

The FA Chairman's England Commission

Report
May 2014

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Foreword



In twenty years the number of English players playing in the top division of English football has fallen by more than a half and the trend remains downwards. Our Commission was set up to ask what, if anything, could be done about this.

This decline is a problem in countries right across Europe but is a significantly bigger problem in England than anywhere else and if the trend continues we fear for the future of the English team. If this cannot be reversed a future England manager will have fewer and fewer top level English players from which to choose.

We want to continue to have the best foreign players playing in England and to strengthen the quality and excitement of the Premier League and the rest of English club football. But we also want to develop ways of giving more English boys the best chance of achieving their potential by enabling them to play football at the very highest level.

We believe that this is not only in the best interests of the national team and the young English players themselves but also in the interests of the professional football clubs who are spending millions of pounds on youth development programmes and are currently getting only a very limited return on their investment.

As a Commission we set ourselves the challenge of finding ways of reversing the trend and getting the total number of English players playing regularly at the top level of English football back up, to a figure closer to 50%. This would mean increasing the number of English players playing regularly in the Premier League or other top leagues in Europe from the current 66 to more than 90.

It quickly became clear to us that this could not be achieved without some radical and ambitious proposals to change English football and that is what we are outlining in this report. Tinkering will not be enough if we are to achieve our goal. To use the analogy I used when I launched the Commission in September 2013, the tanker that is English football needs turning if we are to reverse the trend.


We recognise that making changes in football is often a slow and difficult process but we urge those in the football world to consider our proposals constructively and with open minds. We urge them to balance the specific, narrowly-defined concerns of their particular club or league with what will be of the most benefit to the game overall, to the development of young English players and to the success of the England team.

In researching this problem in English football we identified four key obstacles which we believe need to be overcome if we are to be successful. Work is still continuing on two of them – how to improve coaching and how to increase the investment in grassroots facilities.

This report, however, concentrates on the other two areas – the lack of meaningful playing opportunities for English elite players in the final stages of their development; and serious weaknesses in the system designed to restrict to the very best the numbers of non-EU players playing in England.

This report sets out our findings in these two areas and proposes a range of possible solutions, which the Commission believes would help overcome these problems.

I thank our Commission members for giving their time freely and for bringing energy, wisdom, experience and frequent challenge in serving on this Commission. My thanks also go to the 650 people from across football and beyond who have willingly contributed their experiences, opinions, suggestions, data, advice and differing views to the Commission and its research team.



Greg Dyke

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Executive Summary

Introduction

When the Commission was established in September 2013 to consider the lack of available quality English players appearing regularly at the top end of English football, it was attempting to address an issue often raised, occasionally debated, but rarely confronted by the game.

We posed three initial questions:

- How did the situation occur?
- What might be done to improve it?
- How might proposed changes be achieved?

A process was established that for the first time really explored the depth of the problem of the lack of English playing talent at the elite end of the game, the reasons why this is important to all of English football and the scale of the challenge in turning around a worsening trend.

The scale of the problem

In the 2012-13 Premier League season only 32% of starts were by players qualified to play for England compared with 69% twenty years ago. Among the top four clubs that season, the number reduces to only 28% of starts by English qualified players. Meanwhile in the Champions League only 22 English players appeared in any group matches this season compared with 75 Spanish players, 54 German players and 47 Brazilian players.

This lack of English players is not limited to the top of the game. In 2012-13 only 51% of players in the Championship were qualified to play for England. This represents a 10% decline in the last ten years.

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This is not a uniquely English phenomenon, but what is unique is the fact that English players rarely travel abroad to play in the other top European leagues. Whilst 43% of the Spanish squad and 37% of the French national squad have appeared in the Premier League, only one current senior England international plays outside of Britain.

The impact on the England team

A direct relationship can be drawn between the numbers of available players playing regularly at the highest level in the best performing teams and the performance of a national squad.

In all there are 42 Spanish players playing over 50% of games for a top six team in one of Europe's top five leagues. Of these 42 players, 24 have been selected for the Spanish national team in the past year. Against the same criteria there are again 42 German players, of whom 24 have been selected for their national team in the last year. By contrast, in 2013 there were just 18 English players who played 50% of matches for a top six club in one of Europe's top five leagues, from which 13 were selected for England last year.

Simply put our competitors are picking from larger talent pools of more experienced players.

Why this matters

First the England team matters. England's matches in major tournaments are 'national moments'. They bring people together with a shared identity and purpose in numbers that go beyond any other sporting or cultural comparison. Domestic club football has a resilient and passionate fan base, but it is a core base of support – the England team builds on this core to take football into a truly national (and by extension) international context. It is in the public interest for there to be a successful England team, and it is our belief that the benefits of national team success would be felt across the whole game.

Secondly, as a game we have a responsibility to all our aspiring players to ensure there is a pathway available to them to reach the highest levels of our game. If English football cannot offer the opportunity for young English footballers to reach their maximum potential because of decreasing playing opportunities, then it is failing.

This issue matters because we have a duty of care for English football and not just to football played in England.

How did we get here?

Three key changes to the game which occurred in the 1990s are crucial to an understanding of how we have arrived in this situation. The first was the advent of pay TV and the decision by Sky in particular to base its subscription model around regular premium sports content.

The second and related change was of course the advent of the Premier League. A new competition that shared the revenues of these new lucrative broadcast deals

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with the leading clubs. Since 1992 the Premier League's domestic TV rights have gone from £42m to over £1 billion today with an additional £700m also secured from international rights deals. This increased revenue has also allowed English clubs to be at the forefront of the global market for playing talent, with unintended consequences for the development of our own players.

Thirdly, the 1995 Bosman ruling changed football right across Europe. The Advocate General of the European Court of Justice on the ruling said that at the time of Bosman it was “**unlikely that the migration of foreign players would increase to the extent that the chances of domestic players would be seriously diminished**”. In the case of English football, as the evidence of this report demonstrates, he was categorically wrong.

Whilst a number of attempts have been made in recent years to address this trend, and in particular to create competition rules that protect the development of Home Grown or locally trained players, the combination of the protected right of international free movement of labour and the available money in the English game has meant none have materially impacted the trend.

Setting a Target for English Football

In identifying and agreeing a range of recommendations to reverse this trend it became imperative for us to agree a target by which progress could be measured. Based on the evidence of international comparisons, and allowing for the gradual impact of some changes it was agreed that by 2022 we should aim for 90 English players playing in top five European Leagues compared with 66 today. Of these 90 at least 30 should be playing in top six teams in their league. If all of these players were playing in the Premier League, then 45% of Premier League players would be English compared to 32% today.

Diagnosing the Problem

In order to diagnose the problem, with the support of our research team we have heard the views of over 650 people across all levels of the game both domestically and internationally, including over 400 substantive submissions from the public and one-on-one interviews, club visits and round tables. After discussing the emerging themes and debating its conclusions four key areas were identified as the primary obstructions to the development of elite English players:

- i. Most importantly inadequate competitive playing opportunities for 18-21 year old elite players at top clubs
- ii. The ineffectiveness of the regulation of the player market in preserving the desired balance between English, EU and non-EU players
- iii. The quality and impact of coaching and coach education especially in grassroots football
- iv. The quantity and quality of grassroots facilities, especially all weather pitches

This initial report's proposals focus only on points i) and ii). They require the most immediate attention and will require the greatest level of debate and co-operation across the whole game. Further work is underway on iii) and iv) and further reports will be published on these later in the year.

i) Inadequate competitive playing opportunities for 18-21 year olds

The evidence from Premier League and Football League clubs, combined with our own analysis, supports the widely held view that by far the biggest problem at the elite end of English football is the lack of competitive playing opportunities for young English players in the Professional Development Phase of their academy life, aged 18-21. Many of the clubs describe this as the "black hole" of English football.

Too many good young English players fail to complete their academy development by making the transition into first team football. Without this, they fall behind their young foreign peers in building the proven, relevant experience that is generally a prerequisite for achieving a core first team squad position. In 2013-14 only 124 young English footballers (18-21) played first team football for their club or out on loan compared with nearly three times the number in Spain and Germany. As one Premier League club academy manager put it "the gap between the academy and the first team has widened significantly in the last 20 years".

Players signed from overseas at an older age have usually had this experience in their home countries when they are younger. Since they have played more competitive games between the ages of 18-21, this makes them more attractive propositions for a Premier League manager or coach than the product of his own academy.

The difference in the development pathway between young English, Spanish and German players is best illustrated by comparing a cohort of equivalent quality players for each country. We tracked players who were selected for their nation's team in the U19 European competitions between the period 2006 and 2008. We discovered, by the age of 22, the group of Spanish players had accumulated three times as many average minutes in Champions League or Europa League games as their English counterparts. The corresponding German players had played more than twice as many Champions League or Europa League minutes as the English players.

The recently introduced Elite Players' Performance Plan (EPPP), a development led by the Premier League and introduced across the top four divisions of English football, was designed to address the situation. It has been developed to improve the consistency, breadth and depth of academy development and to give players greater playing opportunities; it was introduced to increase the number of home grown Players getting into a club's first team. As the Premier League themselves state, "When you strip it down to its most fundamental, the EPPP is about creating an environment where a local boy, developed in his local club from eight or nine years of age, can go on to pull on a first-team shirt of the club that he has grown up at."

However, evidence presented to us by many of the clubs suggests that EPPP is not yet delivering sufficiently competitive football at the final end of the development pathway to prepare young players for first team football. The Under 21 Premier League is not the 'springboard to first team football' that it needs to be.

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The other main development option for young players is the English loan system, which is one of the most active in football anywhere. There are several examples of top English players whom have developed successfully through multiple loans to lower league clubs but, whilst loans are attractive for lower league clubs, few Premier League clubs regard it as a totally satisfactory process for player development. Put in place to protect the integrity of the competition, the Football League 'dual interest' and nursery club regulations effectively prohibit the lending club from determining how their player is played, in which position and how frequently, and from influencing the loaning club's playing philosophy. Nor can the lending club influence other aspects of their player's loan experience including diet, exercise and education. As one Premier League manager concluded, "a loan generally benefits the club receiving the player, not the player."

In order to address the lack of playing opportunities for English players developing in England, the Commission has created the following proposals for discussion and debate:

Proposals to address the inadequate Competitive playing opportunities for 18-21 year olds.

1) The introduction of Premier League B teams into English football

A 'B team' would be the youth development squad of a Premier League football club. This is distinct from a 'feeder club' in that a B team will be fully integrated with the parent club and shares its name (and would not be a pre-existing club taken over by a senior club).

Across most of Europe, B teams provide the crucial first stage of an effective bridge between the academy and first team. Details of the impact of the Spanish and German models are found within the report, however, it should be noted that as a result of having B teams, 18-21 year old Spanish players play 2.6 times more competitive football than their English counterparts.

Dispersed within the footballing pyramid, these B teams are essential to a young player's footballing development, providing competitive football from a younger age. Players with talent find themselves, for the first time, playing in front of real crowds, against older players whose livelihood is dependent on winning and experiencing the pressures of a game where the outcome has real consequences.

Unlike a loan system, players are learning and developing their experience while still part of their club. B teams are intimately linked to the first team; training on the same facilities, sharing the same coaches and embracing playing styles governed by the same footballing philosophy. Using B teams, clubs can therefore carefully shape the development of their more talented youngsters.

Many of the top clubs have told us that the current playing opportunities for young players aged 18-21 are inadequate and that they would welcome clubs playing in the lower divisions of the Football League but under their direct control and supervision. B teams would allow for this.

The Commission believes this could be achieved by the creation of a new League Three in the Football League and that all Premier League clubs would have the choice

of having a B team starting either in that division or the Conference. There would be promotion and relegation across the four divisions but B teams would not be able to rise above League One or play in The FA Cup. A concern that this would result in a cluster of B teams at the top of League One and thereby destroying competition in that division is not borne out by experience of the European countries that have B teams.

We estimate that each B team squad would contain an average of 15 English players. Assuming, say, that there were ten B teams, this translates into 150 playing opportunities for English players. If we assume that the percentage of these that make it into their first team is around 6% (a marginal improvement on the percentage of players with loan experiences that reach the first team) this would translate into nine new English players making it into the first team squad of a Premier League side each season, augmenting the current input of new players into Premier League first teams.

2) The development of strategic Loan Partnerships between clubs

We propose the creation of a new type of relationship between clubs, called a Strategic Loan Partnership (SLP). Complementary to the existing loan arrangements (which would continue), the primary difference with an SLP is that the lending club would be able to guide the loaned player's experience more closely while on loan. We believe this would increase the use and effectiveness of loans for development and overcome many of the limitations of current loan experiences.

Under this proposal, Premier League and Championship clubs would be entitled to establish SLPs with up to two clubs in divisions below the Championship. The senior club could lend each lower club up to eight players in a season, although only five could be on the team sheet at any one time. With the SLP, the senior club could also lend coaches to transfer expertise plus further support in the areas of sports science, nutrition, and education to bring benefit to both clubs. Part or all of loaned players' wages could be paid by the club.

We estimate there could be fifteen lower league teams that enter into SLPs with Premier League or Championship clubs. If each SLP generates just over five development places for English players (the places are reserved for eight Home Grown Players, of which we assume approximately 65% will be English), this translates into 83 new development places for English players, further increasing the supply of players with greater competitive experience.

Making these proposals happen

The Commission believes both these proposals could bring significant benefits to Football League clubs including financial benefits to those in the lower leagues. One of the criticisms of English football today is that so little of the enormous amount of money which has come into football has been shared with clubs at the lower levels. We believe a transfer of funding from the top clubs to those in the lower leagues would be appropriate as a counterbalance for the radical change proposed to their structure. A new 'settlement' to support the financial sustainability of the lower leagues could also be supplemented by a programme designed to incentivise lower league clubs to play English footballers, funded by the Football Association.

ii) Regulation of the English player market is not effective in preserving the desired balance of British, EU and non-EU players in clubs.

There have been several attempts to regulate the player market both to encourage clubs to develop their own players, rather than importing them, and to ensure that only exceptional players from outside the EU are given permission to work in the UK. Efforts by UEFA, the Premier League, the Football League and UEFA have at best had only limited impact.

Currently, UEFA, the Premier League and the Football League require clubs competing in their competitions to abide by certain Home Grown Player (HGP) rules (as described in Section 3.2). At their current levels HGP rules have had little impact on the behaviour of clubs and rarely seem to influence the development of Home Grown Players.

Likewise, the Governing Body Endorsement (GBE) work visa system – agreed between the UK Border Agency, the UK's football governing bodies, leagues and representative bodies to manage the inflow of players from non-EU countries (excluding those countries covered by EU agreements) appears to be flawed. The aim of the system is to allow into the UK only those 'non-EU' players who are "internationally established at the highest level" and "whose employment will make a significant contribution to the development of their sport at the highest level". The evidence suggests that it is not operating on such exclusive lines.

122 non-EU players have entered England under the GBE scheme since 2009. Nearly 50% didn't meet the current criteria and came through an appeal process in which 79% of appellants have been successful. Of these players 19% went into Football League, so are clearly not playing at the "highest level". Only 55% going into the Premier League played less than the average minutes for a Premier League player. Remarkably only 58% given work visas to play in Premier League play any football in that league in the second season after their arrival.

Whilst accepting that the very best non-EU foreign players do bring great value to English football, many interviewees have argued strongly to us that too many mediocre players are getting work visas. The evidence appears to support that view.

In order to rebalance the player market in favour of Home Grown Players we put forward the following proposals for discussion and debate.

Proposals to address the ineffectiveness in preserving the desired balance of British, EU and non-EU players in clubs.

3) Home Grown Player Requirements

We propose the maximum number of non-Home Grown Players allowed in a Premier League squad should be reduced over five years from 17 currently to 12. This would mean that out of a squad of 25 more than half would be Home Grown by 2020. This timescale gives EPPP and other proposals time to take effect so this is not a sudden change for the clubs. We believe the same should happen in the Football League. Following UEFA's lead we also believe in the introduction of a quota of four Club Trained players in a Premier League squad of 25 by 2020. We note that the most

successful clubs in Europe in recent years – Barcelona, Real Madrid, Bayern Munich and Manchester United would have had no problems meeting these requirements.

An increase in the HGP numbers and the introduction of a Club Trained player rule would ensure that the playing opportunity initiatives that we are proposing are matched by a parallel obligation to develop Home Grown Players.

4) Changes to the non-EU work visa process

The current automatic criteria must be changed so they are strict enough to limit those entering the UK to truly exceptional players of the highest calibre. The figures show this isn't the case at present.

We believe that no players coming in on non-EU visas should be allowed to join clubs in any league in England other than the Premier League. The players are either of exceptional talent or they are not. Furthermore no players on overseas visas should be allowed to be loaned to other clubs in England even if they are in the Premier League. In addition, a cap of say two players should be introduced on the number of non-EU players allowed in any one club, squad or team sheet. Many countries, including Spain, Italy and France already have this rule.

We believe the appeal process must be reviewed immediately to look at what can be provided to strengthen and guide appeal panel members' decision-making processes as it is quite clear the current system is being abused.

Conclusions and next steps

This is a paper aimed at starting a very serious debate within football. We ask supporters, clubs and leagues to look at the interests of the whole game of English football.

We will complete and deliver reports and recommendations on our work on coaching and grassroots facilities in the autumn. For the proposals for playing opportunities and regulation in the player market made in this report our next immediate step will be to undertake a detailed consideration, consultation and debate between all interested parties in football.

We believe that a winning England team would be massively beneficial to football overall and that unless the game works together to address the decline in the number of English players playing at the top level the England team will inevitably be weaker.

We believe it is in the interests of the clubs. Many of the clubs we spoke to were very clear that they are making significant investment in the development of players and are at present getting little return. This is a market failure of our game and must be addressed to ensure the long-term sustainability of the academy model.

We believe it is in the interest of our young current and aspiring players. Young, talented English footballers should be able to have their chance at the top level of football in their country – increasingly this is denied to them.

Ultimately this is about the future of English football not just football played in England.



1 The problem facing England

1.1 The Commission's task

The Commission was established in October 2013 to consider the issue of the lack of available, quality English players appearing regularly at the top end of English football. Its work required it to answer three questions:

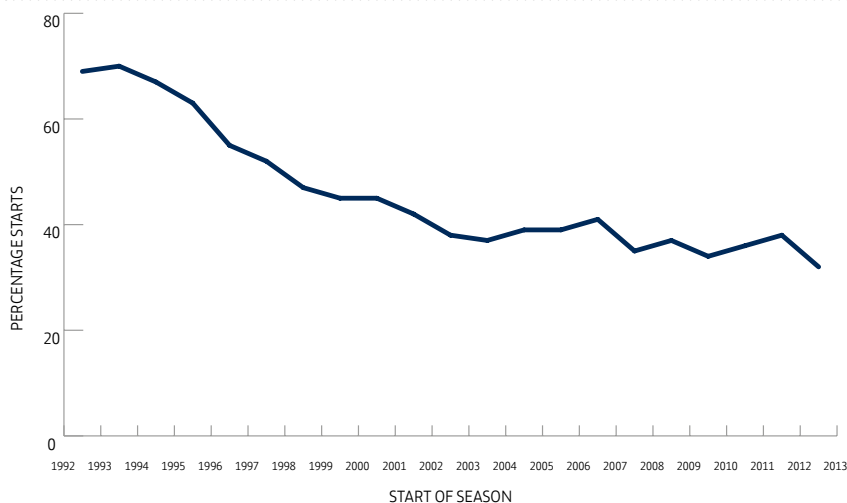
- How did the current situation occur?
- What might be done to improve it?
- How might proposed changes be achieved?

1.2 How serious is the current situation?

Only 32% of starts in the Premier League last season (2012-13) were by players who are qualified to play for England. This compares with 69% twenty years ago and the overall trend is still gradually downward. Amongst top clubs the figures are even lower: only 28% of league starts for the top four English clubs last season were by players qualified to play for England.

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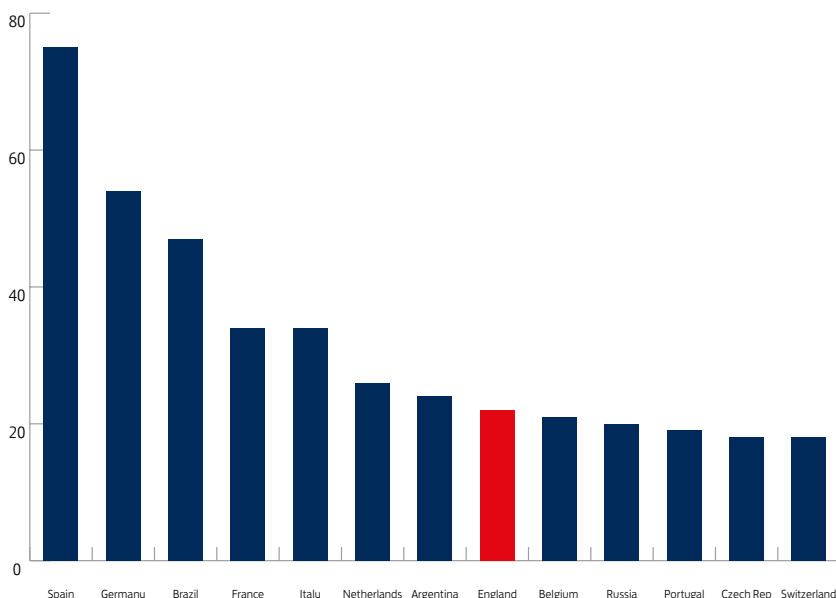
EXHIBIT 1 – PREMIER LEAGUE: STARTS BY ENGLISH PLAYERS



Source: Opta, PFA "Meltdown" 2007

This lack of English players playing at the very top of the game is even starker when you look at Champions League appearances. Only 22 English players appeared in any Champions League group stage games this season, compared with 75 Spanish, 54 German, 34 French and remarkably 47 Brazilian players – more than twice as many as English.

EXHIBIT 2 – NUMBER OF PLAYERS IN CHAMPIONS LEAGUE GROUP STAGE GAMES (2013-14)



Source: UEFA.com

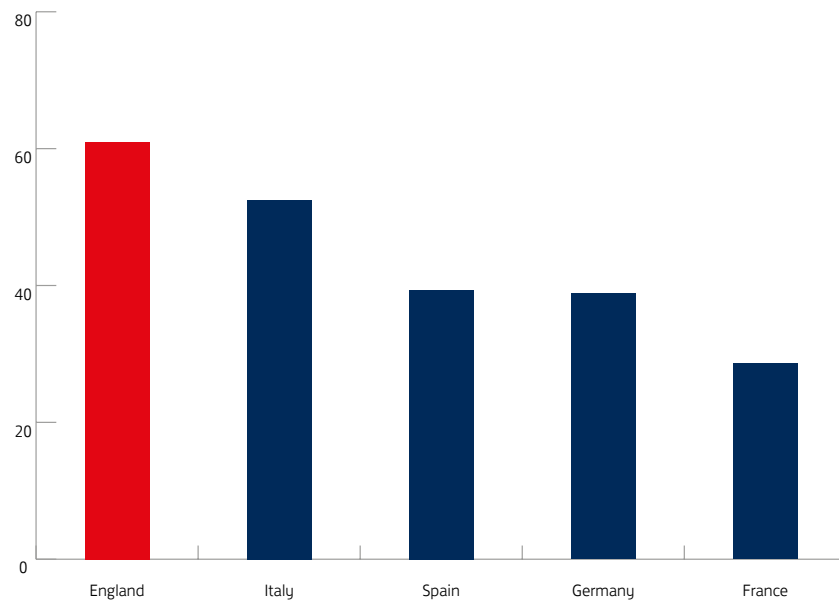
Worryingly this same general trend is also happening in the Championship where last season only 51% of the players were qualified to play for England, down from 61% ten years earlier. Although some of that decline is due to an increase in players from Scotland, Wales, Northern Ireland and The Republic of Ireland, there is also a marked

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rise in the number of non-British players playing for Championship clubs. Increasingly Championship clubs are mirroring the Premier League practice of looking abroad for players.

This trend is not only an English phenomenon, the increase in the percentage of expatriate footballers playing in a country's top league can be found in almost every country in Europe, but the problem is most acute here. According to CIES, a research joint venture between FIFA and the University of Neuchatel¹, in 2013 England had the highest percentage of expatriate players at 60.4% (this figure excludes players from Scotland, Wales, Northern Ireland and the Republic of Ireland) amongst the major footballing nations. This compares with 39.2% in Spain and 38.8% in Germany.

EXHIBIT 3 – % TOP LEAGUE PLAYERS WHO ARE EXPATRIATES (2012-13)



Source: CIES

But the problem in England is greater than that. Critically for English football, this situation is not mitigated by English players playing elsewhere in Europe, whereas other countries have many players in the top leagues of other major footballing countries. It is worth noting that 43% of Spain's recent national squad, 37% of the French squad and 38% of the Netherlands squad have appeared in the Premier League. Only one of the current England senior squad plays outside Britain.

The consequences of this general trend are not only of concern in England. Both FIFA and UEFA have real worries about what is happening and many of the major football associations across Europe have significant concerns about the impact the trend is having on their national game and have taken, or are considering, initiatives to counter the problem².

1. CIES Demographic Study, 2014
2. For example, limits imposed by the football associations in Italy, Spain and France on the number of non-EU players allowed

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1.3 How does this decline impact on the England team?

Not surprisingly, Europe's most successful footballing nations generally select the core of their players for their national squads from a pool of talented and elite footballers who characteristically:

- Play regularly (over 50% of their team's minutes³)
- Play in the top five European leagues (English Premier League, Spanish La Liga, German Bundesliga, French Ligue 1 and the Italian Serie A)
- Play especially for one of the top six teams in those leagues

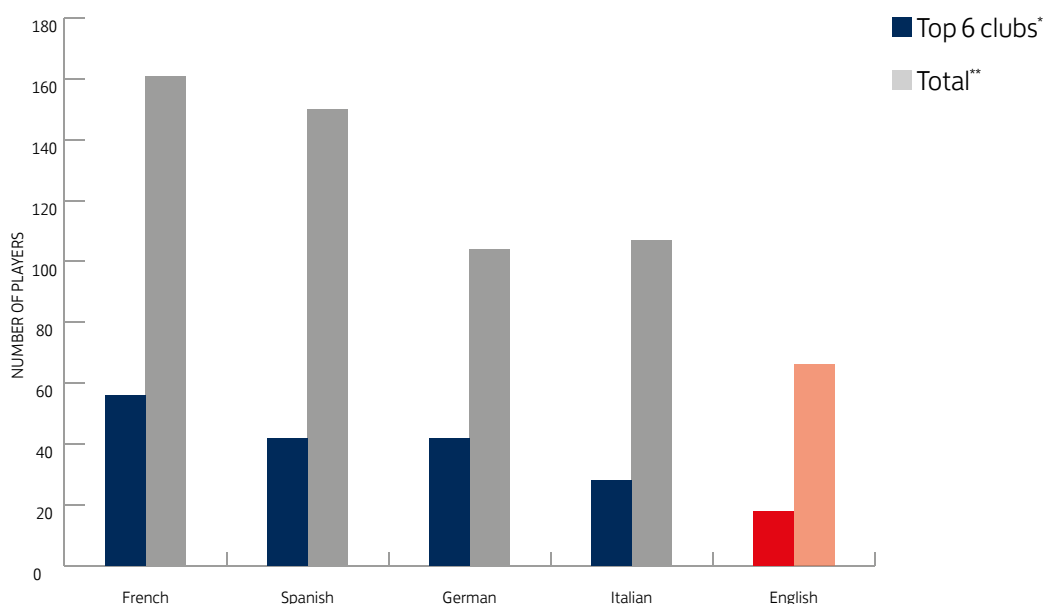
Whilst not all elite national team players fall into this category, most do. If we examine the position, for instance, of the two current strongest European teams, Spain and Germany, the figures are revealing.

In all, there are 42 Spanish players who fit into all three categories outlined above and of those 24 have been picked in the squads for the national team in the past year.

Likewise in Germany, there are again 42 players in this pool and 24 of these have been chosen for the national squads.

By contrast, there are only 18 English players in the equivalent pool and 13 of them have played for England since 2013.⁴

EXHIBIT 4 – REGULAR TOP LEAGUE PLAYERS BY NATIONALITY



Source: CIES

*Number of players playing over 50% of league minutes in a top 6 team (2012-13 league position) in a top 5 league (Bundesliga, La Liga, Premier League, Serie A, Ligue 1)

**Number of players playing over 50% of league minutes in a top 5 league (Bundesliga, La Liga, Premier League, Serie A, Ligue 1)

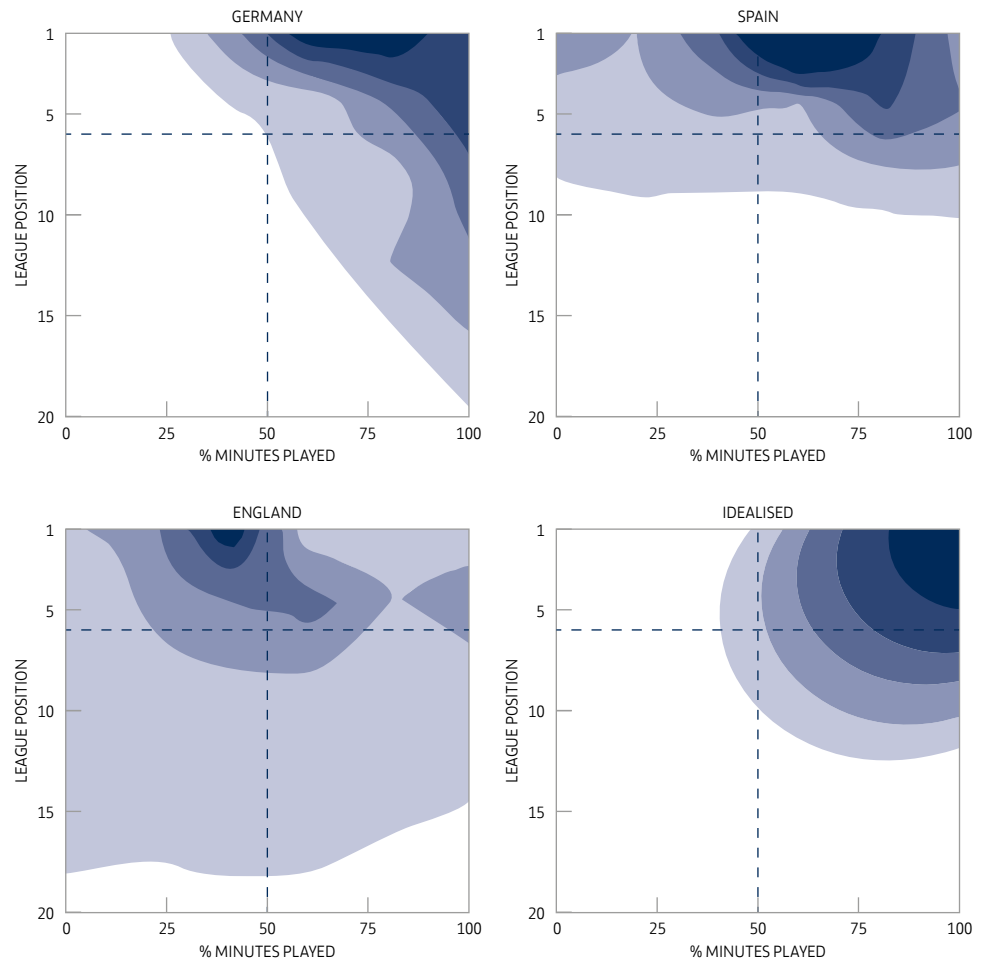
3. This means 50% of total minutes played by the team in its domestic league, and excludes all domestic and international cup minutes

4. For this analysis we are including all players selected for their national squad between July 2013 and January 2014 inclusive

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This difference is highlighted by looking at ‘heat maps’ of the distribution of the playing experience of national squad players for different countries. Exhibit 5 below plots the league position and percentage of minutes played for the club experience of each squad player during the 2012–13 season. Darker areas represent the greatest concentration of players. The ideal, as discussed above, is generally to have players who play a large number of minutes in a top club – the top right quadrant of each ‘heat map’. Spain, Germany (shown below) and Italy all have a greater concentration of players in this quadrant, whereas more England players are drawn from players who play less regularly or play in a lower club, or both.

EXHIBIT 5 – HEAT MAPS SHOWING DOMESTIC EXPERIENCE OF NATIONAL SQUAD PLAYERS (FREQUENCY OF PLAY AND TEAM LEAGUE POSITION, 2012–13)



Source: Opta
% of minutes played is not corrected for injuries

Looking beyond the top six clubs, in the 2012-13 season there were 150 Spanish players and 104 Germans who played more than 50% of minutes in the top five European leagues. By contrast, there were only 66 English players who did the same. This reinforces the view that the available pool of elite English players is significantly smaller than that of our major competitors, a fact that echoes the decline in the overall number of English players in the Premier League.

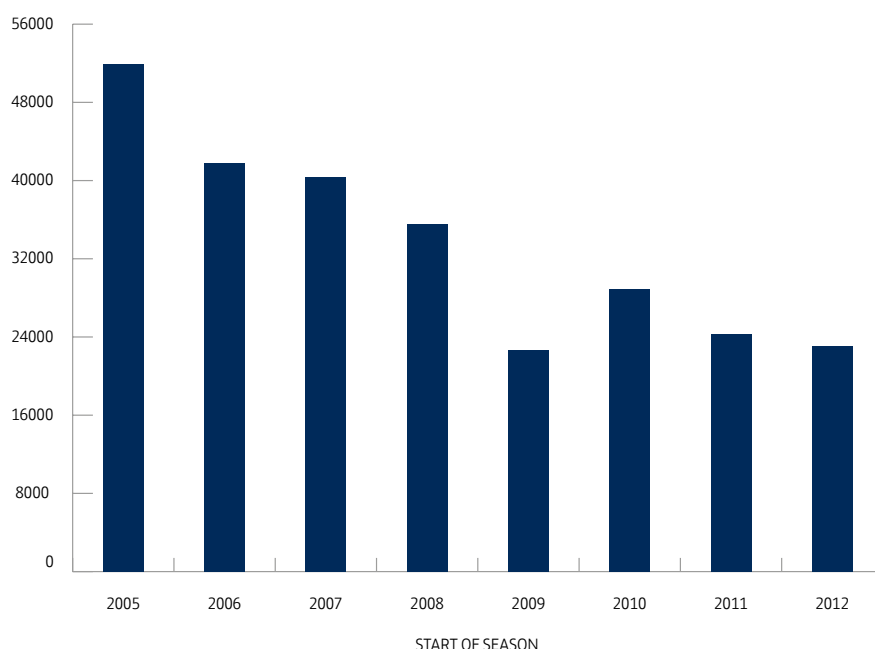
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1.4 Why does this decline matter?

We believe there are two primary reasons why this situation is of grave concern for football in England:

- First, the England team matters. Football is both the biggest spectator and team sport in England and, as a result, the success of the England team engages many millions of people. Success or otherwise at the World Cup or European Championships impacts on the whole nation. The largest television audience in British history, 32.3 million, watched the final of the 1966 World Cup and 23.2 million saw England knocked out of Euro 2012 by Italy. This compares with 17.3 million who watched Andy Murray win Wimbledon.
- Secondly, the chances of a talented young English player rising through his club's academy to make a career at the highest level of the game are diminishing year by year. As the Professional Footballers Association warned in their report "Meltdown" published in December 2007, "What is at stake is the fundamental right of English players to rise as far as their talent will take them". Evidence of the scale of the problem and an indication that the situation is still getting worse is the downwards trend of total minutes played by English qualified players aged 21 or younger in the Premier League. The total for 2012 is less than half the total for 2005. This bodes ill for the future.

EXHIBIT 6 – TOTAL MINUTES PLAYED BY ENGLISH PLAYERS AGED 21 OR YOUNGER IN THE PREMIER LEAGUE



Source: transfermarkt.co.uk

1.5 Why has this happened?

Looking back, three events in the early nineties combined in an unforeseen way to create the conditions that resulted in the current situation.

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1.5.1 The growth of Pay TV

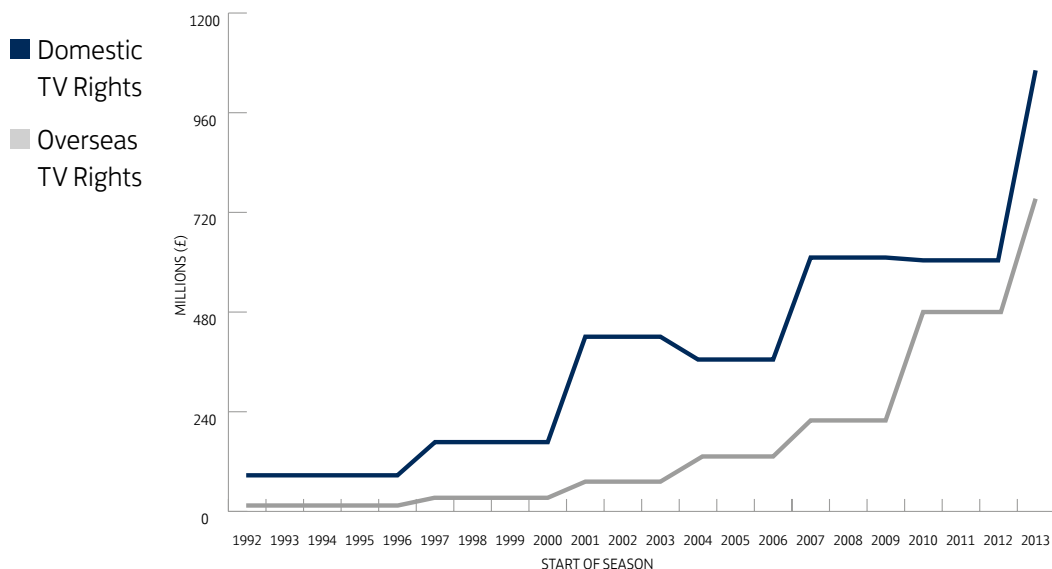
The coming of satellite television meant pay TV began to take off in Britain on a significant scale in the early nineties. In 1990, eight years on from the launch of pay TV, there were approximately 1.1 million pay TV subscribers, on cable and satellite in the UK. Following the 1990 merger of Sky and BSB, the number of pay TV subscribers rose rapidly and by 1996 had grown to over 5.5m. There are currently over 13.5 million pay TV subscribers of whom nearly 10 million take Sky and/or BT's sports channels.

1.5.2 The formation of the Premier League

The formation of the Premier League in 1992 changed football fundamentally in England. In particular it meant that the lion's share of money received for television rights would in future belong to Premier League clubs only. This was important, given the decision by new satellite operator BSkyB to put live football at the heart of its pay proposition. As a result, the value of Premier League domestic television rights went from £43 million a year in 1992 to more than £1 billion in 2014. On top of that, thanks to very clever marketing by the Premier League, the value of international television rights rose from £8 million in 1992 to nearly £700 million in 2014.

In terms of income, Premier League clubs now account for six of the twenty richest clubs in the world. Deloitte⁵ expects all 20 Premier League clubs to be in their Global Top 50 next year, due to the latest television rights deal. The increase in television income that underlies this wealth has fed a massive increase in player wages and means Premier League clubs are able to target the best players from around the world.

EXHIBIT 7 – PREMIER LEAGUE BROADCAST REVENUES



PL TV rights include UK and international pay TV, free TV and mobile video rights

Source: Mediatique analysis

In 1991 The FA approved the formation of the new Premier League partly in the belief that it would benefit the England team. It was widely believed that attracting the best foreign players to play alongside English players would improve their development,

5. Deloitte Football Money League 2014

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which experience and research⁶ demonstrates has been the case. However, back then, no one could have envisaged how rapidly the number of English players in the Premier League would decline. Those were the days when national and international footballing bodies, if they chose, still had the ability to halt the decline by limiting the number of players from other countries playing in their leagues.

1.5.3 The Bosman Ruling

In 1995 the Bosman Ruling by the European Court of Justice changed football right across Europe. At the time, most of the publicity about Bosman was concentrated on the ruling that European players were able to move from one European club to another at the end of their contract without the new club having to pay a transfer fee. It was only a by-product of this decision, in combination with the right of free movement for workers, enshrined in the Treaty of Rome, which prohibited football leagues or football associations from limiting the number of non-national EU players in league teams. Up until then UEFA had a limit of no more than five foreign players⁷ being allowed in squads for European club tournaments. Bosman put an end to that.

The compound effect of these three factors has led to the Premier League having both the highest number of international players of any league in the world and the highest diversity. The latest figures from CIES⁸ show that between 2009-13 the average club in the Premier League employed players originating from 11 different foreign countries. In 2013, Fulham had players originating from 15 countries; Everton had 14 and both Chelsea and Stoke City 13.

In 2008, while declaring that “the foundations of football are harmony and balance between the national team football and club football”, FIFA warned that “the clubs’ loss of national identity is endangering [the national game]”⁹. The national identity of the club game in England has indeed changed fundamentally in the last two decades. The fact that the phenomenal and laudable success of the Premier League has not also been accompanied by improved quality and performance of the England team is a source of grave concern.

1.6 Has anyone tried to do something about it?

In the Bosman judgment, the Advocate General of the European Court of Justice, Carl Otto Lenz, said:

“It is unlikely that the migration of foreign players would increase to the extent that the chances of domestic players would be seriously diminished”.

His prediction turned out to be fundamentally wrong; which is why UEFA, FIFA, the Football League and the Premier League have made attempts with rule and legal changes to try to counterbalance, with little success, the combined effects of the Bosman ruling and the other developments over the years.

- The first came from UEFA in 2005, which ruled that by the 2008-9 season each club must have four club-trained and four association-trained players in their

6. Feet Drain or Feet Exchange? The Effects of Foreign Players in the Premier Academy League: Dr Richard Elliott (2008)

7. UEFA's so-called “3+2” rule, which stipulated no more than 3 foreign (foreign-trained) and 2 foreign (but association-trained) players in each squad

8. Demographic Study 2014 in Europe, CIES

9. FIFA.com Friday 30th May, 2008

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squad of 25 for any UEFA-sponsored competition. The aim, according to UEFA, was to create a system where locally trained players would be given a greater opportunity to play in club sides. UEFA believed this would guarantee a “large reservoir” of talent for national teams. This system was accepted by the European Commission and still exists.

- The second came from FIFA who tried to introduce a “6+5” rule in May 2008. This would have required that, at the beginning of each match, every club would have to field at least six players eligible to play for the national team of the country of that club. The European Parliament rejected the proposed rule in that same year but FIFA continued to campaign for its introduction. In 2010, when the European Commission said such a rule would contravene fundamental principles of EU law, as it would breach Article 39 of the EC Treaty, FIFA reluctantly abandoned the proposal.
- In 2009-10, the Football League introduced a new initiative, which partially followed the UEFA rule. It required clubs to have 4 Home Grown¹⁰ players on their match day team sheet, in other words 4 out of 16. In 2011-12 it raised the minimum to 6, to reflect the increase to 18 in the number of players allowed on a team sheet.
- In 2010-11, the Premier League followed suit when it introduced a rule that clubs could not name more than 17 non Home Grown players aged over 21 in any squad of 25. In this, as in the Football League, ‘Home Grown’ means Association trained – there is no requirement for any of those players to have been developed within their club. This less restrictive ruling is therefore easier to comply with than the UEFA stipulation.
- These initiatives are all still in place. In addition the UK Border Agency requires that in order to be granted permission to play in UK clubs, footballers from outside the EU must receive endorsement from the football governing bodies. This ‘Governing Body Endorsement’ system (which exists in similar forms for other sports) is designed to ensure that only elite non-EU players receive a UK work visa. The current criteria for an ‘elite’ footballer are that the player must have played in 75% of his national team’s competitive matches over the previous two years and that his nation must be amongst the world’s top 70 teams in the FIFA rankings. Those players who meet these criteria are granted the work visa automatically. There is an appeal process for applications turned down. This approach is still used today.

The effectiveness of these initiatives is reviewed in Section 3 – The Causes of the Problem.

10. To be Home Grown, a player must have been registered with any club affiliated with the Football Association for a period, continuous or not, of 36 months prior to his 21st birthday



2 Setting a target for English football

To counter the fundamental problem outlined in Section 1 the Commission believes it would be helpful to set an ambitious but realistic target for what could be achieved in English football by 2022.

2.1 What is the right target?

In Section 1 we identified that the elite pool of players from which the majority of the squads of successful national teams are picked is made up of players who play regularly (defined as more than 50% of available minutes) in the top six clubs of the top five European leagues.

The Commission's research discovered that the number of English players achieving this level was significantly smaller than that of our leading European footballing neighbours. To repeat our findings, in all there are 42 Spanish players, 42 German players but only 18 English players in this pool. Looking across players playing regularly in all five leagues there are 150 Spanish players, 104 German players and just 66 English players.

Section 2 Setting a target for English football

Given these numbers, we believe we should set the following target, to be achieved at the latest by 2022:

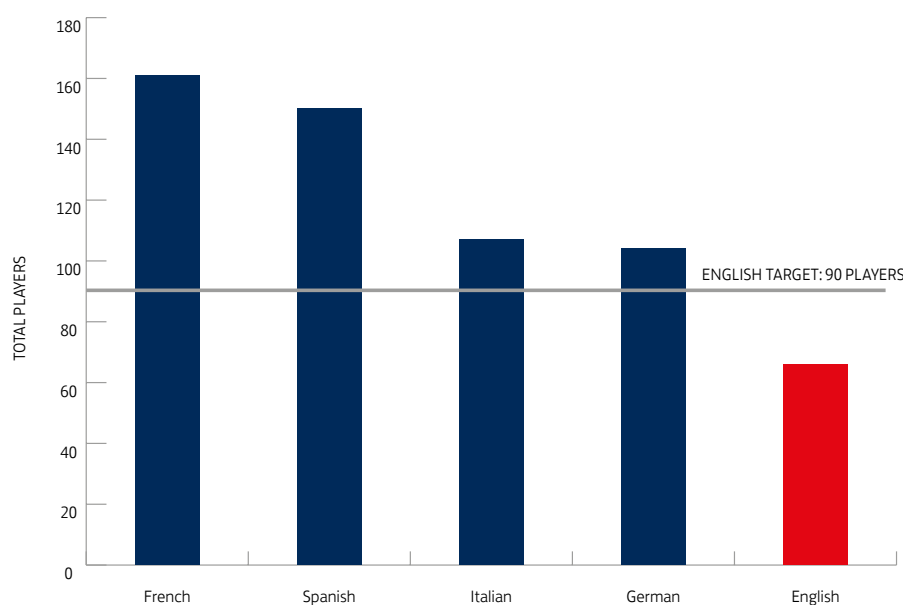
There should be 90 English players playing over 50% of minutes in the Premier League (or any other top five European league), compared with the 66 today – of these 30 should be playing in the top six teams in the Premier League compared with the 18 today.

Reaching this target would mean that by 2022 approximately 45% of players in the Premier League would need to be English, compared with 32% today. This is still lower than the figures being achieved in Germany and Spain today, but it would take English football back to a figure last achieved in 2000. Longer-term improvements could allow even higher targets to be set in due course.

It is important to appreciate that increasing the number of English players playing regularly in any of the top leagues will cause a corresponding reduction in players of other nationalities. This, in itself, will automatically narrow England's disadvantage from both directions.

It is clear that reaching these numerical targets will not, on its own, guarantee winning teams. Many would point out that, even with this number back in the 1990s and 2000s, England's national team was not especially successful. But having this size of pool is a prerequisite for a greater chance of success. Without it, creating a winning team is significantly more difficult.

EXHIBIT 8 – PLAYER POOL TARGET



Source: Opta

Note: Number of players playing over 50% of league minutes in a top 5 league (Bundesliga, La Liga, Premier League, Serie A, Ligue 1)

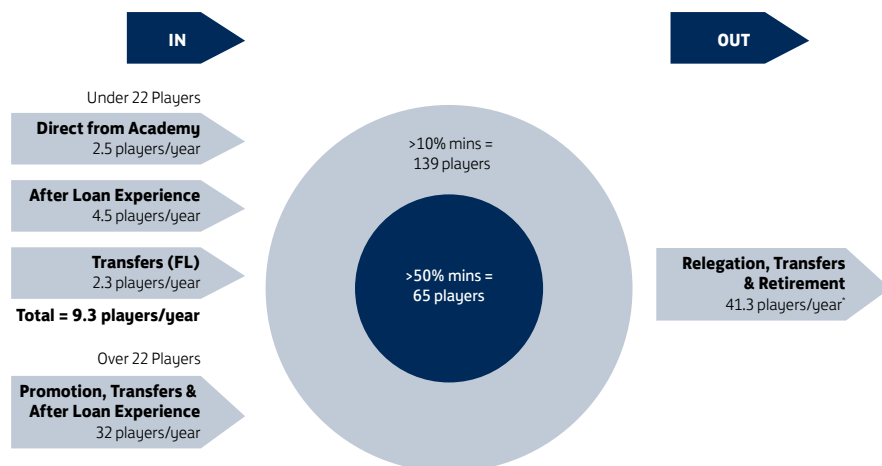
Section 2 Setting a target for English football

2.2 How far off is the current system?

Currently, on average only nine new young (21 years old or less) English players make it through to the first teams of the twenty English Premier League clubs each year. Here we define “making it” as playing 10% or more of the time, not the 50% which makes them a regular player. They have come in by a number of routes:

- An average of 2.5 players per year have advanced from a club’s academy straight into the first team over the past four years.
- Over the same period, an average of 4.5 young English players per year have entered a Premier League first team squad having first been on loan to one or more clubs, usually in the Football League.
- An average of 2.3 players per year have joined the first team squad of a Premier League club having been signed from a Football League club.

EXHIBIT 9 – MOVEMENT INTO AND OUT OF THE POOL OF ENGLISH PLAYERS IN THE PREMIER LEAGUE



Source: transfermarkt.co.uk

*assumes a steady state

A further 32 English players aged 22 or over join Premier League clubs each year through transfers, promotion and after loan experience from the Football League.

Taking into account the average lifespan of English players in the league¹¹ we calculate that there needs to be a total of 24 young English players per year joining Premier League first teams (defined by playing 10% of minutes) to grow the elite pool of those playing regularly (defined by playing 50% of minutes) towards our target of 90. This compares with nine players per year now. Therefore an additional fifteen English players overall need to be produced or acquired each year by the 20 Premier League clubs.

Clearly, the successful development of players is not an exact science and there will be considerable variance in the numbers of those players produced or leaving each year in each club. But setting this target enables us to measure the impact of the measures we are proposing in Section 4 below.

11. Currently 3.45 years, including the impact of players in the three teams relegated each season



3 The causes of the problem

The full diversity of views on the causes of the challenges facing English football has been the subject of many newspaper articles, blogs, media programmes and public conversations. The establishment of the Commission has stirred and channelled more such debate. It is clear from this public discussion that there is no consensus on a single identifiable issue that is solely responsible for English players failing to develop to their full potential.

The Commission's approach has been to examine the pathway which a potentially elite English footballer would follow from the age of four, through academies to the age of 21 and beyond. We have worked to understand the nature and size of any obstructions in this pathway. In this way, we have sought to understand why relatively few English players are getting through to the first teams of Premier League clubs or clubs in other top leagues across Europe.

We have compared and contrasted this pathway with that in other countries, especially those in Europe with strong national teams such as Italy, the Netherlands and Belgium and particularly Spain and Germany. We have also looked outside football for lessons from other sports and elite environments.

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We examined each stage of the pathway and researched the causes of the problems we were investigating.

- At grassroots level, questions included: Are there enough good coaches? Are facilities adequate? Have changes in schools sport and PE resulted in a critical decline in participation and learning? Are English and British boys naturally or genetically less suited to elite football? What of parental influences – on and off the pitch – and cultural changes? Are racial and social groups under-represented?
- In Academies, questions included: Does grassroots football deliver enough good players into the academy system? Will the recently introduced EPPP deliver a step change of high quality players suited to football at the top level? Are coach awards and coach development processes strong and thriving in club academies? Is The FA's contribution to this working effectively? Are coach numbers, quality, status and effectiveness adequate at each level in clubs?
- At the professional stage, additional questions included: Do loan experiences and rules contribute adequately to player development? Are existing regulatory systems effective in preserving the right, desired balance of British, EU and non-EU players in clubs? Do young English players lose their drive or become distracted too easily once they achieve the status and monetary rewards of success in the academy system? Do young foreign players brought into English academies fare any better than English and British ones?

In order to provide as comprehensive an answer as possible to our questions, the Commission, supported by a team of external researchers and analysts, has conducted 169 interviews across all areas and levels of football and included 35 club and other field visits. The Commission has held round table group sessions involving 28 County Representatives and 11 CEOs from Football League 1 & League 2 clubs as well as smaller discussion groups in Premier League and Championship clubs. We invited the public to give evidence and received 428 substantive responses and submissions from people right across the game. Our research has spanned all top European leagues and national sides and we have drawn on a wide range of data sources and published and unpublished research.

After considering, discussing and debating this research, the Commission has identified four areas which we believe are the primary obstructions to the development of elite English players:

1. Most important of all we believe there are inadequate and insufficient competitive playing opportunities for 18-21 year old elite players at top clubs.
2. Regulation of the English player market is not effective in preserving the desired balance of British, EU and non-EU players in clubs.
3. Coaching and coach development, especially at grassroots level, have not yet reached a satisfactory level and impact.
4. England lags behind in the quantity and quality of affordable grassroots facilities, particularly in the provision of all-weather pitches.

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The Commission's interviews across the game, public submissions and research exposed or suggested other minor hindrances to the development of English players and areas where the player pathway could be improved in some way. These are not discussed in detail here but will be fed into The FA and others for consideration and action.

One factor merits a specific mention here. A frequently asked question is whether English boys are good enough either genetically or by the time they are delivered out of grassroots football into academies. Some people suggest that by the time English boys reach the age of nine or ten many of them are technically far behind the boys of other countries and it is too late for them to catch up. However, in interviews with academy managers, club coaches and talent ID managers we have been told, overwhelmingly, that there is a sufficiently large quantity of English boys coming into academies who have what it takes to become truly elite players. Their argument is that the problems come later, when they need competitive playing opportunities to complete their development.

'at our club, players aged 8-12 are certainly technically good enough'
Academy Manager – Premier League club

'the genes of Spanish, French and English kids are all the same, and our U16s are technically, mentally, physically as good [as foreigners]'
Academy Manager – Premier League club

'the English kids are definitely good enough when they enter the academy.'
Manager – Premier League club

Over the next section we will discuss all four conclusions and look in depth at the first two.

3.1 There are inadequate and insufficient competitive playing opportunities, 18-21, for elite players at top clubs

The evidence we have received from Premier League and Football League clubs, combined with the Commission's own analysis, supports the widely held view that by far the biggest problem at the elite end of English football is the lack of playing opportunities for young English players in the Professional Development Phase of their academy life, aged 18-21. Many of the clubs describe this as the "Bermuda Triangle" or the "black hole" of English football.

The argument is straightforward: too much promising young talent simply doesn't get the opportunity to complete its academy development by getting the opportunity to play in a first team. Without this experience, they fall behind their young foreign peers in building the proven, relevant experience that is generally a prerequisite for achieving a core first team squad position.

The consensus is that, at this professional development stage, players need to play amongst older men, in a competitive league, in front of crowds, in games that matter, including where promotion and relegation is at stake. With few exceptions, most

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managers and clubs end up favouring players who have proven playing experience and typically these are players who have developed abroad where different structures provide them with greater opportunities.

This experience is fairly similar whether the academy player is English or not. There is no evidence that foreign boys in the English system at age 16 or below are any more likely to get through the current system than English boys. The vast majority of them fall into the Bermuda Triangle.

‘there are thousands of talents, yet there are only a few real quality players. We seek out these players and inevitably they are the players with greater experience. It is for this reason that academy players struggle to make the breakthrough’

Head of Recruitment – Premier League club

‘the gap between the academy and the first team has widened significantly in the last 20 years’

Academy Manager – Premier League club

Players signed from overseas at an older age have usually had this experience in their home countries when they are younger. Put simply, they have played more competitive games between the ages of 18-21, which then makes them more attractive propositions for a Premier League manager or coach than the product of his own academy.

In a world where the turnover of managers or first team coaches is getting ever faster – the average Premier League manager tenure is just over a year¹² (excluding Arsène Wenger’s 17 years at Arsenal) – they are less and less likely to risk their careers by playing untested youngsters from their own youth system. Players of a similar age from abroad, who have played many more competitive games, are a more attractive option.

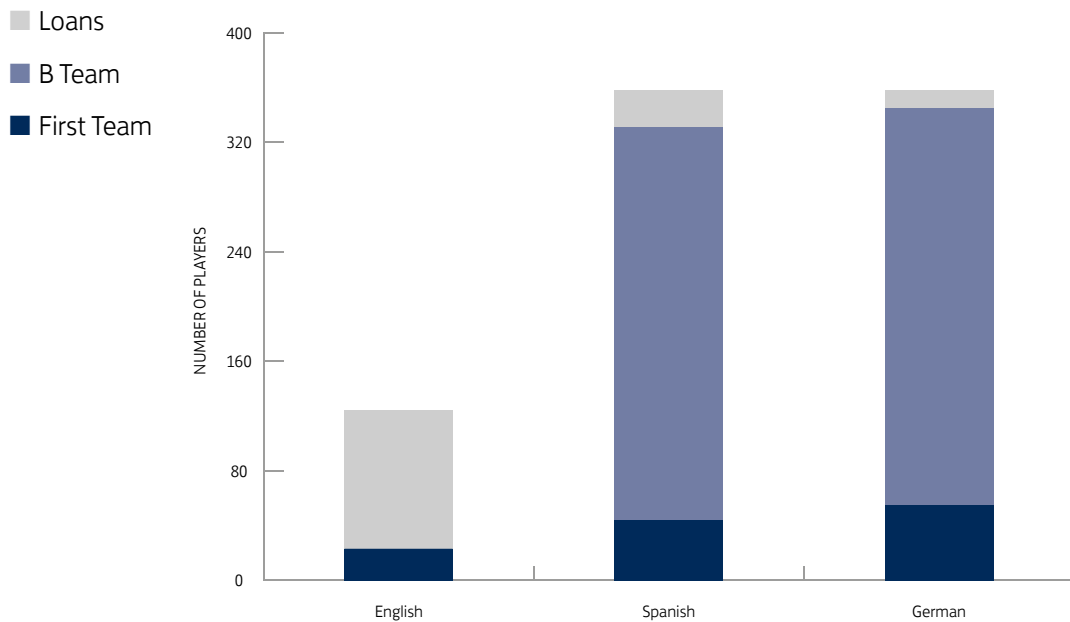
The statistics clearly demonstrate that players in foreign leagues play more top-level competitive games at a younger age than players in England and, as a result, gain massively from the experience. They show:

- A) In the first half of the 2013-14 season, 124 young (18-21) English footballers played 1st team football either for their own club or out on loan at some stage. This compares to 358 Spanish and (coincidentally) 358 German players who are getting first team, B team or loan experience in one of the English, German or Spanish leagues.

12. Source: The League Managers' Association

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EXHIBIT 10 – COMPETITIVE PLAYING OPPORTUNITIES* 18-21 YEAR OLDS, 2013-14

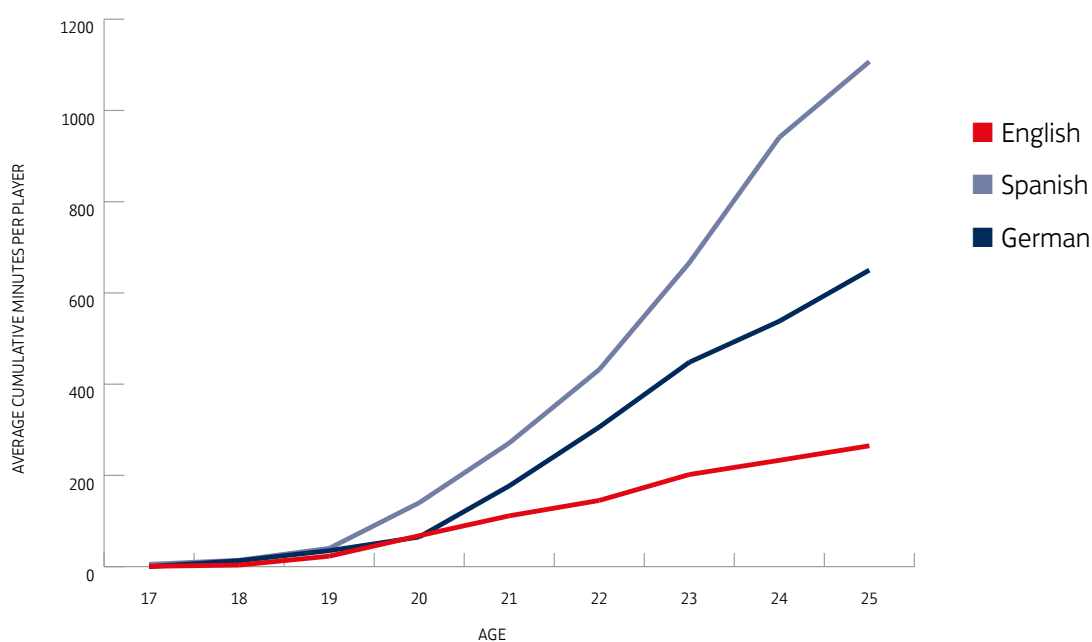


* Players within the top tier of their own country.
Excludes reserve and youth football.
Source: soccerway.com, transfermarkt.co.uk, BBC.co.uk, Scout 7

- B) Spanish and German young players are also getting greater exposure to the very highest levels of the competitive game in Europe. We analysed the pathways of those players in England, Germany and Spain who were selected to play for their country's U19 teams (and therefore of comparable standard and highest potential), between the years 2006 and 2008. We discovered that, by the age of 22, the group of Spanish players had accumulated 3 times as many average minutes in Champions League or Europa League games as their English counterparts. The corresponding German players had played more than twice as many Champions League or Europa League minutes as the English players.

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EXHIBIT 11– CHAMPIONS LEAGUE AND EUROPA LEAGUE EXPERIENCE*



Source: Scout 7

*Average cumulative European minutes per player for those players in England, Germany and Spain who were selected to play for their country's U19 teams between 2006-08

These figures provide a stark indication of where the English system is currently not delivering in the final development of promising young players. The question is why not? The two routes which young developing players can currently follow to get an opportunity to advance to the first team squads of Premier League sides appear to be inadequate.

a) Elite Player Performance Plan (EPPP)

The aim of the recently introduced Elite Players' Performance Plan (EPPP), a development led by the Premier League and introduced across the top four divisions of English football, was to improve the consistency, breadth and depth of academy development and to give players greater playing opportunities. In short, it was introduced to increase the number of Home Grown players getting into a club's first team.

"When you strip it down to its most fundamental, the EPPP is about creating an environment where a local boy, developed in his local club from eight or nine years of age, can go on to pull on a first-team shirt of the club that he has grown up at."

Premier League

It is too early to judge the sustainable success or otherwise of EPPP in delivering the consistent development of players but overall the signs and responses are positive. It has certainly led to improved academy facilities, more coaching and better educational opportunities for young players in each phase of a player's development. The total EPPP requirement for spending on youth player development in English football academies now exceeds £86 million each year and, given the high levels of current spending by the top clubs, the actual investment in academies is likely to be significantly higher than this.

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EPPP is not universally popular amongst the clubs. Some of them felt they were already doing much of what EPPP required whilst others have found that the extra administrative rigour in tracking effort and progress has stretched their staff. But, despite these reservations, club CEOs, academy managers, managers and coaches whom the Commission have interviewed, were positive overall about the benefits of EPPP and recognised that this investment was long overdue.

EPPP was particularly seen as a valuable step forward for players in the Foundation phase (U9 to U11) and Youth Development phase (U12 to U16).

EXHIBIT 12 – EPPP KEY FEATURES

- Academies are now graded from Category 1 down to 4, depending on a number of key performance indicators which include: coaching hours, facilities, productivity, education [etc]
- At the end of 2013, there were 22 Cat 1, 20 Cat 2, 42 Cat 3 and 4 Cat 4 academies.
- An academy's category determines what annual funding they receive from the Premier League, from which academies can they recruit and what compensation they receive if a player is lost.
- EPPP forces clubs to provide a set number of coaching hours, in the belief that elite development requires 10,000 hours of coaching.
- Academic education, whether full or part time, must now be incorporated into a player's footballing development by the academy.
- Academies can transfer players from other academies of a lower or equal category to their own at a fixed tariff, in theory making it easier for the best players to migrate to the top academies.

Source: Premier League EPPP Report

'EPPP has improved things – it provides framework and direction to our academy approach'

Head of Recruitment – Premier League club

'EPPP has removed a lot of the laziness and arrogance prevalent in top clubs' academies... the academies are now working in a much more structured way and coaching is much better planned than before'

Manager – Premier League club

'the academy system is good... EPPP is trying to create world class coaching and players'

CEO – Football League club

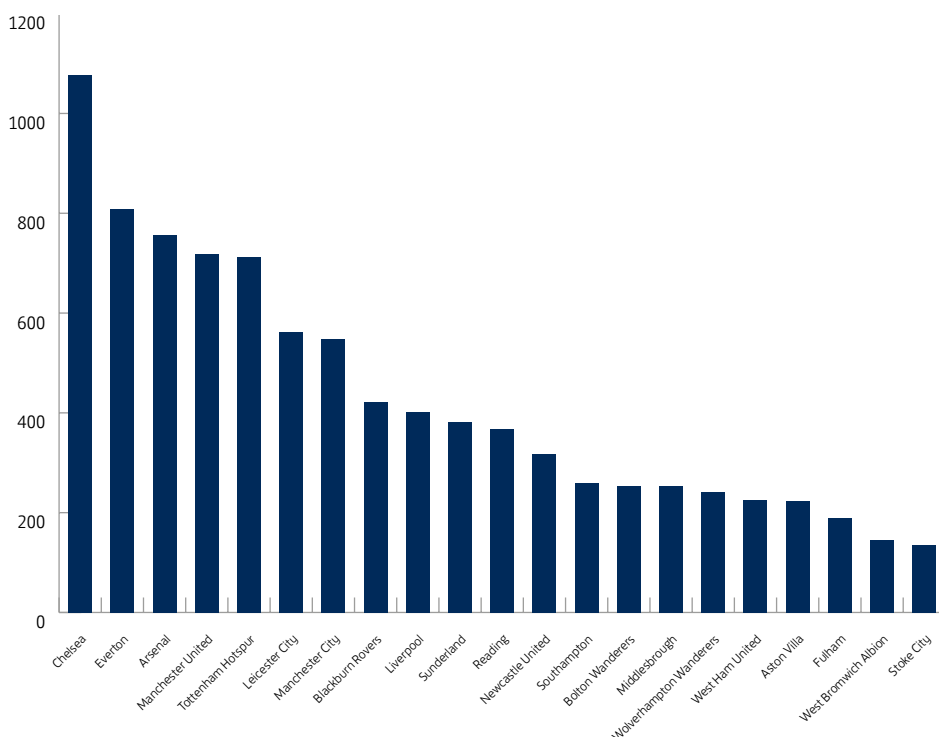
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However, where many clubs have expressed frustrations about EPPP to the Commission is in the playing programme it provides for the final part of the development pathway – the Under 21 Premier League. They are not convinced that the Under 21 Premier League is sufficiently competitive or meaningful and, as a result, does not provide the missing playing opportunity that is the springboard into first team football. It does not meet the aspiration of being ‘the toughest playground in the world’.

The Under 21 league fixtures are often nomadic, poorly and inaccurately publicised and often changed at the last minute, sometimes away from stadiums to training grounds behind closed doors. Attendance figures are generally very low, games often lack drive and purpose and a number of top teams don’t use the under 21 league for the purpose it was created because they don’t think it is competitive enough. Their best under 21 players play in ad hoc games elsewhere.

EXHIBIT 13 – AVERAGE ATTENDANCE AT U21 PREMIER LEAGUE FIXTURES (2013-14)



Source: transfermarkt.co.uk

b) Loans

In the current footballing system, a talented young player who has excelled in the Under 21 Premier League often requires experience of first team football in the lower leagues, if he is to break into a Premier League first team. This experience is provided by the loan system, but with mixed results.

The English loan system is one of the most active in football anywhere. Over the last three full seasons there have been an average of 627 loan moves into the Football League each season, which equates to nine players per Football League club.

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EXHIBIT 14 – LOAN MOVEMENTS – 18-21 YEAR OLDS LEAVING PREMIER LEAGUE CLUBS ON LOAN (2013-14)

English Players		Non-English Players	
Destination	Number of loan moves	Destination	Number of loan moves
Championship	49	Premier League	2
League 1	40	Championship	10
League 2	24	League 1	23
Non-League	14	League 2	9
Scotland	5	Non-League	3
Premier League	1	Holland	10
		Spain	7
		Scotland	4
		Other Abroad	15

Source: transfermarkt.co.uk, soccerway.com, BBC.co.uk

Clearly therefore, the loan system is now a popular route for the development of Premier League players, with the Football League clubs happy to provide a large number of all-important first team competitive playing opportunities.

The loan system is not only used for player development by Premier League clubs. Loans are also used to showcase players who are likely to be sold, or simply help defray high player salary costs for those players who are unable to get into first team squads.

However, the Commission's focus is on the use of loans to further a young player's professional development.

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EXHIBIT 15 – THE FOOTBALL LEAGUE’S LOAN RULES REGARDING THE NUMBER OF PLAYERS ALLOWED ON LOAN IN ONE SEASON

- 52.2 There shall be four categories of temporary loan transfers allowed – Standard Loans, International Loans, Emergency Loans and Youth Loans. The following restrictions shall apply to each type of loan:
- 52.2.1 A maximum of 5 loan Players (Standard, International, Emergency or Youth) can be named in the Players listed on a team sheet for any individual match played under the auspices of The League. This figure shall include any additional loan of a goalkeeper approved by the Executive under the provisions of Regulation 54.
- 52.2.2 No Club may sign more than 4 loan Players (Standard, International, Emergency or Youth) from another Club (or club) in any Season. An additional Youth Loan Player may be added to this figure.
- 53.2 Standard Loans. Subject to the provisions of Regulation 52.2, Standard Loan transfers shall only be approved in accordance with following provisions:
- 53.2.5 A Loaning Club can have a maximum of 4 Players under 23 and a further 4 Players over 23 registered on a Standard Loan during any Season. The deadline for determining a Player’s age in this respect shall be 30 June prior to the Season in which the Standard Loan is intended to take place.
- 53.2.6 No more than 2 Players who are over 23 may join one Loaning Club from another Parent Club on a Standard Loan in any Season.

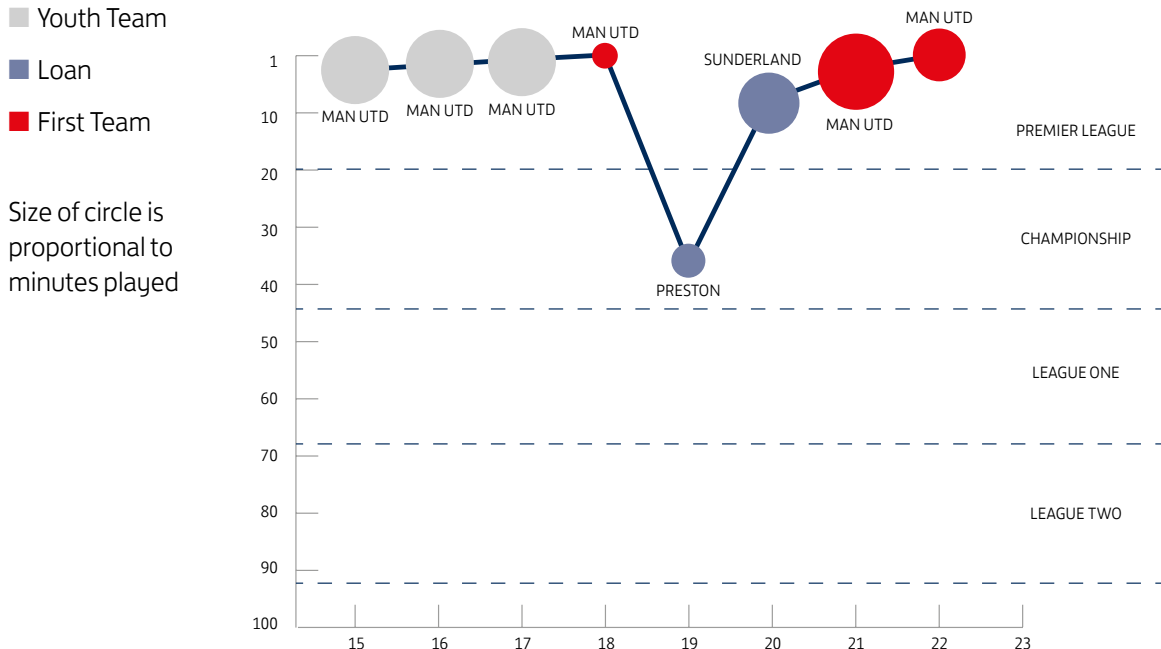
Source: The Football League

Depending on the maturity and ability of a young player, he is likely to require not just one, but multiple loans. These often resemble a progression up the footballing pyramid, gradually building up the youngster’s experience to convince a Premier League manager that the individual is ready. Often the final step of this progression is a loan to a club in the upper echelons of the Championship or the lower echelons of the Premier League.

A typical example of a player whose experience incorporated loan spells is Danny Welbeck, whose development pathway is shown in Exhibit 16.

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EXHIBIT 16 – PLAYER DEVELOPMENT PATHWAYS
– MINUTES OF PLAY AND TEAM LEAGUE POSITION BY AGE (DANNY WELBECK)



Source: Scout 7

Whilst loans like Danny Welbeck's and others are often successful in developing players some Premier League clubs regard it as not totally satisfactory, with scope for improvement. Put in place to protect the integrity of the competition, the Football League 'dual interest' and nursery club regulations¹³ effectively prohibit the lending club from determining how their player is played, in which position and how frequently, and from influencing the loaning club's playing philosophy. Nor can the lending club influence other aspects of their player's loan experience including diet, exercise and education.

The combined result, from the Premier League club's perspective, is that players may return from a loan spell having picked up playing habits that are inconsistent with their club's overall approach and in doing so have hampered the development of the young player in question.

'the loan system is too haphazard so you tend to keep them with you but they are not developing.'

Head of Recruitment – Premier League club

'loans are one way of getting playing time, but there is no control of players whilst out on loan... for example X went on loan in 2012, he had a good season for them but came back unfit and technically worse... He needed months to get back to top condition, and now he's out on loan again...'

Coach – Premier League club

'loans are a big mistake as we can't control the style of play... this means developing the player in the wrong direction... it doesn't make sense to me'

Ex Academy Manager – Premier League club

13. Football League Regulations, Section 9 Association and Dual Interests

Section 3 The causes of the problem

As a result whilst loans deliver many benefits for Football League clubs in terms of squad and appeal, many Premier League clubs we spoke to are wary of using loans as a development opportunity. In fact, they admit to not having a 'development loan strategy' as such. Rather than using loans to find the right opportunities to develop their players, they instead wait for clubs to request specific players for a loan. It is very much an ad hoc system often organised between managers and coaches who know each other or played together in earlier days.

'loans are quite often tactical and driven by unsolicited demand from other clubs rather than a purposeful development strategy of the owning club... clubs will respond to offers [but it is] not planned or thought through.'

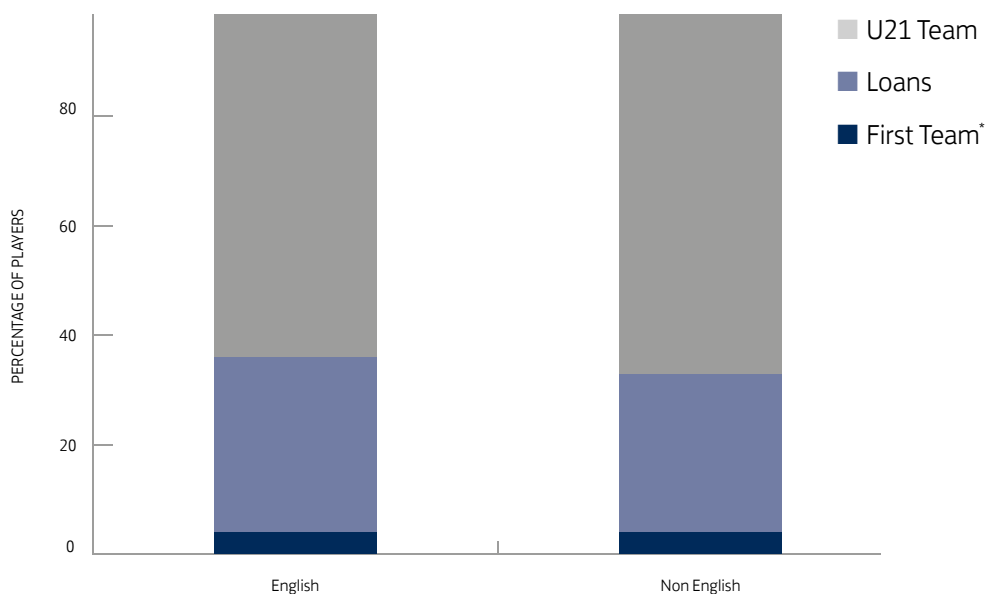
Agent

'a loan generally benefits the club receiving the player rather than the player. This is especially true for the short term loans where the loan is out of need'

Manager – Premier League club

The numbers speak for themselves: at the start of the 2013-14 season there were 320 English youth (18-21 year old) players registered to Premier League clubs. Sixteen (5%) of these were already playing in their club's first team (at least 10% of minutes). A further 101 (32%) gained some loan experience in the Football League, at some time during the year. Most of these loans were short term. The remaining 203 youth players (63% of the total) get their playing experience from youth football programmes, predominantly the Under 21 Premier League. This structure doesn't provide a first team manager with the reassurances he needs in order to select a player from the academy for the first team.

EXHIBIT 17 – CURRENT PLAYING OPPORTUNITIES FOR 18-21 YEAR OLDS BELONGING TO PREMIER LEAGUE CLUBS THIS SEASON



Source: transfermarkt.co.uk, soccerway.com
*over 10% Premier League minutes this season

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There appear to be unresolved issues with the current loan system that does not make it an attractive model for Premier League clubs to pursue for development. If loans were perceived to be an adequate mechanism to develop players, the percentage of young players on long-term loans would be far higher.

3.2 Regulation of the English player market is not effective in preserving the desired balance of British, EU and non-EU players in clubs

As discussed in Section 1.6 above, there have been several attempts to regulate the player market both to encourage clubs to develop their own players, rather than importing them, and to ensure that only exceptional players from outside the EU are given permission to work in the UK.

It is arguable that the Home Grown Player (HGP) rules introduced by UEFA, the Football League and the Premier League have not had the desired effect of guaranteeing a larger reservoir of Home Grown talent for national teams. A recent EU funded research report conceded that the UEFA system had only delivered a “limited impact”¹⁴. UEFA is now looking at the whole issue again.

Similarly, the work visa system – agreed between the UK Border Agency, the UK’s football governing bodies, leagues and representative bodies – for players from non-EU countries (excluding those countries covered by EU agreements) appears to be flawed. The aim of the system is to allow the UK only those ‘non-EU’ players who are “internationally established at the highest level” and “whose employment will make a significant contribution to the development of their sport at the highest level”¹⁵. However:

- Despite the arguably lenient criteria for automatic work visas, of the 122 non-EU players entering England since 2009 using work visas, 60 (nearly 50%) did not meet these criteria. They were only allowed to play here thanks to an appeal process, which is also arguably over-generous. Of the total number of appeals since 2009, 79% were successful.
- Of the 122 non-EU players who either met the criteria or succeeded in the appeals process, 23 (19%) did not enter English football at the ‘highest level’, but instead joined Football League clubs.
- Of those players who were brought in by Premier League clubs, 54 (55%) played less than the average minutes for a Premier League player. This suggests that many are not elite, first-choice players who lift the quality of the English game.
- More revealingly the numbers still playing in the Premier League in their second season drop significantly. Only 58% of players given work visas to play in the Premier League play any Premier League football at all in the year after their arrival.

14. Parrish, R. et al (2013), co-author with the Universities of Liverpool and Loughborough ‘Study on the Assessment of UEFA’s Home-Grown Player Rule’, Study for the European Commission

15. UK Border Agency, Points Based System Skilled Tier 2 (Sportspeople) And Temporary Tier 5 – Sporting Code Of Practice For Sport Governing Bodies, 2008

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EXHIBIT 18 – SUCCESS OF NON-EU PLAYERS IN THEIR FIRST SEASON IN ENGLISH FOOTBALL

	% of players playing in the Premier League	% of players playing in the Football League
Playing over the League average minutes	37%	6%
Playing below the League average minutes	44%	13%

Source: The FA
Total = 122 Players

Whilst accepting that the very best non-EU foreign players do bring great value to English football, many interviewees have argued strongly to the Commission that too many mediocre players are getting work visas. The evidence appears to support that view.

3.3 Coaching and coach development, in clubs and at grassroots, have not yet reached a satisfactory level and impact

Without good coaches, we cannot expect to produce good players. The FA has a central role in the provision of coaching education and qualifications and the Commission has ensured that an examination of coaching in England is a central part of its research.

A lot has happened in the area of coaching since the introduction of The FA Youth Awards in 2009 and a new approach to youth coaching with “Raising Our Game” and “The Future Game” in 2010. The opening of The FA’s new coaching centre at St. George’s Park in 2012 gave a new base to national coaching excellence and activities. Recently, the elite development team at The FA has been strengthened adding significant footballing, technical and academy experience.

However, a large number of comments and submissions to the Commission highlighted the magnitude of the changes that were felt to be needed in the area of coaching, changes in both practice and culture. Successive FA Coaching Strategies in 2008 and 2013 recognised that there were not enough coaches in grassroots or academies, coaching as a career wasn’t well structured or rewarded, that the quality of coaches and coach education was still very mixed and that the overall structure of coaching across England was fragmented and not particularly clear.

The enduring symptoms highlighted in interviews, group sessions and public submissions included:

- Volunteer grassroots coaches are not of a high enough standard to develop skilful young players

‘Level 1 is completely insufficient. 95% of our coaches are only Level 1, with only a few Level 3 coaches in the entire county... we need Level 3 coaches at the U8, U9 age groups.’

FA County Rep

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- There is little or no monitoring of coaching standards

‘the FA courses are excellent, but too many coaches ignore what they have learned and resort to big kids at the back hoofing it to fast kids up front.’
Parent and Youth Coach

‘once we have received our badge, we are then left to our own devices to teach what we choose with no regulations enforced from The FA. Many coaches attending coaches’ club nights are not there to learn but only to complete their required hours to retain their licence’
Youth Coach
- Too many coaches have only the basic – Level 1 – qualifications – and not enough go on to the more advanced Youth Awards qualifications

‘Level 2 is where coaches can make a real difference to technique and game understanding, but the grassroots game is flooded with Level 1’s.’
Youth Coach
- There are frustrations at the lack of availability of courses above Level 1

‘how can it be right that enthusiastic young coaches are having to go to Wales to try and obtain the qualifications they need?’
Youth Coach

‘there are no Youth Module 2 courses with open space available to me before May next year’
Youth Coach

‘there are not enough educators or courses. Under EPPP all youth coaches have to complete the advanced FA Youth Awards, Level 4, creating a massive bottleneck.’
Academy Director – Premier League club
- And concerns about the cost of more advanced courses

‘a Youth Module course through St.a Georges Park is ridiculously more expensive. You will only get more coaches signing up for this type of course if they are more affordable, particularly as most coaches are volunteers.’
Youth Coach
- A clearer, more professional career pathway for coaches is needed

‘coaches in Germany and the Netherlands are typically paid €40,000 per year. Youth coaches are paid as much as senior coaches. In England many youth coaches are freelance and earn less than £16,000. Coaches are underpaid and under-qualified, especially at the young levels’
Ex Academy Director – Premier League club

‘the coaching pyramid is the wrong way up – it should be higher pay at the bottom. There are no great coaches available in the UK – we have to get them from Zagreb’.
CEO – PL club

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‘For the long term, we need to professionalise coaching at the younger ages... the foundation stage in the clubs must be seen as a full-time job... and numbers need to match this.’

Head of Talent ID – Premier League club

‘More needs to be done if we are to produce the next generation of top class coaches to nurture our next generation of world class players.’

Professional Youth Coach

‘The role of the coach needs to be professionalised in this country and there needs to be more structure for wages at pro clubs. Academies can’t attract the best coaches as they don’t pay.’

Youth Coach and Teacher

- Coach numbers in England appear uncompetitive, in comparison to competitor countries

3.3.1 The Commission’s approach to investigating coaching issues

We are not yet in a position to say whether the initiatives and improvements underway will adequately address these many concerns, but clearly The FA’s coaching strategy and organisation need further investigation and support.

Accordingly, the Commission has engaged a team of external analysts who are currently conducting a detailed review of The FA’s coaching set-up and examining how well The FA’s activities in this area meet the needs of the footballing community. The Commission will consider the output of this work with a view to generating a set of recommendations to be published in the autumn 2014 for immediate implementation.

3.4 England lags behind in the quantity and quality of affordable grassroots facilities, particularly in the provision of all-weather pitches

Many of the submissions to the Commission touched upon the importance of children having a positive first and early experience of football, to make them fall in love with the game and pursue it as a vocation. Even though professional clubs identify and look after many promising boys from the age of five or younger and therefore take them out of grassroots altogether, there are others who either remain outside the professional club system until as late as their teenage years, or who exit the club system after only a short spell (hopefully to re-enter later on).

Both of these groups therefore depend on the grassroots set-up to deliver their primary stage of development as a player. Without healthy grassroots in the player pathway feeding enthusiastic boys into the system, our ability to produce the next generation of Rooneys, Lampards and Ferdinands would be threatened.

‘all internationals start somewhere, in England they normally begin on a waterlogged pitch with dilapidated changing rooms. Grassroots facilities are a disgrace and The FA and Premier League bear a responsibility to improve

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them. They also need to embarrass a government whose investment in sports provision is a scandal, and a short-sighted one at that, given the cost of obesity to the NHS.'

Football Writer

The Commission's interviews, group discussions and research revealed many issues about grassroots football. Concerns were expressed about the quality of coaches, the cost and availability of coaching courses and the links between academy and grassroots coaching. Other issues included the pace of adoption of non-competitive and small-sided games, futsal, summer football and parental behaviour

3.4.1 The most pressing issue in grassroots is poor facilities

By far the most important issue raised in our research was the decline in both the quality and quantity of affordable football pitches and associated facilities. This echoes The FA's 2011 'Big Grassroots Football Survey', where the single most pressing issue, highlighted by 84% of respondents, was poor facilities.

Lack of access to affordable facilities for matches and training has a direct impact on the number of teams each grassroots club is able to run, which in turn may prevent local clubs from reaching their optimum size. Many clubs, even the larger ones, are 'nomadic' – they have little security of tenure on sites, which again hampers their ability (and desire) to drive growth. The poor quality and limited maintenance of many of these facilities has a detrimental effect on the quality of training and play and severely hampers the development of technical skills in young players who could go on to join academies and professional football.

At a time when children have so many other leisure options available to them, many of which involve sitting with a games console in a warm front room, the poor quality of facilities is in danger of putting boys off the game altogether.

3.4.2 England lags in the use of artificial grass pitches

Even the most enthusiastic boys frequently have their passion thwarted as a result of the lack of all-weather facilities. Many County FAs have reported that, due to the weather, not a single minute of grassroots football was played on grass pitches in their region between November 2013 and the end of February 2014. A 2013 study commissioned by FIFA and The FA¹⁶ found that more than 25% of grassroots matches scheduled in four sample months across the full season were postponed due to bad weather and unusable pitches.

Clearly, one part of the solution is investment in artificial grass pitches (AGPs). In contrast to the maximum of 4-5 hours a week that a grass pitch can be used, the average AGP is used 69 hours per week and is in use for 73% of the time¹⁷. In this way an AGP can accommodate the training needs of up to 60 teams per week.

AGPs are also seen as superior for technical development and training especially amongst younger age groups. In 2013, another survey of coaches by the Football Foundation¹⁸ into the benefits of artificial pitches found overwhelming agreement that 'player skill levels improved due to artificial grass pitches', and that 62% of players would prefer to train on these surfaces, compared to 7% who preferred grass.

16. FA Research Study (astro vs grass), July 2013

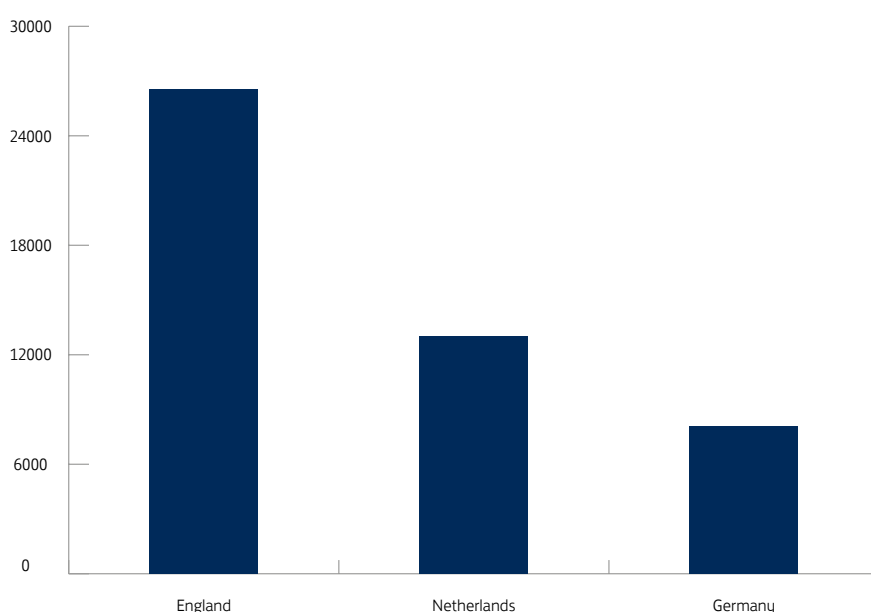
17. Football Foundation Monitoring and Evaluation Report 2012

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AGPs can never supplant grass pitches but should be part of a blended approach to grassroots facilities, especially where pitch demand is high. Yet England lags in investment in AGPs. Comparisons with Germany and the Netherlands, who share similar climates to that of England, are stark. There are about 639 3G (synthetic) AGPs in England compared with 5000 in Germany. Even including old-style sand artificial pitches, England has one synthetic pitch for every 24,000 of the population compared with one for every 13,000 in the Netherlands and one for every 8,000 in Germany¹⁹. In both Germany and the Netherlands there are significantly higher levels of grassroots engagement under the age of 18.

EXHIBIT 19 – POPULATION PER ALL-WEATHER FOOTBALL PITCH



Source: European Synthetic Turf Organisation (2012)

3.4.3 Subsidy reductions threaten affordable grassroots football

Of the approximately 30,000 grass football pitches in England, it is estimated that 83% are both publicly owned and managed facilities with 52% of the total number within the education sector and 31% local authority owned and run²⁰.

In recent years, the vast majority of Local Authorities have been forced to reduce their discretionary spending and are facing further budget cuts in the years ahead. Sport and Leisure are discretionary services and are therefore very susceptible to being cut. There is no one common Local Authority approach but many have already delivered significant cuts to local sports and leisure services. Some councils are also planning or have introduced full cost recovery, resulting in steep price hikes while maintaining facilities less.

18. Football Foundation, 'Monitoring and Evaluation Report 2013'

19. Commission analysis, European Synthetic Turf Organisation report, 'Synthetic Turf Study in Europe, 2012'

20. Sport England, Active Places 2012

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This has an obvious impact on the cost and attractiveness of hiring Local Authority pitches. For example, we've discovered one Local Authority which is considering increasing its adult pitch fees by 125% and its junior pitch fees by 320% later this year. There are many examples of similar approaches being prepared by authorities as the impact of budget cuts continues to drive reductions in discretionary expenditure.

3.4.4 Poor and worsening pitch maintenance is affecting availability and game quality

Many public pitches have suffered from a gradual erosion in maintenance spend over the years and are suffering from the compounded impact of reduced maintenance, poor weather and over-play. It is estimated that, on average, it costs £11,700 per year to properly maintain a grass pitch for good quality football and training. Yet, due to falling funding, Local Authorities currently spend around £2,000 per pitch per year on maintenance²¹. The impact on pitch usability is evident. In addition to frequent postponement of games, the consistency and quality of training for future generations of young footballers is severely hampered.

As part of a survey carried out recently in one major core city, 21% of players reported that pitch quality has declined significantly within the past three years with causes being cited as over-play, poor drainage, inadequate on-going maintenance and reduced frequency of grass cutting.

In another major urban authority, a recent playing pitch strategy has reported that over 70% of facilities are rated as 'average' through 'unacceptable' by users.

'local authorities don't take responsibility for sports at all... so we will continue to see more facilities lost to housing projects.'

County FA representative

3.4.5 Current efforts to mitigate funding cuts and support are inadequate

Current efforts to support grassroots facilities are helpful but are clearly not enough. The Premier League, The FA, the government (through Sport England) and co-funders have invested £1.2 bn since 2000 through The Football Foundation, a charity dedicated to improving facilities infrastructure across grassroots football.

Other participants are investing in grassroots facilities too, including the private sector, especially in commercially run small-sided centres or through league clubs.

However, the current level of overall investment is inadequate to protect the current supply of grass pitches and also to deliver the growth in AGPs that is needed to catch up with other countries and to provide a better quality, more sustainable football facility infrastructure.

21. FA/local authorities

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3.4.6 The Commission's approach to investigating grassroots issues

The accelerating removal of Local Authority funding and subsidies raises the issues discussed here to a crisis level. With continued escalation in the cost of pitch hire, reduced pitch maintenance spending by Local Authorities and the bad weather experienced over the last two winters, we can expect to see an ongoing decline in grassroots participation numbers and this could threaten the future supply of English footballers.

There is an urgent need for much more action to grow investment in grass and AGP facilities and to find creative, pragmatic ways to mitigate funding cuts.

The FA has already started reviewing how grassroots facilities are used in practice today across the country and are developing proposals to bring about the urgently needed improvement in the quality of these facilities. Once developed, the proposals, which will include possible new models for funding and operating grassroots facilities, will be shared with other stakeholders. The Commission welcomes this work and further progress on this will be reported by Autumn 2014 with detailed recommendations, including a capital investment programme, to dramatically improve grassroots facilities over the next three to five years.



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4 Proposed solutions

4.1 Introduction

As described in Section 3, the Commission believes that the primary obstructions to the development of elite English players are:

- There are inadequate and insufficient competitive playing opportunities for 18-21 year old elite players at top clubs in England.
- Regulation of the English player market is not effective in preserving the desired balance of British, EU and non-EU players in clubs.
- Coaching and coach development, in clubs and at grassroots, have not yet reached a satisfactory level and impact.
- England lags behind in the quantity and quality of affordable grassroots facilities, particularly in the provision of all-weather pitches.

As mentioned above, there are separate work streams continuing within the Commission to develop and propose solutions to the problems of coaching and coach development and grassroots facilities. These are ongoing but not yet ready to report. We will be reporting on these in much greater detail at later dates this autumn. The Commission did not want to delay reporting on and proposing recommendations for the playing opportunities and regulatory issues to allow clubs, leagues and others the time to consult broadly and discuss in depth as early as possible.

Our proposed solutions to the obstructions of playing opportunities and ineffective player market regulation are set out in the remainder of this section. We have always been aware that these cannot be delivered by The FA alone. We are therefore putting them forward, with the supporting evidence and analysis, for constructive consideration by all in football. We would welcome their comments and ideas in the debate that will inevitably follow the publication of this report.

Other issues and suggestions identified in the Commission's work, research and public submissions to date will be taken up by The FA and offered to the Premier League, the Football League and others for consideration and action, as appropriate.

Section 4

Proposed solutions

4.1.1 Guiding principles for the development of solutions

In our development of our ideas, we have been guided by some important principles:

- We must do nothing to impair the European prospects of our top football clubs or reduce the attractiveness of the Premier League overseas.
- Proposals must not damage (indeed they should support and build on) the English football pyramid and in particular the strengths of the Football League.
- Our plans must not compromise – and should preferably improve – the financial performance and stability of individual clubs throughout the leagues including the Conference.
- Whilst challenging, we believe it is important to try to negotiate changes in a way that accommodates the needs, values and strategies of all the organisations that manage, govern and support English football.
- Simple solutions are better than complex ones, but we believe no change at all is not an option if the current trends are to be reversed.

4.1.2 History of change and development in English football

Some people believe that English football should be preserved exactly as it has always been and that history bears out the success of this stance. There are even still those who believe the creation of the Premier League was damaging to English football despite the fact that it has become the most popular, successful league in the world. However, it is important to recognise that English football has evolved over time; it has adopted many changes that have improved the game, competitions, fan experience and the financial security of clubs. These include:

- The Premier League was formed in 1992 and has transformed English football's world standing.
- The Football League was the first league in the world to introduce home and away games and three points for a win. It also introduced league playoffs in 1986-7.

When English football has been slow to change the decisions now look faintly ridiculous. Bradford City first proposed three-up, three down in 1905 but it only finally happened in 1973-74. And The FA was slow to adopt and embrace international competition at both club and national team level and, of course, it refused to accept women's football for 50 years!

The critical question now will be around how much change is good for English football and there is no doubt that there are those already queuing up to condemn any proposals for change – let alone radical proposals – which the Commission comes up with. But our argument would be that change has certainly been a larger part of the success and development of English football than many might believe. There are times when change is essential and the Commission believes this is one of them.

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4.1.3 Overview of our proposals

In Section 3 we describe what we believe to be the key blockages in the player development pathway in England. We point out that the Commission and many Premier League clubs believe the lack of playing opportunities for players between the age of 18-21 is the primary blockage.

In Section 1.3 we quantified the shortfall that currently exists in the delivery of English players playing regularly in the Premier League, especially in the top six clubs. To reach the proposed target, we need to increase the number of English players playing regularly in the Premier League from 66 to 90, an increase of 24 in total.

It is our firm opinion that only radical measures will overcome these blockages and that tinkering will simply not have the required impact on the shortfall. Substantial changes are needed to deliver meaningful improvements in player development and the number of English players playing regularly at the highest level.

Some of our European neighbours have, in recent decades, conducted similar examinations of their national game which resulted in radical change to youth development.

EXHIBIT 20 – REVAMPING YOUTH DEVELOPMENT IN EUROPE

→ Belgium

After Belgium's first round exit whilst co-hosting the 2000 European Championships, the Belgian FA instigated a radical overhaul of Belgian football. All teams were encouraged to play the same way at every level from schools upwards (a high tempo 4-3-3 system).

→ France

In the 1970s, French club and national football was in crisis, prompting a review that led to the founding of Clairefontaine and 11 other national centres by the French Football Federation.

→ Germany

After its disastrous Euro 2000 campaign, the DFB set up 366 youth training centres 8 to 14-year-olds, served by 1,000 part-time DFB coaches (all UEFA B licence holders). Professional clubs in Bundesliga 2 and above were required to run youth academies, each independently audited. And B teams were allowed into the newly created 3.Liga to enhance the playing opportunities for young players.

Source: Press analysis

Our proposals will be far from simple or quick to implement and will require collaboration, discussion and compromise from all involved in football if their benefits are to be realised. Nevertheless we believe these separate measures could help deliver the desired effects.

Section 4

Proposed solutions

Proposal 1 – the introduction of Premier League B teams into English football

Proposal 2 – the development of Strategic Loan Partnerships between clubs in the top two leagues and those in the divisions below

Proposal 3 – the gradual expansion of the number of Home Grown Players each Premier League and Football League club must include in its squad

Proposal 4 – changes to the non-EU immigration procedures, to properly deliver on the declared aims of that regulation

4.2 Proposal 1 – The introduction of Premier League B teams into English football

A 'B team' is the youth development squad of a football club. It is distinct from a 'feeder club' in that a B team is fully integrated with the parent club and shares its name. A feeder club is a separate club that has been acquired and is now controlled by the parent club.

Across most of Europe, B teams provide the crucial first stage of an effective bridge between the academy and first team. Dispersed within the footballing pyramid, these B teams are essential to a young player's footballing development, providing competitive football from a younger age.

Boys with talent find themselves, for the first time, playing in front of real crowds, against older men whose livelihood is dependent on winning and experiencing the pressures of a game where the outcome has real consequences. But, unlike being loaned out, they are doing this while still part of their club. B teams are intimately linked to the first team; training on the same facilities, sharing the same coaches and embracing playing styles governed by the same footballing philosophy. Using B teams, clubs can therefore carefully shape the development of their more talented youngsters.

As a result, first team managers are likely to have observed and be more aware of their young players' performances by watching them in a competitive league. This reduces the perceived risk of moving them into the first team squad or giving them their first team debuts.

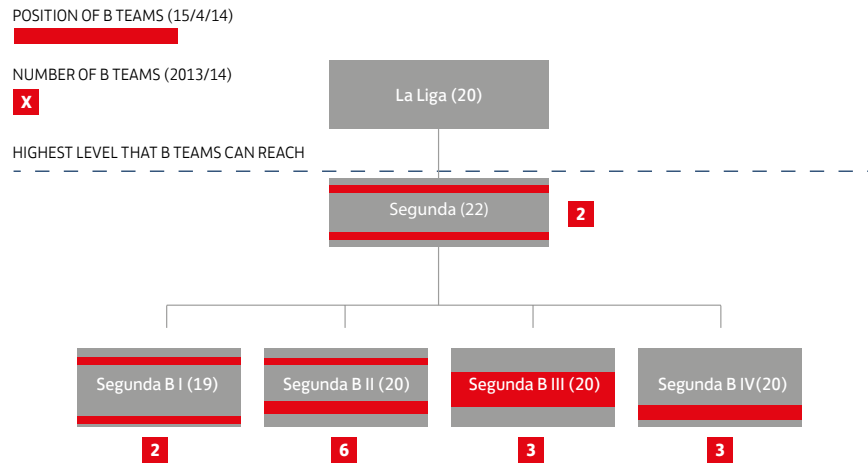
4.2.1 How have B teams delivered in Europe?

The Spanish B team system

Perhaps the best known example of a successful B team system can be found in Spain. Over 300 boys pass through Spanish B teams each year and all professional clubs have B teams. Two of these teams play in the second tier, Segunda División (Real Madrid Castilla and Barcelona B) while a further thirteen B teams play in the regional leagues of Segunda B. Below this in the Tercera Divisions, 16 more B teams and three C teams can be found. They have formed an integral part of the Spanish footballing hierarchy for more than five decades and the approach is credited as one of the reasons why Spanish football has become so successful in recent years.

Section 4 Proposed solutions

EXHIBIT 21 – SPANISH B TEAMS – NUMBER AND POSITION IN LEAGUE

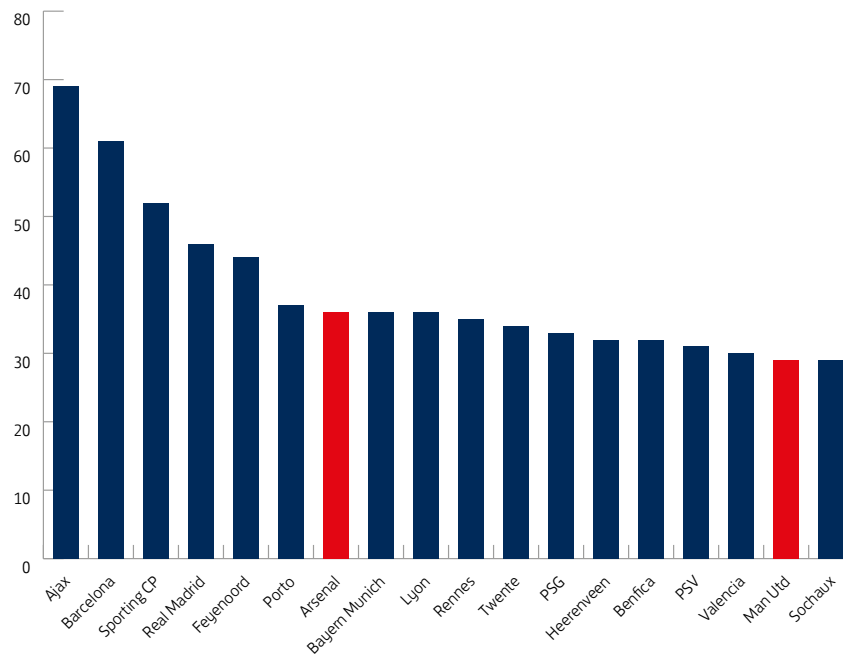


* Includes one C team (Real Madrid C)

Source: soccerway.com

Linked to this, Real Madrid and Barcelona are the most prolific development clubs in the five major European leagues, providing more players to top division European clubs than any other clubs.

EXHIBIT 22 – NUMBER OF ACADEMY-TRAINED PLAYERS – TOP 18 EUROPEAN CLUBS*



*Top European clubs, belonging to the top eight UEFA ranked leagues, ordered by the number of academy trained players, playing in any European top division (start of 2013/14 season)
Source: CIES (2014)

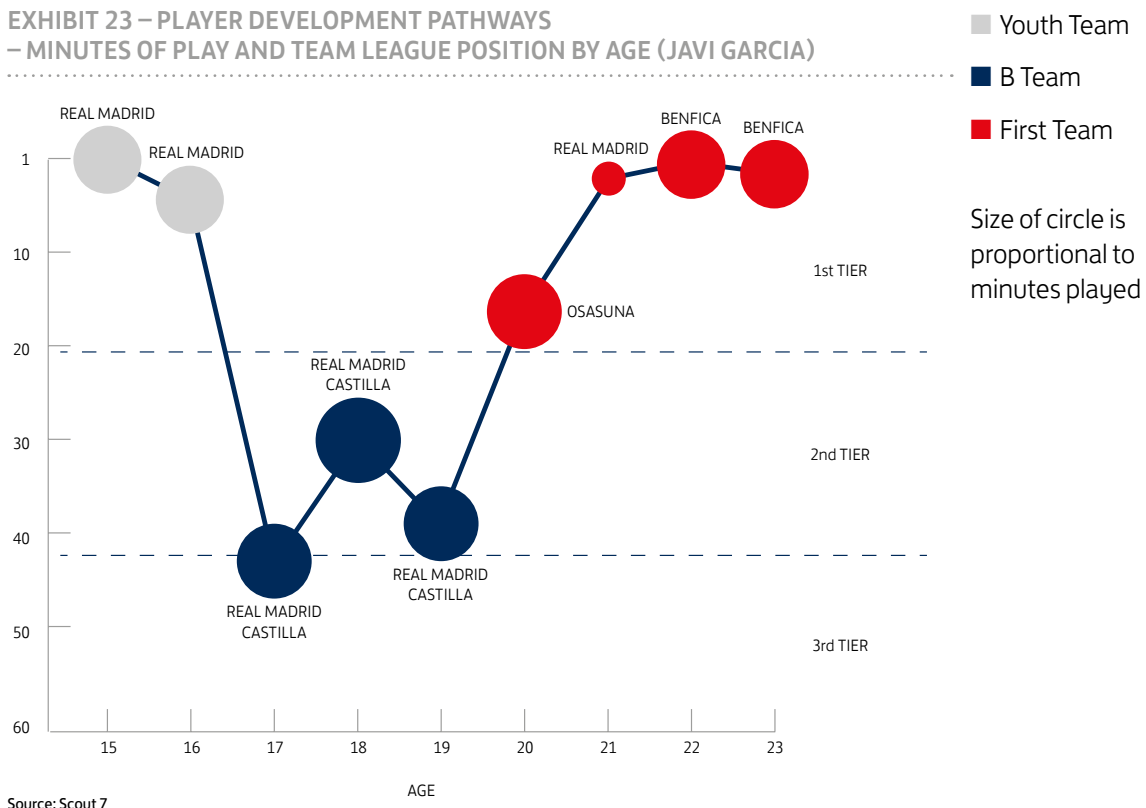
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Of the current Spanish national squad, only four players didn't spend at least a season in a B or C team. Cesc Fàbregas and Gerard Piqué were developing in English clubs and later returned to Barcelona, Fernando Torres had his first full season at Atlético Madrid whilst they were in the second tier and Diego Costa only recently became eligible to play for Spain having been born and raised in Brazil.

Examples of the playing experience and progression of players who went through the Spanish B team system:

- Lionel Messi, who had a season at Barcelona C as a 16 year old, playing 10 times and scoring five goals. Next season in Barcelona B he scored six goals in 22 appearances before moving up to the senior side.
- César Azpilicueta, who played 27 games as a 17-18 year old for Osasuna B, before advancing into the Osasuna first team, prior to being bought by Marseille and subsequently Chelsea.
- Juan Mata, Alvaro Negredo, Javi García and Roberto Soldado all played for Real Madrid Castilla and despite failing to break into the first team were quickly picked up by other La Liga teams and found success elsewhere.

EXHIBIT 23 – PLAYER DEVELOPMENT PATHWAYS
– MINUTES OF PLAY AND TEAM LEAGUE POSITION BY AGE (JAVI GARCIA)

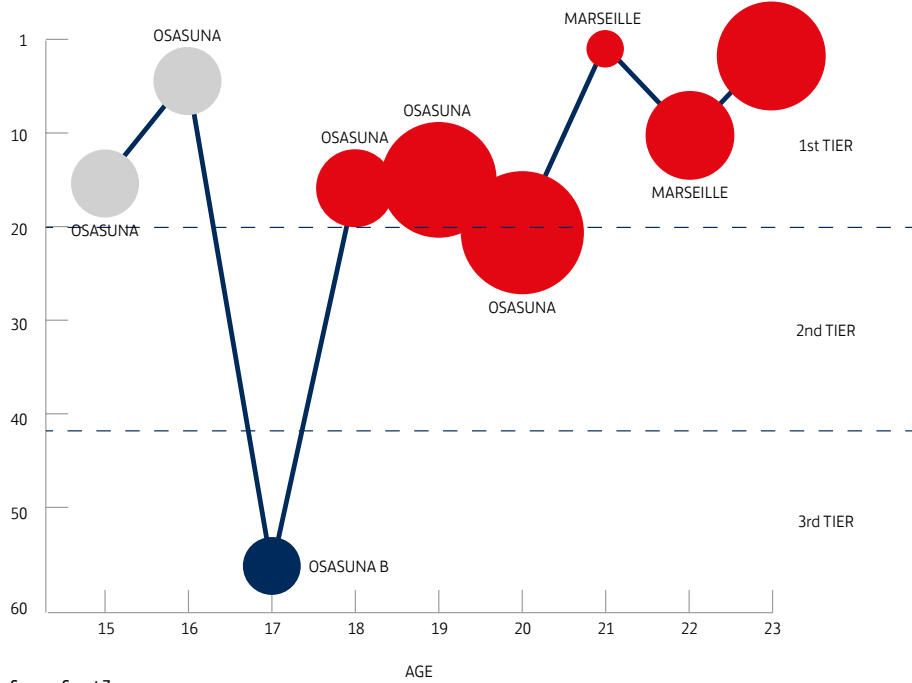


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EXHIBIT 24 – PLAYER DEVELOPMENT PATHWAYS
– MINUTES OF PLAY AND TEAM LEAGUE POSITION BY AGE (CESAR AZPILICUETA)

- Youth Team
- B Team
- First Team

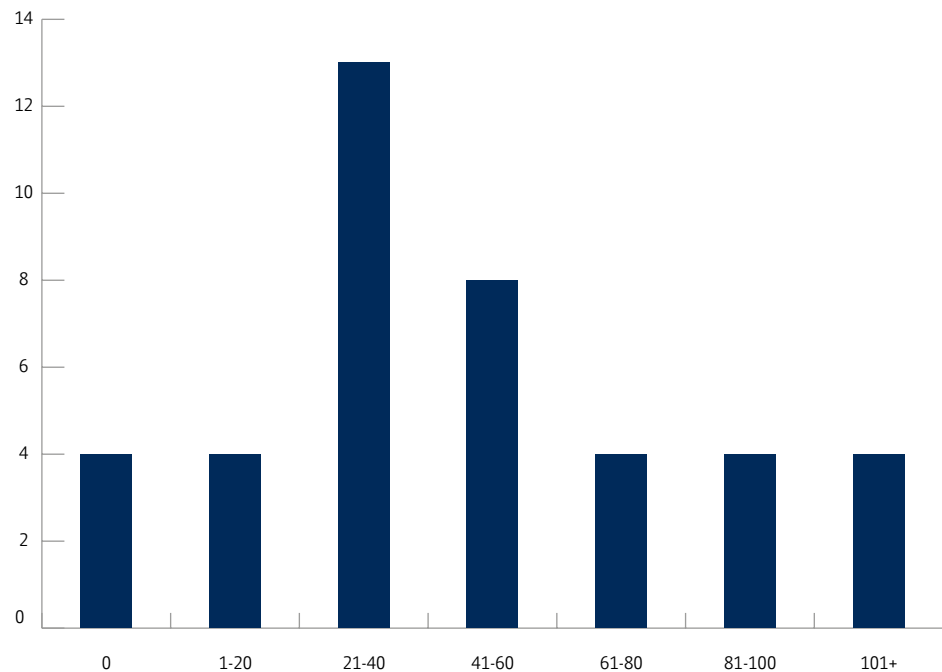
Size of circle is proportional to minutes played



Source: Scout 7

As a result of having B teams, 18-21 year-olds in Spain play typically 2.6 times more first team football than their English counterparts each season.

EXHIBIT 25 – NUMBER OF B TEAM APPEARANCES BY SPANISH NATIONAL TEAM PLAYER (2014)



Source: Wikipedia.org

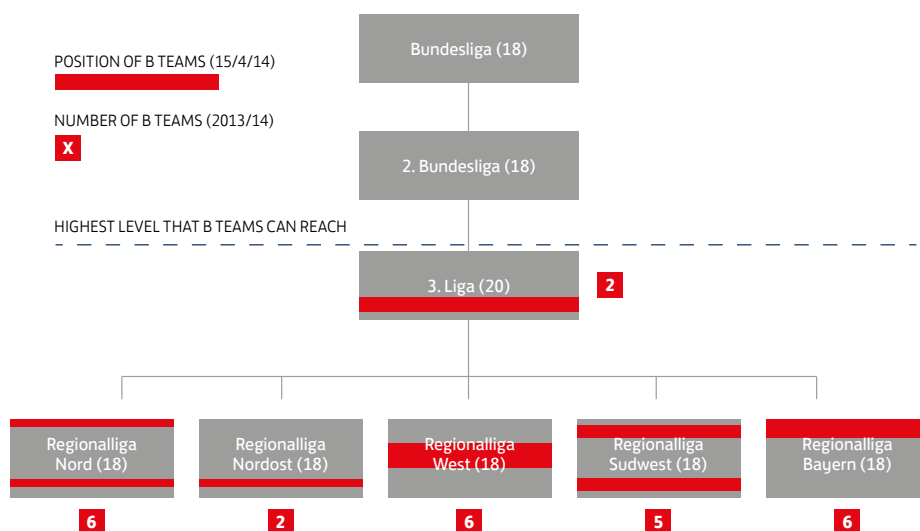
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The German B team system

Likewise, Germany adopts a similar system. The German Football Association (DFB) regulations currently requires each professional club to run a B team. In Germany, B teams may not progress beyond 3.Liga (Germany's 3rd footballing tier), where two clubs (Borussia Dortmund II and Stuttgart II) are currently positioned. Below this, B teams occupy 28% (25) of the 90 places in the Regionalliga. As in Spain, B teams are not allowed to compete in the National Cup.

As a result of B teams, 18-21 year-olds in Germany play typically 2.4 times more first team football than their English counterparts each season.

EXHIBIT 26 – GERMAN B TEAMS – NUMBER AND POSITION IN LEAGUE



Source: soccerway.com

Other countries

B teams playing in the lower leagues now exist in most other countries in Europe. They have recently been introduced in Portugal and the Netherlands. Rules and structures vary, as do the number of B teams. Yet in all cases there is evidence that the B team is an important part of the development process for young players while contributing to the competitive environment and performance of the divisions they play in.

4.2.2 What is our proposal?

We believe that the introduction of B teams into the English footballing system would greatly enhance the development of our most talented youngsters, many of whom currently play in the Under 21 Premier League with limited prospect of breaking the vicious circle of insufficient experience to make the jump to the first team. The key elements of our B team proposal are:

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- All Premier League clubs at the start of the 2015-16 season would be eligible for a B team to be playing in the lower leagues in 2016-17. It would be up to each individual club to decide whether or not it wanted one.
- B teams would play in stadia, most likely a small stadium built expressly for the purpose or at a nearby lower league club's stadium shared in return for investment in improved pitch and facilities.
- Space for these clubs would be made primarily through the creation of a new League 3 within the Football League in 2016-17. This division would initially be made up of 20 clubs of which up to ten would be Premier League B teams and the other ten places would be taken by the top teams from the Conference Premier.
- By creating spaces within the current footballing pyramid, no clubs would be displaced by this system.
- There could be a later option of enlarging the new League 3 to 24 teams, depending on the number of Premier League clubs that eventually wanted or became eligible for a B team.
- Should more than ten Premier League clubs want and be eligible for a B team in 2016-17, further B teams would initially play in the Conference Premier in that season.
- There would be promotion and relegation between the four leagues – League 1, League 2, League 3 and Conference Premier. B teams would be unable to progress into the Championship and must always be at least one division below the senior team.
- The reorganisation of the league system could allow the introduction of a universal three up, three down approach across all four leagues. It could also allow a reduction in league size, if that were desired.
- B teams would not be able to play in The FA or League cups but it may make sense for them to be able to play in an enlarged Johnstone's Paint Trophy.
- B teams playing in the Football League or the Conference would not be voting members of those leagues. They will be associate members only.
- The eventual structure and distribution of B teams would clearly be a decision for the clubs in the Football League and the Conference.

To ensure that B teams were used primarily for the development of young players, and to ensure fairness in league competition, we propose that:

- At least 19 of the B team squad of 25 should be players under the age of 21 (at the start of the season) and only three on the match day team sheet of 18 players can be over 21.
- At least 20 of the 25 players should qualify under the Home Grown player rules.

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- At least five of the 25 players should be club-grown players as per the UEFA definition²².
- Non-EU players playing in England would not be able to play in the B team.
- In order to encourage first team experience, any B team player can be called into the first team squad at any time.
- A player under 21 is not permitted to return to the B team once he has played more than ten games in the first team.

4.2.3 What could this deliver in playing opportunities and other benefits?

We estimate that each B team squad would contain an average of 15 English players. Assuming, say, that there were ten B teams, this translates into 150 playing opportunities for English players. If we assume that the percentage of these that make it into their first team is around 6% (a marginal improvement on the percentage of players with loan experiences that reach the first team) this would translate into nine new English players being given the opportunity to develop and making it into the first team squad of a Premier League side each season.

Clearly, the existence of B teams would impact other development routes – the use of the existing loan system and the Under 21 Premier League. We have modelled the combined impact of our proposals and these are discussed in Section 4.8 below.

There is a range of other advantages that B teams bring. They include:

- B teams in other countries have provided effective training grounds for promising managers. Managers who cut their teeth in B teams include Pep Guardiola who managed the Barcelona B team for one season before becoming Barcelona's manager in 2008 and Rafa Benitez and Vicente del Bosque whose first management roles were with Real Madrid Castilla.
- A club's first team manager can see a player in a real competitive situation and reduce the perceived risk of playing him in his first team.
- B teams can also offer a career extension for first team footballers close to retirement. Experienced players can play an extra year or two as the backbone of, and mentor for, a group of developing players.
- The establishment of B teams often involves the building of new small stadia, the upgrading of existing ones or ground sharing with lower league clubs, which brings new sources of income and improvement into those clubs.

4.2.4 What are the possible concerns?

- This proposal represents a major change to the competitive pyramid and is likely to be met with resistance from certain elements in English football. We do not underestimate the sensitivities surrounding this idea.
- A major uncertainty facing the Commission's proposal for the introduction of B teams is the number of clubs that will take up the offer of a B team in the lower leagues, although quite a number have indicated their enthusiasm

22. The player must be registered and trained at a player's own club for at least 36 months between the ages of 15-21.

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for the proposal. Clearly the number will determine the number of spaces required within the footballing pyramid. This concern can only be considered once the clubs and leagues discuss together the relative merits of the proposals and any other options they may favour.

- A further concern could be the potential for a gradual erosion of the competitive credibility of a league, if it is perceived that there are too many B teams present. The overall experiences of other European leagues suggest this not to be the case and in fact in most cases the contrary happens with the presence of new teams providing competitive interest.
- Similarly, there could be concerns raised over League 1 promotion if a situation arises whereby the clubs occupying one or more of the playoff and promotion places are B teams who are unable to be promoted. This perceived issue, though sincere, should not be overstated, as experiences in Spanish, German and other leagues with B teams don't support it. This situation has never happened in the current league structure in Germany and has only happened twice in Spain since 1994-5. The idea that B teams would automatically fill all the top places in the lower leagues or cluster together in one league isn't borne out by the experience in Germany, Spain and other countries with B teams. [see exhibits [24a] and [24b]] Even so, we propose there should be a review of the B team system four years after its introduction.
- Concerns could also be raised about the attendances expected at B team games although our research in Europe shows that home attendances for clubs playing matches against B teams can be higher than a club's average attendances, particularly with local rivalries. Attendances at B team matches in Europe are certainly generally significantly higher than Under 21 or Reserve matches in recent years in England.

4.2.5 Balancing the pursuit of objectives with practical considerations

As is the case with the introduction of all radical proposals, we anticipate there will be some who will instinctively consider them too far-reaching or too difficult to deliver. For instance, were this proposal for B teams playing in the lower leagues to be too contentious for the Football League clubs (it would be the Football League, not the Premier League, which would be most changed by this proposal) we would welcome pragmatic debate about other possible proposals.

The Premier League itself has recognised the problems of the current Under 21 Premier League and has proposed a range of changes. From next season the Under 21 league will have two divisions, with promotion and relegation, which some believe will give more purpose to games. Some games will be televised and fixtures will be scheduled more regularly and the number of games clubs are required to play in their main stadium will increase from three to five for each club.

However, many of the clubs we have spoken to have their doubts. Clubs that will play in the lower division of the Under 21 Premier League have commented that this will remove from them the benefit of competing against the best Under 21 sides, which was a prime motivation for them establishing Cat 1 academies in the first place. Others have told us they still doubt whether the changes will give their young players the

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competition they need if they are to gain the experience necessary to challenge to get in the first team squad.

Many of the older Premier League players we have talked to mourn the passing of the old reserve leagues where they gained enormously valuable experience from playing with older players. However, the history of the Premier League Reserve league which ran between 1999 and 2012 shows how difficult it is to deliver what clubs, players and fans need and seek. Despite many attempts to make it more competitive, the league was finally abandoned and replaced by the current Under 21 Premier League.

If there were not to be B teams in the lower leagues, it is important that any alternative proposals involving the creation of B teams realistically promise what academy managers and coaches, club management and young players are calling for: games that have an intensity of competition; something to play for, be it league position, promotion/relegation or large prize money; meaningful cup competitions; crowds and TV coverage; defined fixture days; proper stadium venues and – as a proper B team – an ability to mix developing players and a backbone of older or motivated, recuperating first team players. If such an experience could be created, it would be welcomed by everyone in football.

4.3 Proposal 2 – The development of Strategic Loan Partnerships between clubs

4.3.1 What are the features of the existing loan system?

We describe in Section 3.1 that existing Football League rules effectively prevent clubs from controlling the development experience that their players receive when out on loan. It is up to the club that takes the player to determine how the player gets played, in what position, how frequently, how they train, the club's playing philosophy and the sports science approach used.

Although loans offer an excellent opportunity for a player to gain experience of real competition at a level suiting his stage of development, the constraints described above leads clubs to be cautious about using loans for development. Accordingly, fewer than half of young players go out on loan each season, with most of these as short-term loans that deliver mixed results in terms of development.

4.3.2 What is our proposal?

Our proposal is that Premier League and Championship clubs will be able to supplement the existing loan system with Strategic Loan Partnerships (SLP) with up to two clubs in divisions below the Championship. We believe this would deliver not only excellent player development experiences but also significant benefits to the club receiving the loans.

The primary difference between an SLP and an existing loan arrangement is that within an SLP the lending club would be able to guide the loaned player's experience more closely while on loan. We believe this would increase the use and effectiveness of loans for development and overcome many of the limitations of current loan experiences.

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Who would be eligible to have an SLP?

- The partnership would be between a lending club (the 'Senior' club) and a club in a lower division (the 'Partner' club).
- Eligible Premier League or Championship clubs would be allowed to have SLPs with up to two clubs in different leagues, in League 1 or below.
- All Football League clubs below the Championship would be eligible to become Partner clubs. Partnership will be automatically terminated if promotion or relegation results in rules being breached, e.g. the Senior and Partner clubs end up in the same division or if the Partner club is promoted to the Championship.

What would the SLP allow?

- Currently, clubs are allowed to borrow up to eight players on standard loans each season, but only four plus a youth player from one club. Under the SLP system, a Senior club would be allowed to lend up to eight players to its Partner club at any time.
- To ensure that SLPs were used primarily for player development, all loaned players within the SLP would need to be under the age of 22 and Home Grown as defined by both the Premier League and Football League.
- The current maximum number of loan players allowed on any match-day team sheet would be kept at five (i.e. a majority of players are from the Partner club's permanent squad).
- There would be no changes to cup competition eligibility.
- The SLP could involve the Senior club sending coaches to the Partner club with its players, to transfer expertise and to ensure that the loaned players were continuing their development according to the Senior club's philosophy and approach.
- There could be further exchanges of sports science, nutrition, education etc, to bring benefits to both clubs.
- All or part of loaned players' and coaches' wages could be paid in full by the Senior club. Strategic Loan Partnerships would therefore be financially rewarding for the Partner clubs in addition to being beneficial in terms of the transfer of expertise.
- The current limit of 10% on the equity ownership of one club by another might be extended to 25% if this were to bring greater financial stability to the junior club. This is a matter for the Football League to decide.

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4.3.3 What could this deliver in playing opportunities and other benefits?

It is difficult to quantify what this system might deliver but we estimate there could be fifteen Football League teams that enter into SLPs with Premier League clubs.

In addition we envisage that several Championship clubs will have SLPs. We do not include the impact of these in our calculations, even though, by improving the level of playing experience, SLPs may once more increase the transfer of Football League players into Premier League clubs.

If each SLP will generate just over five development places for English players (the places are reserved for eight Home Grown Players, of which we assume approximately 65% will be English), this translates into 83 development places for English players.

If we assume that the percentage of these that makes it into their first team is around 6% (a marginal improvement on the percentage of loan experiences that leads to the first team) then this would translate into 4.7 new English players being given the opportunity to develop and making it into the Premier League club's first team squad each season.

Clearly, the existence of SLPs would impact other development routes, the use of the existing loan system and the Under 21 Premier League. We have modelled the combined impact of our proposals and these are discussed in Section 4.8 below.

Strategic Loan Partnerships would bring a range of other benefits:

- Partner clubs could gain considerable financial benefits in reduced player wages. Playing higher quality football and fielding exciting young players could also create benefits in increased gates.
- Partner clubs would also benefit from the exchange of experience, methods, science and philosophy, in players, coaches and management.
- Visiting friendlies with the Senior club could add to gate receipts and fan interest.
- SLPs are relatively easy to dismantle. Whilst the ties inherent in any partnership arrangement may have some real or perceived strength, both clubs retain real flexibility and autonomy to respond to changes in their circumstances, league position or philosophy. Partnerships could include break clauses for a change in manager, which may help to create greater stability in club management.

4.3.4 What are the possible concerns?

As with B teams, this element of the proposal demands broad further consultation and debate.

The Football League is the world's oldest professional football league, built from its 72 autonomous clubs across the country. A concern will be that the partnerships threaten the autonomy of the partner club due to possible growing dependence on the benefits the partnership deliver.

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In our view, SLPs preserve this autonomy both on and off the pitch by keeping the number of loan players allowed on the team sheet to five and not allowing ownership or management control of the Partner club by the Senior club. But this will need testing, refining and protecting.

Not all lower league Football League clubs will be able to have a partnership with a Senior club. This could be seen as a further imbalance in the integrity of the league. But not all clubs would want an SLP and the continuation of the standard loan system would continue to guarantee a healthy supply of loaned players for these clubs.

4.4 How these proposals contribute to the complete player development pathway

Our B Team and Strategic Loan Partnership proposals would, we believe, go some way to providing young promising talent with an opportunity to demonstrate their capabilities in a competitive environment within the English footballing pyramid. However we believe they will still only be part of the pathway for some young players for whom the jump straight into their Premier League squad might be too great.

So while for some players our proposals could mitigate the need for the final loan to a Premier League or Championship club for others a loan would still be necessary. Thus the pathway could well be one or two years in a B team followed by a loan to a Championship or Premier League club.

It is for this reason that we believe the continuation of the current loan system is essential so that it can provide precisely these final opportunities that may be necessary in a player's development. Keeping the loan option available is critical if we are to provide players with the best chance of demonstrating that they are capable of performing on the toughest stage.

4.5 Making these proposals happen

So why would the Football League – and in particular the clubs currently in Leagues 1 and 2 - agree to the Commission's proposals for B teams playing in the lower leagues and Strategic Loan Partnerships, apart from a general desire to encourage younger English players and support the future of the England team?

What is important is that no Football League club loses out financially as a result of these changes, but the Commission doesn't believe that is enough. One of the criticisms of English football today is that so little of the enormous amount of money that has flowed into the game in recent years has flowed down to help clubs in the lower leagues. In the last six years, 12 Football League clubs have gone into administration and others have found themselves in serious financial distress.

We propose that in return for agreeing to this re-organisation there should be a significant financial settlement from the Premier League to the clubs in the lower divisions of the Football League.

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Although the details of how these payments should be funded must be decided within the Premier League, a meaningful share should come from the clubs who are benefitting from the change in the system – those with B teams in the lower leagues.

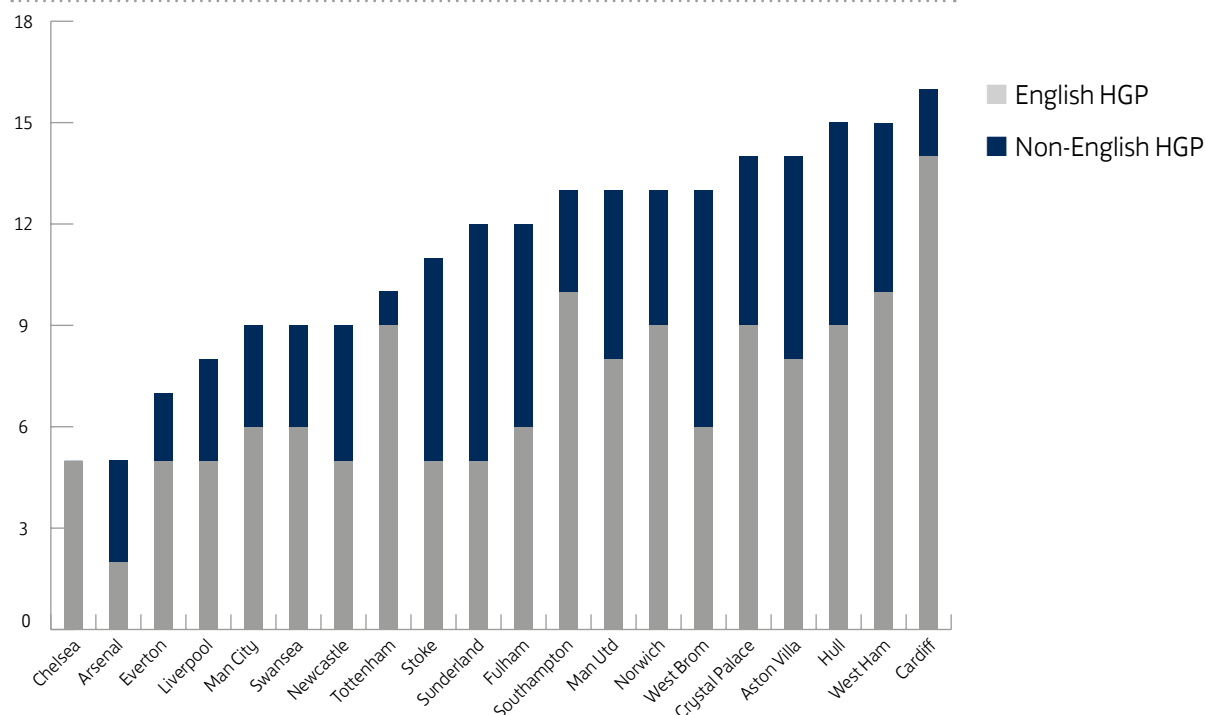
The FA itself should seek to play an additional role in supporting and incentivising lower league clubs to play young English players in their first teams.

4.6 Proposal 3 – Home Grown Player requirements

Currently, UEFA, the Premier League and the Football League require clubs competing in their competitions to abide by certain Home Grown Player (HGP) rules (as described in Section 3.2). Whilst these rules, ostensibly, are not designed to benefit or exclude any European nationals, the fact that the Premier League is based in England and Wales means that there is a natural bias in the national make up of Home Grown Players towards English and Welsh nationals. On average, 65% of players who qualify as Home Grown Players are English.

At their current levels HGP rules have had little impact on the behavior of clubs as explained in Section 3.2 and rarely seem to influence the development of Home Grown Players. However, the Commission believes that these rules could be more influential if the number of home grown players required at each club were to be increased year by year over a period of years.

EXHIBIT 27 – NUMBER OF HOME GROWN PLAYERS* BY PREMIER LEAGUE CLUB (START OF 2013–14)



*Includes only players over 21
Source: PremierLeague.com, transfermarkt.co.uk

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We also believe that the introduction of a Club Trained rule into English football as currently required only in UEFA competitions could help in encouraging the development of younger players.

4.6.1 What is the Commission's proposal for HGP requirements?

- We propose that there should be a gradual reduction in the number of non Home Grown players allowed in each Premier League squad down from the current figure of 17 to 12.
- The change would start being applied in 2016-17 (the same year as B teams would be allowed) with the number being reduced by one to 16 that year and then by a further one each year ending in 2020-21 when the number would be down to 12.
- This would mean that by 2020-21 a majority of players in any Premier League squad of 25 would be home grown.

This gradual reduction allows time for clubs to adjust the make-up of their squads, for EPPP to have an impact and for the other proposals (B teams and Strategic Loan Partnerships) outlined in this document to take effect.

This measure would also be accompanied by the introduction of a small number of squad places reserved for Club Trained players, mirroring the UEFA requirement. Again we suggest this is first introduced in 2016-17 with a quota of two Club Trained players required in each squad, and increased to three in 2018-19 and to four in 2019-20. Of course Club Trained players would also count towards the Home Grown numbers.

At the same time the number of Home Grown Players required on each Football League team sheet of 18 players would be increased from 6 to 12, a change already being considered by Football League clubs.

4.6.2 What could this deliver in playing opportunities and other benefits?

An increase in the HGP numbers and the introduction of a Club Trained player rule would ensure that the playing opportunity measures we're proposing are matched by an obligation to develop Home Grown Players. The levels we suggest would mean that there would be a minimum of 260 Home Grown Players in Premier League squads, of which approximately 170 would be English.

4.6.3 What are the possible concerns?

While the rule changes will limit a club's player purchasing options they will not impact on the ability of a club to continue to bring in players of the highest quality. Across Europe many of the most successful European clubs of recent years already have a dominance of Home Grown Players in their squads (Barcelona – 18, Real Madrid – 13, Bayern Munich – 14, Man Utd – 13).

4.7 Proposal 4 – Non-EU work visa process

4.7.1 Summary of issues

The current Governing Body Endorsement procedure for non-EU players²³, administered by The FA, covers two areas:

- the criteria that govern the automatic granting of Work Visas through endorsement by The FA.
- the Appeals Panel process for non-automatic cases.

Each needs to be critically reviewed and improved. In practice neither successfully limits the number of non-EU players being allowed into England to those of exceptional talent. The figures outlined in detail in Section 3.2 make this very clear. Currently players who manifestly do not fit the definition of being 'of the highest calibre and able to make a significant contribution to the development of the game at the top level in England' are receiving visas.

As already explained only 58% of players given work visas to play in the Premier League play any football at all in the Premier League the season after their arrival.

4.7.2 What is our proposal for the endorsement criteria?

The current automatic criteria must be changed so they are strict enough to limit those entering the UK to truly exceptional players of the highest calibre.

Our analysis should be brought to the attention of the relevant bodies (The FA, the Welsh, Scottish and Northern Irish FAs; the Premier League; the Football League; the Professional Footballers Association and the Professional Football Negotiating and Consultative Committee) that are involved in drawing up and implementing the current rules. They should then be asked to draw up more realistic rules and recommend them to the UK Border Agency. The new rules should certainly be tougher. For instance they could include:

- No players coming in on overseas visas should be allowed to join clubs in any league in England other than the Premier League. The players are either of exceptional talent or they are not.
- No players on overseas visas should be allowed to be loaned to other clubs in England even if they are in the Premier League.
- A cap, of say two players, should be introduced on the number of non-EU players allowed in any one club, squad or team sheet. Many countries, including Spain, Italy, France and Czech Republic already have this rule. Five Premier League clubs currently have three or more non-EU players in their 1st team squad. Outside the EU, many countries, including Russia, Turkey, Switzerland and Norway have caps on the number of foreign players overall.

23. This excludes players from Switzerland and EEA nations who are entitled to work in EU countries

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- We should consider following the example of the Netherlands in setting a high minimum wage for non-EU players.
- We should also consider whether visas would only be granted if a minimum transfer fee applies.

We propose that the criteria for automatic endorsement and acceptance are reviewed in time to make changes for the 2015-16 season. The current system allows for proposed changes to be suggested for consultation early in the year before a new season. We see no reason why this debate should not start now.

4.7.3 What is our proposal for the appeals process?

The appeal process must be reviewed immediately to look at what can be provided to strengthen and guide appeal panel members' decision-making processes as it is quite clear the current system is being abused.

It is a requirement of the UK Border Agency that sports have an appeals process but in some sports, e.g. cricket, appeals are only permitted on the basis of incorrect application of the relevant criteria, not to plead extenuating circumstances. Given what has gone on in a system in which 79% of appeals since 2009 have been successful and less than 50% of players who obtain visas have a successful career in England, there is a strong argument that football follows the lead set by cricket.

4.7.4 What is the likely impact of this proposal?

There is a scenario in which changes to the rules and appeals system are unlikely to add many more opportunities for English players. The danger is if importing non-EU players becomes more restricted, some clubs will instead seek more players in EU countries and markets covered by EU legislation for the free movement of labour. However when combined with our proposals requiring more Home Grown players and more club trained players we believe these changes will have an impact.

4.7.5 What are the possible concerns?

What is important is that world class players, or players with recognised world class potential, are not prevented from joining clubs in the Premier League. However what is happening currently is that many players who do not fit into these criteria are coming into English football, in both the Premier League and the Championship, and are taking squads places which could be filled by young English boys. The aim of the new rules should be to prevent this happening.

4.8 Forecast of the magnitude and projected timing of these changes

The Commission has set a target, described in Section 2, of 90 English players appearing regularly in the Premier League, a level likely to bring the number of starts for English players per season in the Premier League back to 45% of the total. We

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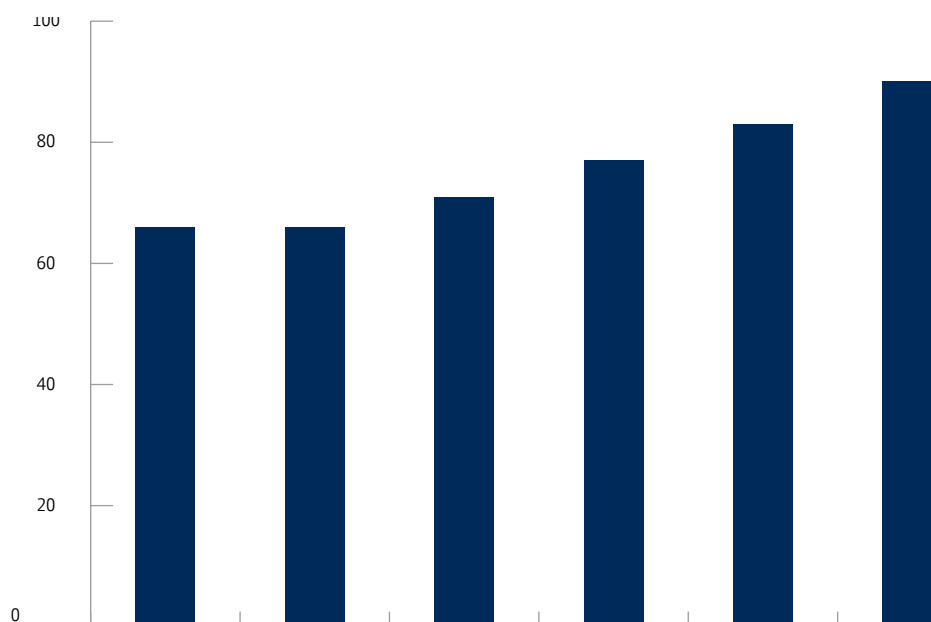
believe this sort of number would also give a future England manager a sufficiently large pool of elite players from which to assemble a squad that could compete with the world's best.

The proposals seek to build successful pathways for the very players who might form the core of the England team in 2022. Without change, many of them will approach the 'black hole' or have already reached it.

We have calculated that, should the measures described in this report be introduced, the number of young English players being developed and entering Premier League first teams would rise from approximately nine per year at present, to 24 per year, an increase of fifteen players across all 20 Premier League clubs.

Given the typical playing lifespan within the Premier League for an English player, this would mean that the total number of English players playing regularly (more than 50% of minutes) in the Premier League would rise from 65 to reach our target of 90 within five years of the introduction of our recommendations, assuming a lag of one year before the measures start to have an impact. This would bring the number of qualified English players starting in the Premier League to 45%.

EXHIBIT 28 – PROJECTED GROWTH IN ENGLISH PLAYERS IN THE PREMIER LEAGUE



Source: Opta, Commission analysis

Should the measures be introduced for the start of the 2016-17 season, this means that the target should be achieved by the 2021-22 season.

4.9 Options which have been considered and shelved

In considering how to address the problems of the player pathway the Commission also examined and assessed other proposals which had been suggested by others, revealed by research of other markets, or created from scratch. None of these were seen as having the right balance of attractive outcomes and manageable risk. These initiatives, with a brief assessment, included:

4.9.1 Allowing current initiatives to deliver – preserving the status quo

Improvements to the Under 21 Premier League are highly unlikely to deliver the volume of additional players needed to reach the required targets and the risks of doing nothing and waiting to see are considerable. In addition the majority view of Premier League and other clubs is that proposed changes to the Under 21 Premier League would fall short of the necessary competition they require for their players. Clubs are not enthusiastic about playing Under 21 Premier League games in main stadia due to the atmosphere and cost of opening and policing such a large ground.

One problem is that clubs often play their third or even fourth string of players in the Under 21 Premier League, and it is unlikely that Premier League and other clubs will limit their squad sizes or loan practices sufficiently to achieve any improvement in Under 21 Premier League competition.

4.9.2 Feeder clubs

We looked at the possibility of Premier League Clubs buying clubs in the lower leagues. While this had attractions we took the view that, overall, this was too destructive of the current pyramid of English football and would be too difficult to deliver. Club owners and their community fan bases could be set against each other to a dramatically greater degree than anything experienced to date.

We also felt that transforming existing clubs into B teams through acquisition, or permitting the establishment of explicit and permanent feeder clubs even if retaining the existing team name, would destroy the focus of a fan base's support and aspirations.

4.9.3 Creating and introducing an England Under 21 Squad into the Championship

This would have had the advantage of collecting together a future England team squad and creating more of a club atmosphere in which they played together for a year or two while on loan from their clubs. It would disrupt the traditional pyramid very little and would be easily reversible if unsuccessful. It could build support amongst the next generation of England fans and provide high profile games at venues across the country.

However, the terms of getting players released from clubs was seen as too complex. If the squad were relatively fixed, the best players would be held back by clubs to retain flexibility for first teams. There would also be an added complexity of The FA running a league team while passing judgment over its players for disciplinary and other issues.

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The financial arrangements for expensive players would be complex or excessive, or both.

4.9.4 Allowing B teams to enter at the 8th tier and changing dual interest rules

This was seen as less disruptive but far too slow to help English football, even in the medium term.

4.9.5 Quotas

Seeking more stringent quotas on EU and non-EU players is a delicate issue. For EU players, the current view is that limits on movement and employment would not be legal. However, excessive imbalances of the market may eventually justify a reexamination of these judgments, but change will not be quick.

There is a provision within the European Court of Justice (ECJ) decision that permits sport to introduce rules that might not ordinarily be permitted under EU employment and competition law 'if such rules are necessary for sporting reasons and proportionate and fair'.

The predictions about the necessity of protection of national interests, made by Carl Otto Lenz in the Bosman ruling have certainly been proven to be completely wrong and have never been properly re-visited.

In the Commission's consultation, others have pointed out that there is scope for re-consideration of this area provided by the 2005 United Nations Educational Scientific and Cultural Organisation (UNESCO) Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Article One of the Convention sets out its objectives, amongst other things 'to reaffirm the sovereign rights of States to maintain, adopt and implement policies and measures that they deem appropriate for the protection and promotion of the diversity of cultural expressions on their territory'.

FIFA and UEFA also consider that "the foundations of football are harmony and balance between the national team football and club football". FIFA has already determined that "the clubs' loss of national identity is endangering [the national game]"²⁴.

We do believe that Governments and Football Associations across Europe, led by UEFA, should consider whether or not they want to revisit the whole area. We believe there is an argument for looking at the whole issue again but we would not want to see a "little Englander" approach. We believe excellent overseas players have added to the development of English players, the experience of English fans and the financial success of clubs and leagues. We just want to see a change in balance, a reversal of the trends of the past twenty years so that more English boys are able to play in teams at the top of the pyramid of English football.

24. FIFA.com Friday 30th May, 2008



5 Summary and next steps

5.1 Summary of conclusions

The Commission was set up to examine the causes of and to suggest remedies for a major problem facing English football: the falling numbers of English players playing at the top of the English game. This report discusses why this situation is problematic and why it matters. It presents the findings of our research into and consultation regarding the causes of this problem and it proposes actions to tackle them head on.

Our diagnosis identified four major issues with the development of elite English players:

- There are inadequate and insufficient competitive playing opportunities for 18-21 year old elite players at top clubs in England.
- Regulation of the English player market is not effective in preserving the desired balance of British, EU and non-EU players in clubs.
- Coaching and coach development, in clubs and at grassroots, have not yet reached a satisfactory level and impact.
- England lags behind in the quantity and quality of affordable grassroots facilities. This is particularly true in the area of all-weather pitches.

We have commissioned further work on coaching and grassroots, which is ongoing, and will report back in the autumn with implementation plans to tackle the grave issues identified in these areas.

In this report we present our proposals to tackle the most critical problems that we believe are hindering the development of English footballers: the lack of playing opportunities and ineffective regulation of the player market.

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Summary and next steps

We are recommending bold measures which we believe have a very good chance of reversing the decline in the English game for English players and building lasting strength in our national game. Our proposals create the means by which young promising players can gain real competitive experiences in lower leagues that matches their development needs. We believe these change will add further to the opportunities for exciting young players, the excitement of football in English football leagues and greater stability for clubs.

Our proposals to introduce a rise in the Home Grown Player requirements will ensure that English and other Home Grown Players benefit most from the proposed measures. Our proposal to tighten the entry and appeals criteria for non-EU player immigration will create a necessary constraint that will encourage more considered and valuable player acquisitions from outside the EU.

5.2 What is the process from here?

The Commission will complete and deliver reports and recommendations in its ongoing work on coaching and grassroots in the Autumn.

In the meantime we make these proposals on playing opportunities and regulation in the player market. We invite submissions and comments on them from all involved in the game. An immediate next step should entail detailed consideration, consultation and debate between all interested parties in football. The Commission not only aims to keep the momentum going forward but also will lend whatever support it can to this assessment of the evidence and proposals, in any way that is helpful.

