:** £552,000
- **New Deal:** £762,000
- **New Deal+25%:** £1.205m
- **Fairer Distribution:** £2.032m
- **Fairer Distribution+:** £2.736m
- **Fairer Distribution+25%:** £4.320m
- **Fair Game:** £5.826m

**League One club (24 clubs)**

- **Current Model:** £827,000
- **New Deal:** £1.114m
- **New Deal+25%:** £1.763m
- **Fairer Distribution:** £3.907m
- **Fairer Distribution+:** £5.261m
- **Fairer Distribution+25%:** £8.307m
- **Fair Game:** £11.203m

**Championship club not in receipt of parachute payments (19 clubs)**

- **Current Model:** £5.515m
- **New Deal:** £7.435m
- **New Deal+25%:** £11.764m
- **Fairer Distribution:** £7.814m
- **Fairer Distribution+:** £10.522m
- **Fairer Distribution+25%:** £16.615m

- **Fair Game:** £22.406m

**Championship club in receipt of parachute payments (five clubs)**

- **Current Model:** £46.880m
- **New Deal:** £63.197m
- **New Deal+25%:** £99.990m
- **Fairer Distribution:** £7.814m
- **Fairer Distribution+:** £10.522m
- **Fairer Distribution+25%:** £16.615m
- **Fair Game:** £22.406m

**Premier League club (20 clubs)**

- **Current Model:** £140.746m
- **New Deal:** £134.246m
- **New Deal+25%:** £119.625m
- **Fairer Distribution:** £140.746m
- **Fairer Distribution+:** £134.246m
- **Fairer Distribution+25%:** £119.625m
- **Fair Game:** £119.625m