

# **GOVERNANCE REVIEW**

## **Northern Premier League – Proposed Articles of Association**

**Prepared by FC United of Manchester**

### **Purpose of this Paper**

The purpose of this paper is to provide a clear, structured and evidence-based review of the proposed Articles of Association, and to support informed and constructive discussion among the League and its member clubs.

As a member club, FC United believes that changes to the League's constitutional framework should be subject to appropriate scrutiny, clearly understood by those they affect, and capable of securing the confidence of member clubs.

In practice, many member clubs do not have the time, specialist resource or governance expertise to undertake detailed forensic review of lengthy constitutional documents and will naturally place reliance on the League Board and governance processes to ensure that proposals of this significance are clearly explained, appropriately scrutinised and transparently presented before clubs are asked to vote upon them.

This paper has been prepared in that context. It reflects a detailed review of the proposed Articles and is intended to assist clubs in understanding both the structural implications of the proposed changes and how they may operate in practice.

The Club's intention is to contribute positively to the development of a governance framework that is transparent, accountable and aligned with the long-term interests of the League and its member clubs. It is not intended to create division, but to support a constructive and informed process of review.

This assessment is based on the Articles as provided and does not assume the existence of additional policies or governance frameworks unless they have been made available to member clubs. The paper has been prepared in the absence of both a published summary of changes and the underlying governance review, despite repeated requests from FC United for those materials to be shared with member clubs. Those requests have been rejected by the League. Accordingly, this paper is intended to assist clubs in understanding and scrutinising the proposals on a more informed basis.

### **Executive Summary**

FC United of Manchester has undertaken a detailed and evidence-based review of the proposed Articles of Association.

The Club recognises the need for governance to evolve and is not opposed to reform in principle. Indeed, FC United recently undertook a comprehensive review and modernisation of its own Club Rules, which define how the Club operates and the powers and rights of its members. In doing so, the Club sought to align its governance framework with recognised principles of good governance and supporter ownership, drawing upon guidance and frameworks from organisations including Sport England and UK Sport's Code for Sports Governance, Co-operatives UK, the Financial Conduct Authority and the Football Supporters' Association.

It is against those same principles of transparency, accountability, independence, stakeholder engagement and effective member oversight that the proposed League Articles should properly be assessed.

However, the proposed Articles represent a material shift toward a more centralised, board-led model of governance. While such a model can be effective, it depends on the presence of clearly defined and robust safeguards to ensure independence, transparency, accountability and effective member oversight.

Our review identifies a number of areas where those safeguards are not yet sufficiently embedded or visible in practice. In particular:

- decision-making authority is increasingly concentrated at Board level, with fewer matters clearly reserved for member club oversight;
- the proposed framework expands and modernises central commercial powers, including in areas such as broadcasting and streaming, without sufficiently clear safeguards, consultation mechanisms or member club oversight;
- independence is not clearly embedded as a structural requirement;
- conflicts of interest are managed through relatively permissive internal arrangements;
- transparency is limited, with no clear obligation to provide member clubs with timely access to governance information;
- the appointments framework lacks clear independence and visibility;
- the supporting governance infrastructure has not been made available;
- and the process for developing the proposed Articles has not been supported by sufficient transparency or explanatory information.

Individually, these issues may appear manageable. Collectively, however, they raise broader concerns as to whether the proposed framework provides a sufficiently robust, transparent and accountable basis for governance in practice.

The central issue is not whether the Articles are legally workable, but whether they provide a framework that member clubs can understand, scrutinise and trust.

At present, that standard has not been met.

Accordingly, the Club's position is that the proposed Articles should not be adopted in their current form. Further work is required to clarify the governance model, strengthen the

supporting framework and ensure that the proposals are capable of securing the confidence of member clubs.

The Club remains supportive of governance reform and committed to engaging constructively with the League and fellow member clubs to achieve a framework that is transparent, accountable and aligned with the long-term interests of the League and member clubs.

## **Why This Matters**

Good governance underpins competitive integrity, financial fairness and trust between clubs.

Where governance structures do not command confidence, the impact extends beyond individual decisions and affects the League as a whole.

Where governance is unclear or lacks confidence, the consequences can include inconsistent decision-making, reduced transparency and erosion of trust between clubs.

Governance decisions also directly affect the commercial environment within which clubs operate, including sponsorship, broadcasting, fixture scheduling and revenue generation. As commercial pressures across the pyramid continue to increase, clarity, transparency and confidence in how those decisions are taken become increasingly important.

## **Proposed Articles of Association – Governance Concerns**

FC United recognises that governance must evolve and that the League may reasonably seek to modernise its constitutional framework. The Club is not opposed to reform in principle.

Our concern is whether the proposed framework delivers reform in a way that strengthens, rather than weakens, confidence.

The proposed Articles appear to represent a material shift from a member-led governance model toward a more centralised, board-led structure.

This is not a question of whether a board-led model can function effectively, but whether the necessary safeguards are in place to support it. Where authority is centralised, safeguards must be strengthened proportionately. In our view, that proportional strengthening is not yet evident.

## **1. Material Shift in Governance Model and Concentration of Authority**

The Articles grant the Board broad authority over the management of the Company, including the ability to exercise all Company powers, delegate those powers, and determine governance structures and operational arrangements.

In practice, this includes control over:

- the establishment and operation of committees;
- the delegation of decision-making authority;
- the operation of governance processes;
- and key operational and commercial matters affecting member clubs.

This represents a significant concentration of authority at Board level.

Powers of this nature are not uncommon in themselves. However, in a member-based organisation, such a concentration of authority would typically be accompanied by clearly defined safeguards to ensure transparency, accountability and effective member input and oversight.

In their current form, the Articles do not clearly establish those safeguards.

While member clubs retain certain formal rights, the practical effect of the proposed framework is that decision-making authority is exercised on an ongoing basis by the Board, with limited visibility or structured involvement from member clubs.

This distinction between formal authority and practical control is an important consideration in assessing the overall balance of the governance model.

## **2. Commercial Governance, Broadcasting and Centralised Decision-Making**

The current Articles already provide the League with certain powers in relation to commercial arrangements. However, the proposed Articles appear to broaden and modernise those arrangements — including in areas such as broadcasting, streaming and central commercial activity — within a more centralised governance structure and without sufficiently clear safeguards, consultation requirements or member oversight mechanisms.

The concern is therefore not simply the existence of commercial powers themselves, but how those powers may operate in practice within the wider governance model being proposed.

In practice, such arrangements may extend to:

- centralised commercial partnerships and sponsorship agreements;
- broadcasting or streaming arrangements;
- the imposition of obligations on clubs to participate in such arrangements;
- and decisions affecting how revenues are allocated or retained.

While central commercial arrangements can deliver value where properly structured, their effectiveness depends on alignment with the interests of member clubs and the presence of appropriate governance safeguards.

In the absence of such safeguards, there is a risk that commercial decisions may:

- not align with the commercial interests or existing commitments of individual clubs;
- cut across or restrict club-level sponsorships and revenue streams;
- impose centralised broadcasting or streaming requirements without meaningful club consultation;
- require changes to scheduling or kick-off times to meet contractual obligations;
- affect supporter experience and matchday operations;
- and result in financial outcomes that are not clearly transparent or equitably distributed.

In a member-based organisation, arrangements of this nature would typically be supported by:

- clearly defined parameters on the scope of central commercial activity;
- transparency regarding how decisions are made and revenues are treated;
- safeguards to ensure conflicts of interest are appropriately managed;
- clearly defined consultation and approval mechanisms for material arrangements;
- and appropriate visibility to member clubs regarding commercial decision-making.

The Articles do not clearly embed these safeguards.

Taken together, this creates a risk that commercial arrangements of significant impact may increasingly be determined centrally, without sufficient transparency, consultation or accountability to member clubs. This is concerning where arrangements entered into by the League may take precedence over those of individual member clubs.

### **3. Independence of Leadership and Board Structure**

The Articles do not require independent leadership at Board level, nor do they embed independence as a structural feature of the governance framework.

In particular:

- the Chairman and Vice-Chairman are appointed and removed by the Board itself;
- there is no requirement for those roles to be independent;
- the definition of independence is limited and does not provide a robust or verifiable test;
- there is no clear mechanism for independently assessing or validating independence.

As a result, independence is not embedded as a governance safeguard, but instead remains a characteristic that may or may not be present in practice.

This is significant in the context of a governance framework where the Board:

- exercises broad decision-making authority;
- oversees appointments and reappointments;
- establishes committees and determines their operation;
- and is responsible for managing conflicts of interest.

In the absence of clearly defined and independently verifiable safeguards, there is a risk that governance operates within a closed decision-making framework, where authority, oversight and accountability are not sufficiently separated.

## **4. Conflicts of Interest Framework**

The Articles provide a framework under which conflicts of interest may be authorised internally by the Board.

While such provisions may be permissible within company law, they are relatively permissive and place significant reliance on internal judgement rather than independent oversight.

In a governance framework where the Board exercises broad authority over operational, commercial and regulatory matters affecting member clubs, this approach introduces a number of risks.

Good governance would typically require:

- clear and comprehensive disclosure requirements;
- strict recusal from decision-making where conflicts arise;
- independent oversight of material or sensitive matters;
- and transparent reporting to member clubs on how conflicts are identified and managed.

The Articles do not currently embed these safeguards with sufficient clarity.

## **5. Nominations Committee and Appointments Framework**

The Articles provide for the establishment of a Nominations Committee. However, they do not embed sufficient safeguards to ensure that the appointments process operates with independence, transparency and accountability.

In particular:

- the Board establishes the Nominations Committee;
- the Board determines its Terms of Reference;
- the Board retains influence over the appointments and reappointments process;

- there is no requirement for the committee to have an independent majority;
- there is no clearly defined or published Nominations Policy;
- there is no visibility for member clubs as to how candidates are identified, assessed or selected.

While the Articles refer to a “robust process”, that process is not defined within the governance framework and appears to be subject to Board control. Previously, any director of a member club, backed by two others, could stand for election. Under the proposed framework, that process appears to be substantially shaped through the Nominations Committee structure, for which no operating policy has been shared.

In the absence of clearly defined and independently governed safeguards, there is a risk that the appointments process operates as a closed, self-selecting or self-reinforcing system.

## **6. Appointment, Evaluation, Tenure and Removal of Directors**

The Articles set out a framework for the appointment, tenure and removal of directors. However, there is limited clarity as to how these provisions operate in practice, and whether they provide sufficiently robust, transparent and independent safeguards.

The Articles include provisions relating to director tenure, including fixed terms and maximum service periods. However, the effectiveness of these provisions depends on how they are applied in practice.

It is understood that these tenure provisions are not being applied retrospectively. While the underlying governance review has not been shared, this approach has been communicated in practice.

When the League reduced the size of the Board last year, as justified by the governance review, a decision was taken to retire directors who had not reached the new proposed term limit, whilst retaining directors who had reached it.

Whilst we recognise the importance of maintaining experience on the Board, the application of governance provisions of this nature raises important considerations in relation to:

- transparency and clarity of governance rules;
- fairness and consistency of application;
- and the ability of member clubs to understand and have confidence in how governance decisions are made.

## **7. Transparency and Access to Governance Information**

While the Articles require records of Board and committee decisions to be maintained, they do not impose any clear, consistent or enforceable obligation to share those records with member clubs in a timely or structured manner.

More significantly, the Articles state that there is no general right for members to inspect accounts or other records.

This represents a material limitation on transparency and a significant departure from the level of openness typically expected in a member-based sporting organisation.

Transparency is a fundamental component of good governance. It should not depend on discretion, but be embedded as a clear and consistent obligation within the governance framework.

## **8. Governance Reform Without Transparency**

The proposed changes are understood to have been informed by an independent governance review. However:

- the review has not been shared with member clubs, other than short excerpts in a PowerPoint slide;
- its recommendations have not been mapped to the proposed Articles;
- there is no clear explanation of how the proposed changes have been derived or what specific governance issues they are intended to address.

In addition, the Club has requested a clear summary of the changes between the current Articles and the proposed Articles to support member understanding. The League has indicated that it does not consider such a summary to be necessary.

As a result, member clubs are being asked to review and form a view on a lengthy and complex legal document without:

- a clear explanation of what has changed;
- an accessible summary of the key implications;
- or sight of the underlying governance review said to inform the proposals.

## **9. Member Oversight and Practical Accountability**

The Articles include a member reserve power, allowing members to intervene in certain circumstances through the passing of a special resolution.

While this provides a form of constitutional safeguard, its effectiveness as a mechanism for oversight is limited in practice.

This distinction between formal authority and practical oversight is a critical consideration.

While member clubs may retain ultimate authority in principle, the absence of structured, ongoing mechanisms for engagement and scrutiny means that oversight is limited in practice.

## **10. Governance Infrastructure and Supporting Framework**

The Articles reference a number of governance structures and processes, including committees, appointments mechanisms and operational frameworks. However, these are largely determined by the Board and are not set out in detail within the Articles themselves.

As a result, the effective operation of the governance framework is dependent on a range of supporting policies, procedures and Terms of Reference that have not been made available to member clubs.

These elements are not ancillary — they are fundamental to how governance operates in practice.

## **11. Alignment with Governance Best Practice**

The proposed governance framework should be considered in the context of widely recognised standards of good governance within sport and other regulated sectors, including principles of transparency, accountability, independence and integrity.

These principles are reflected in established frameworks such as Sport England and UK Sport's Code for Sports Governance, as well as broader governance expectations across the game.

When assessed against these principles, a number of areas of potential misalignment emerge.

Good governance is not defined solely by legal compliance, but by the extent to which it provides confidence in the integrity, transparency and accountability of decision-making.

## **12. Governance Culture and Confidence**

Governance frameworks do not operate in isolation. The structures and processes established through the Articles will shape the culture within which decisions are made and how governance is experienced in practice.

In a member-based organisation, that culture should support openness, transparency, constructive challenge and accountability to member clubs.

At present, there is insufficient clarity within the proposed framework to provide member clubs with confidence that governance will operate in an open, transparent and accountable manner.

## **13. Risk of Entrenchment**

Articles of Association form the constitutional foundation of the League and are, by design, difficult to amend once adopted.

While this provides stability, it also means that any structural weaknesses or gaps in governance safeguards may become embedded over time.

It is therefore important that the proposed framework is not only legally workable, but demonstrably robust, transparent and capable of securing confidence from the outset.

## **14. Summary**

Taken together, the proposed Articles represent a material shift in the governance framework of the League, with a clear movement toward a more centralised, board-led model.

While such a model can be effective, it relies on the presence of strong and clearly defined safeguards to ensure transparency, accountability, independence and effective member oversight.

This review has identified a number of areas where those safeguards are not clearly embedded within the proposed framework.

The central issue is not whether the Articles are legally workable, but whether they provide a framework that is transparent, accountable and capable of securing the confidence of member clubs.

On that basis, the Club's view is that the proposed framework does not yet provide sufficient clarity or assurance to meet that standard.

Accordingly, it is our view that the proposed Articles should not be adopted in their current form, and that further work is required to strengthen the framework and ensure it is capable of securing the confidence of member clubs.

## **Key Actions Requested**

### **A. Pause the Current Adoption Process**

Pause the adoption of the proposed Articles to allow sufficient time for review, clarification and engagement with member clubs.

## **B. Provide the Independent Governance Review**

Share the independent governance review in full, together with a clear explanation of how its recommendations have informed the proposed Articles.

## **C. Provide a Clear Summary of Changes**

Provide an accessible summary of the differences between the current and proposed Articles, including the practical implications for member clubs.

It is not reasonable to expect clubs to assess a complex legal document without this.

## **D. Clearly Articulate the Proposed Governance Model**

Set out in plain terms how the model will operate, including:

- how authority is balanced between Board and clubs;
- what matters remain reserved to members;
- how clubs can engage with and challenge decisions;
- how the model differs from the current framework.

## **E. Strengthen Independence Provisions**

Introduce stronger independence safeguards.

## **F. Introduce a Transparent Appointments Framework**

Publish a Nominations Policy and Terms of Reference.

## **G. Clarify Director Tenure and Board Composition Processes**

Provide clarity on:

- how tenure provisions will operate;
- how retrospective application has been considered;
- how director performance is evaluated;
- how decisions on Board composition are made.

## **H. Strengthen Conflict of Interest Safeguards**

Introduce a robust conflicts framework.

## **I. Introduce Clear Transparency and Information-Sharing Obligations**

Establish enforceable requirements for timely sharing of governance information.

Transparency should be a core obligation, not discretionary.

## **J. Provide Supporting Governance Framework Documents**

Make available key governance documents and supporting frameworks.

## **K. Strengthen Commercial Governance Safeguards**

Clarify how commercial decisions will be made, including:

- when clubs will be consulted;
- whether approval is required for material arrangements;
- how conflicts with club commercial activity will be managed;
- how broadcasting obligations may affect clubs;
- how revenues will be allocated and reported.

## **L. Undertake Structured Engagement with Member Clubs**

Implement a structured consultation process.

## **M. Defer Adoption Until Safeguards Are in Place**

Do not adopt the proposed Articles until:

- supporting governance frameworks are provided;
- key issues identified have been addressed;
- member clubs have had a full opportunity to review and engage.

Clubs should not be asked to approve significant constitutional change without clarity and confidence in how it will operate in practice.

## **Overall Position**

FC United supports governance reform where it is transparent, accountable and capable of securing the confidence of member clubs.

The proposed Articles represent a material constitutional change, moving the League toward a more centralised, board-led model of governance and a corresponding rebalancing of practical decision-making authority away from member clubs and toward the Board.

While such a model can be effective, it depends on the presence of clearly defined and robust safeguards to ensure independence, transparency, accountability and effective member oversight.

This review has identified a number of areas where those safeguards are not yet sufficiently embedded or visible in practice.

The central issue is not whether the Articles are legally workable, but whether they provide a governance framework that member clubs can understand, scrutinise and trust.

At present, that standard has not been met.

Accordingly, the Club's position is that the proposed Articles should not be adopted in their current form. Further work is required to clarify the governance model, strengthen the supporting framework and ensure that the proposals are capable of securing the confidence of member clubs.

The Club remains open to constructive engagement and supports reform that is transparent, accountable and aligned with the long-term interests of the League and its member clubs.