

August 2022

102796 Contingent

**Valuation of men's
Professional Football
Clubs and the Fan-Led
Review
Recommendations for
DCMS**

**Ipsos UK: Dr Ricky Lawton, Stephen McSwiney, Gunal Kunal, Jaimin Shah
Ecorys: James Sennett, Rhiannon Cottrill, Tave Browett, Brendan Parker, Samuel Greet**



Contents

Executive summary	5
1 Context	14
2 Purpose of the study	17
3 Literature review	19
4 Methodology	22
4.1 Survey Design	22
4.2 Sampling and data collection	25
4.3 Quantitative analysis.....	26
4.4 Exclusions	28
4.5 Qualitative case study analysis.....	28
5 Results	31
5.1 Demographic characteristics	31
5.2 Football club valued.....	33
5.3 Football user experience	37
5.4 Willingness to Pay 1: Annual willingness to pay from household budget to preserve the existence of their supported/local men’s professional football club through a Club Heritage Fund.....	38
5.5 League and region splits: Willingness to pay to preserve the existence of football club through a Club Heritage Fund (annual household payment)	41
5.6 Willingness to pay motivations: WTP1	45
5.7 Willingness to Pay 2: Willingness to pay to support the Fan-Led Review Recommendations across the men’s English leagues.....	48
5.8 Willingness to Pay allocation results: FLR Recommendations	51
5.9 Willingness to pay motivations: WTP2	53
5.10 Sensitivity testing of statistical drivers of willingness to pay.....	55
6 Qualitative case studies	59
6.1 Engagement with football.....	59
6.2 Club heritage value and social benefits.....	59
6.3 Community impact.....	61
6.4 Risk of insolvency and impact on community	63
6.5 Fan-led review recommendations	65
7 Guidance on aggregation	70
7.1 National aggregation of annual WTP (lower bound) for club fans, neutral fans, and non-fans based on assumptions about the proportion of club fans, neutral fans, and non-fans in England, equivalised at the household level....	71
8 Literature cited	76
9 Annex 1. Additional quantitative analysis tables	78
10 Annex 2. NUTS1 level aggregation by league	90
10.1 Aggregation at the NUTS 1 level and by league of annual WTP (lower bound) for club fans, neutral fans, and non-fans based on assumptions about the	

proportion of club fans, neutral fans, and non-fans in England, equivalised at the household level.....	90
10.2 Technical discussion on national and sub-national aggregation.....	98
Our standards and accreditations	100
ISO 20252	100
Market Research Society (MRS) Company Partnership	100
ISO 9001	100
ISO 27001	100
The UK General Data Protection Regulation (GDPR) and the UK Data Protection Act (DPA) 2018.....	100
HMG Cyber Essentials	100
Fair Data.....	100

Executive summary

The purpose of this study is to estimate the value of men's professional football clubs in England to fans and non-fans and of the prospective social value provided by the Fan-Led Review of Football Governance (FLR) recommendations.¹ We apply non-market valuation methods in adherence with HMT Green Book guidance (2022) on valuing social impacts and specifically on valuing welfare and wellbeing population effects. The research will enable DCMS to understand in more detail the value of preventing a club from going insolvent, and provide a basis for understanding how improving the way all clubs are governed has a positive impact on fans and communities across the football pyramid in a way consistent with standard welfare theory.

Stated Preference (SP) methods – specifically Contingent Valuation (CV) – are suited to capturing the flow of benefits associated with football clubs in terms of use and non-use values, and in alignment with the DCMS Culture and Heritage Capital (CHC) framework.² The CHC framework sets out DCMS's ambition for a transformational and cultural change to assessing value for money through robust appraisal and evaluation.

The flow of benefits from men's professional football clubs to fans are already partially captured through the market, in terms of ticket fees, sports television subscriptions and consumption of football shirts and other branded products. However, football clubs are known to hold value among those who are not fans or do not engage directly. The non-market nature of the wider cultural heritage value of football club – in terms of local pride, sense of identity, among other drivers, as explored through focus group research - requires careful design of HMT Green Book (2022) consistent-methods. This allows this research to value the direct benefits that football clubs provide to those who engage ('football users', split by those who support a specific club – classed as '*club fans*' - and those who do not support a specific club and are classed a '*neutral football fans*') and those who do not ('*football non-users*'), in terms of the change in welfare produced by the impact of football clubs on an individual's wellbeing (or utility in standard economics terms).

Two independent valuation questions were asked: one related to the welfare that is preserved through the continued existence of the club to its fans (Club fan sample) and local community (neutral fan and non-fan samples). This is elicited as a willingness to pay value (WTP), which can be seen as the average level of welfare that would be lost if a club went insolvent and its cultural heritage was lost. It is therefore the current baseline level of social value that clubs produce through their existence. This is additional to any economic values already paid for engagement with football, for instance through the contribution of gate receipts, shirt sales, sports subscriptions to the gross value added of the national economy.

The second valuation question related to the hypothetical welfare gains that would be produced if the FLR recommendations were established across all the football leagues. This was an independent question with a different scope related to the potential for improvement in the governance of clubs across all of the English football leagues.

¹ <https://www.gov.uk/government/publications/fan-led-review-of-football-governance-securing-the-games-future>

² <https://www.gov.uk/guidance/culture-and-heritage-capital-portal>

In the first valuation scenario, three groups were identified, each with distinct WTP values.

- Club fan: WTP for continued existence of club they support (n=3,031)
- Neutral football fan: WTP for continued existence of their local club (n=1,067)
- Non-user: WTP for continued existence of their local club (n= 1,231)

The second valuation scenario elicits willingness to pay to support the FLR recommendations. This was an independent question with a different scope: improving governance of clubs across all of the English football leagues, providing preventative measures that should reduce the risk of clubs experiencing financial harms, as well as involving supporters more in the governance of clubs. This second valuation question is distinct from the hypothetical backstop measure for preserving a single supported/local club in the first valuation scenario. All respondents are valuing the same outcome of achieving the FLR recommendations across the men's professional football leagues. The second WTP results are also split by the three groups because there are instructive differences between them which are of relevance to the FLR results. All willingness to pay results are reported at the lower bound 95% confidence level in this executive summary, but full statistics are available in the main report.³

Willingness to Pay 1: Annual willingness to pay from household budget to preserve the existence of their supported/local men's professional football club through a Club Heritage Fund

Respondents were first asked whether they would be willing in principle to pay for the continued existence of the football club. The payment scenario used to elicit this WTP was through an annual subscription to a Club Heritage Fund from their household budget. This WTP was to support the continued existence of the club against the risk of insolvency, to ensure that the club is able to continue to compete in the league and other competitions as normal, as well as supporting its charity and volunteering work.

- **A higher proportion of club fans were willing to pay in principle (yes or maybe) to support the continued existence of the professional men's club they support (61%).** This is to be expected, given that club fans engage more commonly with football, and are expected to have a stronger affiliation than those who are asked to pay for a local club they don't support. Having around two-thirds of the sample be willing to pay in principle, and a third not willing to pay in principle is in line with previous CV studies for DCMS.⁴ In line with best practice, the preferences of those who are not willing to pay in principle are incorporated into average WTP as a £0 bid.

³ DCMS and Arts Council England guidance states that lower bound 95% confidence interval of WTP should be used for business case purposes, to offset the risk for over-estimation of values due to hypothetical bias in surveys such as this: R. N. Lawton et al., 'Guidance Note: How to Quantify the Public Benefit of Your Museum Using Economic Value Estimates. A Resource for Understanding the Economic Value of Museums' (London, UK: Arts Council England, 2021), https://www.artscouncil.org.uk/sites/default/files/download-file/Guidance%20Note%20-%20How%20to%20estimate%20the%20public%20benefit%20of%20your%20Museum%20using%20the%20Economic%20Values%20Database_0.pdf.

⁴ R. Lawton et al., 'The Economic Value of Heritage: A Benefit Transfer Study' (Arts and Humanities Research Council, 2018); R. N. Lawton et al., 'Regional Galleries and Theatres Benefit Transfer Report' (Arts Council England, 2021), <https://www.artscouncil.org.uk/sites/default/files/download-file/Arts%20Council%20England%20-%20Regional%20Galleries%20and%20Theatres%20Benefit%20Transfer%20Report.pdf>.

- **A lower proportion of neutral football fans were willing to pay in principle to support the continued existence of their local professional men's football club (22%),** which is to be expected given that they do not support a specific club and generally engage with professional football less.
- **Football non-users have the lowest willingness to pay in principle to support the continued existence of their local professional men's football club (8%)** which is to be expected, given that they do not directly engage with their local club or with football in general.

The results of this contingent valuation survey of football users and non-users shows that people positively value the club they support/their local club and would be willing to pay an annual subscription to support it, even if they do not engage directly with the club themselves. Note that there may be considerable variation in how much each individual values their club, including those who do not gain any welfare at all, and that the figures reported represent the average (or lower bound confidence interval) for England as a whole, masking this variation between individual respondents. As expected, club fans have a significantly higher value for preserving their club than neutral and non-fans, which is expected given that they engage more and are assumed to have a stronger emotional affiliation to the club they are asked to support financially. For the sample of club fans, there is supporting evidence that higher engagement with the club you support drives higher WTP values.

- **£51.55 per household per year: Football user: Club fans of a specific club willingness to pay** an annual subscription to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work.
- **£5.85 per household per year: Football user: Neutral football fans of no specific club willingness to pay** an annual subscription to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work.
- **£0.76 per household per year: Football non-user willingness to pay** an annual subscription to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work.

Analysis of the stated motivations behind club fans' willingness to pay align with the underlying hypothesis of this study that people value the cultural heritage of their club in addition to their enjoyment of the sport, and gain welfare from the club's continued existence. The reasons chosen by neutral fans most often involve valuing the benefits their local club brings to other people in their community. This aligns with expectations, given that neutral fans were paying to preserve a club local to them (which might not be the case with distant club fans) and therefore that the community benefits would be a larger part of the welfare they gain from the continued existence of the club. The majority of non-users wanted to support the existence of their local football club even though they don't watch them play,

and again, this aligns with expectations given that non-fans were valuing their local club, and that many of the benefits provided would be non-use in character.

League and region splits: Willingness to pay to preserve the existence of football club through a Club Heritage Fund (annual household payment)

The survey was designed to provide average WTP values for clubs in each of the professional English football leagues. Although WTP values to preserve Premier League clubs at £57.63 per household per year (lower bound £51.71) are significantly higher ($p=0.002$) than those in the lower leagues, they are not of a large order of magnitude greater. This suggests that even though more people support Premier League clubs, fans across any league gain very similar levels of welfare from the continued existence of their club. In other words, even though more money goes to Premier League clubs, the flows of benefits to fans from the continued existence of their club is similar even for a smaller club in the lower leagues.

Interestingly, neutral football fans' willingness to pay value to preserve the existence of their local football club was highest for teams in the lowest National Leagues at £18.21 per household per year (lower bound £2.58). This may suggest neutral fans are more supportive of smaller local clubs rather than larger clubs in higher leagues that tend to attract more attention to their matches, potentially because they recognise the financial challenges that smaller clubs operate under, and are therefore willing to pay more to preserve the club, than those who live near Premier League clubs, whose large revenue streams are public knowledge.

Willingness to Pay 2: WTP to support the Fan-Led Review Recommendations across the men's English leagues

In the second, independent valuation question, respondents were asked whether they and their household would be willing in principle to pay an annual subscription to an independent Fan Led Review Fund, even if only a very small amount, to put in place the ten recommendations of the FLR across all football clubs in the English football league. The voluntary subscriptions would be raised by an independent organisation to be spent exclusively on the FLR reforms to the Premier League, English Football League, (EFL), and the National League.

- **A higher proportion of club fans were willing to pay in principle (yes or maybe) to support the FLR recommendations (58%).** This is to be expected, given that club fans engage more commonly with their football.
- **A lower proportion of neutral football fans were willing to pay in principle for the FLR recommendations (27%).** This is slightly higher than the percentage willing to pay in principle to support their local club, which may suggest that the FLR recommendations have more importance to a neutral fan than the survival of their local club which they do not support.
- **Football non-users have the lowest willingness to pay in principle for the FLR recommendations (12%)** which is to be expected, given that they do not directly engage with their local club or with football in general, but again, is a slightly higher percentage than those willing to pay in principle for the survival of their local club.

- The survey shows that people positively value having the recommendations for the FLR in English football regardless of their personal affiliation to a specific club.
- **£34.95 per household per year: Football user: Club fans of a specific club willingness to pay** an FLR across all football clubs in the men's English football league. This is lower than the WTP of club fans to support the continued existence of their local club, which may reflect the fact that club fans have a stronger affiliation to protecting their supported club, over the more indirect benefits of changes to the governance of professional football through the FLR recommendations. Nonetheless, this is a strong indicator of the positive value that club supporters would put in seeing the recommendations of the FLR enacted in the English men's professional leagues.
- **£3.71 per household per year: Football user: Neutral football fans of no specific club willingness to pay** an annual subscription to put in place the ten recommendations of the FLR across all football clubs in the men's English football league. Average WTP for neutral football fans is lower than the value stated by club fans, but is still a strong positive indicator of the public preferences for seeing the FLR recommendations enacted, even among neutrals.
- **£0.72 per household per year: Football non-user willingness to pay** an annual subscription to put in place the ten recommendations of the FLR across all football clubs in the men's English football league. Non-user WTP for the FLR recommendations is significantly lower than that of club and neutral fans, as would be expected, but again, is not significantly lower than non-user WTP for the preservation of their local club, which again may indicate that for those non-users not engaged with football, reform of the governance of the men's football leagues is almost as important as the cultural heritage value of their local club.

Respondents were asked if they would allocate their WTP differently between the ten FLR recommendations. The majority (82%) were indifferent to how their WTP was distributed. Consequently, WTP to support **different recommendations of the Fan Led Review** do not differ significantly within each sample. However, even a small variation in values can provide an insight on which recommendations are more important to the public.

The highest WTP allocation from club fans was for the recommendation on additional protections for key items of club heritage in recognition of the fact that football clubs are a vital part of their local communities (£4.10, lower bound £3.65). This recommendation was also valued most highly by neutral fans (£0.64, lower bound £0.40). This provides supporting evidence that the WTP values elicited by the first willingness to pay survey around preserving football clubs are in part driven by a motivation to preserve the cultural heritage value of those clubs.

The second highest WTP value allocated by club fans was to the recommendation ensuring that the Premier League guarantees its support to the pyramid and makes additional, proportionate contributions to further support football (£3.92, lower bound £3.51); in recognition of the fact that distributions are vital to the long-term health of football. This may suggest that club fan's stated WTP is in part driven by a more altruistic desire to improve the financial sustainability and equitable distribution of funds to the lower leagues.

The recommendation to ensure financial sustainability of the professional game by enabling an Independent Regulator for English Football to oversee financial regulation elicited the third highest WTP value from club fans (£3.85, lower bound £3.46).

For neutral football fans the highest valued recommendation was that football clubs are a vital part of their local communities, in recognition of this, there should be additional protections for key items of club heritage (£0.64, lower bound £0.40). Non-user WTP values per recommendation were low, with very small differences between the values, which suggests that non-football fans did not hold strong preferences for any recommendations over the others.

National aggregation

National aggregation was calculated on the two valuation estimates. **Note that the two WTP questions are independent sets of questions.** Respondents were asked to consider each scenario (the preservation of their club and the FLR recommendations) as independent and separate hypothetical scenarios. As such, the two sets of aggregate WTP values should not be added together, as this would lead to double counting. The benefit of this study is that two independent estimates of the welfare value of (1) preserving the existence of their supported/local men's professional football club through a Club Heritage Fund; and (2) to support the Fan-Led Review Recommendations across the men's English leagues are produced which can be reported in separate business cases related to different policy issues, one around the current value of professional football clubs in England, and the other about the potential value of introducing the FLR recommendations to the English football leagues.

Aggregation: WTP1: National value of preserving the existence of supported/ local men's professional football clubs in England through a Club Heritage Fund

WTP estimates of respondents' annual willingness to pay from their household budget to preserve the existence of their supported/local men's professional football club through a Club Heritage Fund were used to generate three aggregate sets of annual WTP values for each group. to produce a national aggregate figure which shows that **the welfare gains generated through the continued existence of professional men's football clubs in England amounts to £360million per year.**

Aggregate annual WTP figures can be projected over an appropriate aggregation period (30-years), with a 3.5% discount rate to reflect future discounting, as recommended in the HM Green Book. **Present value of the welfare gains generated through the continued existence of professional men's football clubs in England amounts to £3.1billion in present value terms over a 10-year appraisal period and £6.9billion in present value terms over a 30-year appraisal period.**

This is additional to any economic values already paid for engagement with football, for instance through the contribution of gate receipts, shirt sales, sports subscriptions to the gross value added of the national economy.

Aggregation WTP2: National value to support the Fan-Led Review Recommendations across the men's English leagues

To estimate the aggregate national-level welfare value of introducing the FLR recommendations across the English leagues, the same steps are followed, using the annual WTP values (lower bound) estimated in the independent second valuation question.

This provides a national aggregate figure which shows that **the welfare gains that would be generated by introducing the FLR recommendations to the professional men's football leagues in England amounts to £247million per year.**

Present value of the welfare gains generated by introducing the FLR recommendations the professional men's football leagues in England amounts to £2.1billion in present value terms over a 10-year appraisal period and £4.7billion in present value terms over a 30-year appraisal period. Note, the two national values are independent, and therefore cannot be summed together without further consideration of double-counting issues.

It is important to note that these values represent the cultural value of professional men's football clubs – now and after the FLR recommendations are actioned – to football fans and the wider public. They are additional to the commercial value of professional men's football produced through the prices that people already pay in stadium tickets, TV subscriptions and shirt sales, which are currently captured in Gross Value Added to the economy terms.

There is also good convergent validity provided by benchmarking the results of this study to comparable evidence in the literature. First, evidence from the DCMS study on the wellbeing value of engagement with sport and culture reported annual individual level wellbeing values of £1,127 per person per year from participation in sport, which is significantly higher than the WTP values estimated here at £56.07 (lower bound £51.55) per household per year⁵ (although the value relates to regularly playing sport rather than sport spectating, the scale of the difference in value is significant). Second, football fans already demonstrate their strong positive preferences towards football in a number of ways, which is estimated to be £7.6billion per year for the Premier League alone.⁶ Third, comparable evidence exists in the sports field, where a willingness to pay study was run to understand how much people would value London hosting the 2012 Olympic games, estimated at £2billion over 10 years⁷. The 10-year aggregation value for men's professional football (£3.1billion) is only around 50% higher. Given the temporary nature of the Olympics and the long-term presence of professional football in people's lives, is not an unrealistic magnitude of difference.

There is also good internal consistency in the fact that the aggregate value for the FLR valuation question is lower than the national cultural value for preserving men's professional football clubs (£4.7billion compared to £6.9 billion over a 30-year appraisal period). This is to be expected, given that the FLR scenario is of hypothetical improvement on current situation, while the preservation of the club is a scenario where people would be losing

⁵ <https://www.gov.uk/government/publications/quantifying-and-valuing-the-wellbeing-impacts-of-culture-and-sport>

⁶ https://assets.ey.com/content/dam/ey-sites/ey-com/pt_br/topics/ey-economic-advisory-/ey-premier-league-economic-and-social-impact-january-2019.pdf

⁷ Giles Atkinson et al., 'Are We Willing to Pay Enough to 'Back the Bid'?: Valuing the Intangible Impacts of London's Bid to Host the 2012 Summer Olympic Games', *Urban Studies* 45, no. 2 (2 January 2008): 419–44, <https://doi.org/10.1177/0042098007085971>.

something they already have, which is typically associated with a higher value (due to people's cognitive aversion to loss over hypothetical gain, known as the endowment effect⁸).

Focus group research: Understanding drivers of value

This study applies mixed-methods qualitative research to understand why different groups may value football clubs and the FRL recommendations differently, the interaction between value and their engagement with football, and explore shifting trends in the public preferences towards professional men's football in the light of the FLR recommendations.

Ecorys conducted a series of online focus groups to provide additional qualitative evidence on the specific ways in which clubs offer value to football fans. This enabled us to build on the survey findings and explore its key themes in more depth, which included:

- How and why football supporters engaged with clubs and their heritage
- The importance of football clubs' heritage and community role
- The potential impact of insolvency, and whether fans would be willing to pay to ensure the survival of their club
- Opinions on the fan-led review recommendations and the impact that adopting these might have on fans and the community

Below we present the key findings from each of these discussion points, and highlights cases where findings differed between the focus groups or types of fans.

Community and Heritage Value

Fans in all five focus groups spoke of the positive impact professional football clubs have on the community, whether this be through charitable outreach initiatives, heritage value, or the spill-over economic benefits that having the club could bring to the local economy. There was widespread agreement that football clubs' heritage and community roles should be protected when key decisions are made on the future of football club, and that fans should be properly consulted by their clubs when taking key decisions to prevent decisions being taken that lead to a loss of heritage and community benefit.

Risk of Insolvency

The impact of football clubs on the community was further evidenced in discussions concerning the risk of insolvency to football clubs. All focus groups emphasised the devastating social and economic impacts that would be felt across the community if their club were to cease to exist. However, there was a general reluctance across the focus groups for fans to pay in order to prevent their club from collapsing, which for many was borne out of their anger and mistrust towards the football club owners and governance structures (i.e. regulators), where participants thought were mainly to blame for past football club insolvencies.

⁸ Keith M. Marzilli Ericson and Andreas Fuster, 'The Endowment Effect', *Annual Review of Economics* 6, no. 1 (2014): 555–79, <https://doi.org/10.1146/annurev-economics-080213-041320>.

Fan-led Review Recommendations

Participants from all focus groups acknowledged the need to improve football governance, and generally welcomed the recommendations made in the FLR. As reported in the qualitative analysis, most fans attending the focus groups, regardless of league or fan status, agreed with the recommendations and wanted to see them implemented. Club fans from the focus groups had particularly strong views around club ownership, stressing the importance of good ownership and preventing clubs being ran like businesses. This sentiment was shared by neutral fans who believed that clubs should be tied to expectations around holistic community delivery, and not financial performance. In general, fans were supportive of a new independent regulator for English football, new owners' and directors' tests for clubs, additional protection for key items of club heritage and a fairer distribution of financial resources across the football pyramid. However, there was widespread scepticism over how these recommendations would be implemented effectively and enforced fairly across the football pyramid, owing to what they saw as the failures of the current regulations to prevent regular mismanagement of clubs and their perceived punitive nature for smaller clubs. Whilst many fans identified the need to involve fans in decision making, many thought that a shadow board was not the most effective way to do so, with questions over its influence a key factor in this doubt.

1 Context

Football clubs are at the heart of local English communities. Many clubs represent heritage assets of high value to both fans and the communities in which they are based. The financial collapse of Bury FC, a club founded in 1885 brought into sharp focus the precarious financial position of many football clubs in the lower tiers. The Covid-19 pandemic and its impact on club revenues has also exposed long-standing issues of governance and financial regulation within English football.

An existential threat to the pyramid structure of the football industry came from the proposal in 2021 by 12 European football clubs to join a new European Super League. This new competition would have involved six English clubs as founding members, protected from relegation. It was a threat to the entire English football pyramid and led to an unprecedented outpouring of protests from fans, commentators, clubs and government.

It could be argued, however, that in the years leading up to the Super League proposal, the increasing commercialisation and concentration of media revenues and sponsorship within the top tier of English football in conjunction with poorly run clubs and the lack of proper governance practices amongst football clubs and football authorities had long been undermining the English league system, contributing to financial instability of many clubs in English football. Research by Fair Game suggests that over half of the top 92 professional football clubs in England were technically insolvent in 2020.⁹ The nine most solvent clubs were all in the Premier League, aided massively by huge TV revenues, which according to Deloitte was £2.34bn in 2019/20. Fair Game's analysis shows that currently only 1.2% of the TV revenue goes to clubs below the Championship.

In response to the long-standing governance, ownership and financial challenges facing football, the Government commissioned a Fan-Led Review (FLR) of football governance in April 2021. The final report was published November 2021. The FLRR identified three main factors that contributed to English football's fragility - misaligned incentives to 'chase success'; club corporate structures that lack governance, diversity or sufficient account of supporters failing to scrutinise decision making, and inability of the existing regulatory structure to address the new and complex structural challenges created by the scale of modern professional men's football. The FLR concluded that large numbers of football clubs are at a financial precipice and without intervention dire consequences will follow for fans, players and the local communities that clubs serve.

The FLR set out a number of recommendations regarding football club governance structures, welfare and equality, and distribution of resources across the football pyramid. These included a licencing system for professional men's football with licencing conditions focused upon measures to ensure financial sustainability via financial regulation (which should be a new system based upon prudential regulation in other industries) and improving decision making at clubs through items such as a new corporate governance code for professional football clubs, improved diversity and better supporter engagement. The licencing system would also allow IREF to protect key items of club heritage via a 'Golden Share' requiring supporter consent to certain actions by a club. As important cultural assets,

⁹ Where the value of a club's assets is less than the amount of its liabilities. <https://www.fairgameuk.org/press-releases/half-of-clubs-technically-insolvent>

these recommendations were forwarded to ensure that football clubs never become playthings of owners, who ought to persist only if they are a suitable custodian of a community asset. The FLR also contains important recommendations on parachute payments, alternative revenue sources for other parts of the pyramid and grassroots football (including a new solidarity transfer levy), women's football and player welfare. All of which would work to ensure the long-term sustainability of football, with the aim of protecting historic civic and cultural assets.

The recommendations would aim to put football supporters at the heart of the game and ensure clubs receive the protection they deserve as community assets. In April 2022, the Government published its full response, accepting or supporting all ten of the FLR's strategic recommendations, recognising that government intervention is needed to pre-empt further financial issues. The response acknowledged that there remains a significant risk of harm to a range of stakeholders resulting from the financial failure of football clubs, including irreversible damage to cultural heritage.

The heritage value of football clubs to their fans and wider community was also directly addressed in the recommendations: As a uniquely important stakeholder, supporters should be properly consulted by their clubs in taking key decisions by means of a Shadow Board (recommendation 6); Football clubs are a vital part of their local communities, in recognition of this there should be additional protection for key items of club heritage (recommendation 7).

The FLR also recognises the market failure that exists with club football, where the social cost of club failures might be greater than the immediate private cost in the market. This, along with the various deep-rooted causes of the industry's problems (identified in the FLR), mean the market is unlikely to reduce the risk of club failures and protect the country's national and most popular sport. The FLR highlights the significant economic and social benefits of football clubs in terms of supporting economic activity, with associated benefits in relation to physical and mental health, wellbeing, and social and community development.

Recent fan protests aimed at how owners run their club, with Derby County being a recent example, highlights the disconnect that can exist between the interests of owners and fans. The FLR considers different approaches to fan engagement by clubs and the football authorities, and makes several recommendations to improve the standards of engagement in English football, including town hall style fan forums, structured dialogue, fan elected directors, Shadow Boards and supporter shareholders. As the FLR finds, a lack of supporter engagement is an enormous missed opportunity for clubs, with fans being a vital part of the culture of the club and also generating a significant portion of the income and 'use value' that helps every club survive and grow. One reason for this is that a successful club that engages with fans preserves and promotes the feeling of local or regional identity.

A football club can also provide 'non-use value' which more broadly relates to the value communities place on having a local elite sports club in their local area. Members of the community who would not count themselves as fans of the club specifically and do not exert any consumption activity themselves, may derive benefits from its existence and importance to the community. The identity that develops around a club can make such a crucial part of a community's existence, playing a huge role in unifying communities across generations, race, class and gender and lifting wellbeing. They are a source of pride, and often in hard

times comfort as well as practical assistance. Football clubs can have a positive impact on the community it serves, whether this be through charitable outreach initiatives, heritage value or the economic benefits that having the club could bring to the local area.

2 Purpose of the study

The purpose of this study is to estimate the value of men's professional football clubs to fans and non-fans and of the prospective social value provided by the FLR recommendations. We apply non-market valuation methods in adherence with HMT Green Book guidance (2022) on valuing social impacts and specifically on valuing welfare and wellbeing population effects. The research will enable DCMS to understand in more detail the welfare gains to society of preventing a club from going insolvent, and provide a basis for understanding how improving the way all clubs are governed has a positive impact on fans and communities across the football pyramid in a way consistent with standard welfare theory.

Stated Preference (SP) methods – specifically Contingent Valuation (CV) – are suited to capturing the flow of benefits associated with football clubs in terms of use and non-use values, and in alignment with the DCMS Culture and Heritage Capital (CHC) framework.¹⁰ The CHC framework sets out DCMS's ambition for a transformational and cultural change to assessing value for money through robust appraisal and evaluation. In this context, football clubs can be seen as a stock of cultural heritage, which provide a flow of benefits to users (supporter and neutral fans) and non-users (those who do not engage with football but appreciate having the club in their local or national community). Improvements in the governance and management of professional football clubs in the English leagues can increase the flow of benefits stemming from the professional game.

The flow of benefits from men's professional football clubs to fans are already partially captured through the market, in terms of ticket fees, sports television subscriptions and consumption of football shirts and other branded products. However, football clubs are known to hold value among those who are not fans or do not engage directly. The non-market nature of the wider cultural heritage value of football club – in terms of local pride, sense of identity, among other drivers, as explored through focus group research - requires careful design of HMT Green Book (2022) consistent-methods. This allows research that values the direct benefits that football clubs provide to those who engage ('football users', split by those who support a specific club – classed as '*club fans*' - and those who do not support a specific club and are classed a '*neutral football fans*') and those who do not engage ('*football non-users*'), in terms of the change in welfare produced by the impact of football clubs on an individual's wellbeing (or utility in standard economics terms). It is important to note that these values represent the cultural value of professional men's football clubs – now and after the FLR recommendations are actioned – to football fans and the wider public. They are additional to the commercial value of professional men's football produced through the prices that people already pay in stadium tickets, TV subscriptions and shirt sales, which are currently captured in Gross Value Added to the economy terms.

The Stated Preference survey was designed in line with HM Treasury Green Book guidance, and DCMS standards for high quality valuation research (as set out in the DCMS Rapid Evidence Assessment¹¹) in order to elicit the current flow of benefits from individual football clubs across all five of the English professional men's leagues. This tells us the current value

¹⁰ <https://www.gov.uk/guidance/culture-and-heritage-capital-portal>

¹¹ R.N. Lawton et al., 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies - Technical Report' (London, UK: Department for Digital Culture, Media and Sport, 2020), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/955142/REA_culture_heritage_value_Simetrica.pdf.

of the 'stock' of professional football clubs in terms of their cultural heritage offer, and these results are split by region and league to understand how values differ across different parts of the country, and between the top and lower leagues. The survey also includes a second, independent question, which asks respondents to imagine how football would be governed under the ten recommendations of the FLR, and how much these changes would be worth to them. This provides important economic information for policy-makers as they respond to the recommendations of the FLR. To dig deeper into the public preferences elicited through the Stated Preference survey, the study applies mixed-methods qualitative research to understand why different groups may value football clubs and the FRL recommendations differently, the interaction between value and their engagement with football, and explore shifting trends in the public preferences towards professional men's football in the light of the FLR recommendations.

As advised in the ACE guidance¹², an economist or valuation professional should be consulted when applying the WTP values to a specific business case. However, following the guidance below, it will be possible to transfer the average annual willingness to pay values for the three samples identified in this survey – fans of professional men's football clubs, neutral football fans, and non-football fans - to a business case for demonstrating the value of professional men's football clubs across England. The same aggregation method can be applied independently to the second valuation question, to understand the value of the FLR to club fans, neutral fans, and non-fans in England.

¹² <https://www.artscouncil.org.uk/sites/default/files/download-file/ACE%20Local%20Museums%20Guidance%20Note.pdf>

3 Literature review

Contingent valuation is a stated preference survey-based methodology that elicits monetary values for non-market goods by directly asking individuals about their WTP or WTA a particular change.¹³ Respondents are presented with a hypothetical market that describes in detail the proposed change they are asked to value (e.g., fund-raising to support the continued existence of a professional football club), using baseline conditions (the current situation) as a reference point.¹⁴

The DCMS commissioned a Rapid Evidence Assessment (REA) of cultural value studies from 2000-2019 to provide a balanced systematic assessment of what is known about a policy issue and what gaps may remain, to determine what valuations have been conducted in the international academic and grey literature over the past 20 years.¹⁵ The REA was also designed to help direct ongoing research in the cultural sector and inform the DCMS Cultural Heritage Capital programme to compile studies that employed economic approaches for monetary valuation of culture and heritage assets. The REA results are presented within an Evidence Bank of economic values that includes valuation details, such as estimated monetary values for assets, a grading of the quality of each study, the article details, and an overview of each valuation method used.

Several studies published in the USA have attributed monetary values for sport cultural sites based on people's WTP to keep their local teams and stadia in their city depending on various hypothetical scenarios. Johnson et al. derived a value for how much participants were willing to pay to enable the National Football League (NFL) team, 'Jacksonville Jaguars' to remain in Jacksonville, Florida, in addition to how much they would pay to attract a National Basketball Association (NBA) team to Jacksonville if the current arena was upgraded to meet NBA standards.¹⁶ 46% of respondents previously attended a Jaguars game (1.53 games attended on average during the 2001 season) and 38% stated that they would attend an NBA game (2.9 games on average) in an upgraded stadium. The valuation produced by the study indicated a preference for keeping the Jaguars in Jacksonville (\$161 / £131.19 in 2021 GBP) rather than supporting an NBA team to join the city (\$60 / £48.85).

Groothuis et al. conducted a similar study focussed on exploring differences in the values sport supporters and non-supporters were willing to spend in public funding, raised by city tax increases, to support the construction of a stadium for local sports teams, and to buy the 'Pittsburgh Penguins' ice hockey team to enable the franchise to remain in Pittsburgh.¹⁷ Supporters were willing to pay higher increases in their annual taxes (\$30.76 / £24.78) to keep the Penguins in Pittsburgh. They were also more likely to support public expenditure on baseball and football stadiums (\$30.76 / £24.78) than non-supporters (\$9 / £7.29). Non-supporters were not willing to pay anything (mean WTP: \$0) to keep the team in Pittsburgh. The authors argue that the likely explanation behind consumers' willingness to pay higher taxes to support the Penguins is due to their sense of civic pride, as sports teams were

¹³ I. Bateman et al., *Economic Valuation with Stated Preference Techniques: A Manual* (Cheltenham, UK: Edward Elgar, 2002).

¹⁴ Robert Cameron Mitchell and Richard T. Carson, *Using Surveys to Value Public Goods: The Contingent Valuation Method* (Washington DC: Resources for the Future, 1989).

¹⁵ Lawton et al., 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies - Technical Report'.

¹⁶ Bruce K. Johnson, Michael J. Mondello, and John C. Whitehead, 'Contingent Valuation of Sports Temporal Embedding and Ordering Effects', *Journal of Sports Economics* 7, no. 3 (8 January 2006): 267–88, <https://doi.org/10.1177/1527002504272943>.

¹⁷ Peter A. Groothuis, Bruce K. Johnson, and John C. Whitehead, 'Public Funding of Professional Sports Stadiums: Public Choice or Civic Pride?', *Eastern Economic Journal* 30, no. 4 (2004): 515–26.

reported by supporters to generate the most civic pride out of all cultural institutions in the city. This is supported by the fact that 67% supported the notion that the Penguins generate civic pride, but a smaller proportion (40%) attending the team's games. Although the hypothetical scenario enlisted may be the reason why non-consumers were not willing to pay any value, the results suggest that whilst most agree the Pittsburgh Penguins are an important cultural institution in Pittsburgh, only supporters are willing to pay to keep the team in the city through increased taxation.

A similar study by Castellanos et al. explored the influence of pride and prestige amongst both supporters and non-supporters of 'Real Club Deportivo de La Coruña' football team when assessing WTP to support the survival of the club in light of a hypothetical threat of rising costs.¹⁸ Supporters of the club were willing to pay twice as much as non-supporters through an annual donation of €10.77 (£8.36). 40% of the sample were not willing to pay anything and 55% believed that the football club should generate their own funds. The survey measured:

- the number of games attended at Deportivo stadium;
- number of games watched on TV;
- consumption of goods (talks about, reads about, concerned about Deportivo, the impact on their quality of life from Deportivo being in the city)
- region of residence;
- prestige from having Deportivo in A Coruña;
- whether the respondent recommends watching a football match to a tourist (compared to eight other tourism options); and,
- whether they attend at least one home game each season.

Of those participating in the study, 55% of supporters, and 49% of non-supporters, felt Deportivo impacted their quality of life in a positive way by remaining in the city.

A study by Fenn and Crooker also measured similar factors to determine the supporter status of Minnesotans when calculating a WTP value to keep the American football team 'Minnesota Vikings' in the city.¹⁹ When respondents were asked whether they would be willing to pay for a new stadium for the Vikings, mean WTP value was \$41 (£36.08). When it was suggested that the Vikings would share the new stadium with a local university team, WTP value increased by \$123.01 (£108.24). When the scenario involved a threat of the Vikings relocating to another city, the prestige of a new stadium, and an improved chance at winning the Superbowl, WTP value rose to \$219 (£193.29). The WTP values were not noticeably influenced by any actual costs incurred by respondents to watch the Viking's

¹⁸ Pablo Castellanos, Jaume García, and José Manuel Sánchez, 'The Willingness to Pay to Keep a Football Club in a City: How Important Are the Methodological Issues?', *Journal of Sports Economics* 12, no. 4 (1 August 2011): 464–86, <https://doi.org/10.1177/1527002510385301>.

¹⁹ Aju J. Fenn and John R. Crooker, 'Estimating Local Welfare Generated by an NFL Team under Credible Threat of Relocation', *Southern Economic Journal*, 2009, 198–223.

games (\$0.10, £0.09), suggesting some form of civic pride from the greater community for the Vikings team was at play.

In sum, WTP estimates from previous studies vary depending on whether the design involves the threat of a team relocating outside of a resident's city compared to a payment to supplement the team's current earnings or to improve their success encourages larger estimates. Studies focussing on the value of a team in a hypothetical scenario where the team may need to relocate, reported consistently higher WTP values compared to studies where the hypothetical scenario is to maintain the status quo through supplementing the team's income or to attract a team from elsewhere to the city. Neutral football fans were more likely to be willing to pay whatever it takes to keep their team in their area to avoid the potential negative impacts associated with losing a cultural entity.

4 Methodology

The CV survey was designed to produce deeper assessment of the two following questions:

Valuation question 1: Estimating the current use and non-use value of clubs for English men's professional football teams (in the top five divisions) in total. The Cultural and Heritage Capital approach is founded in the concept of Total Economic Value, whereby the total value of a cultural or heritage asset is composed of both use value (direct and indirect use, as well as the option to use in the future), and non-use value (the value held by users and non-users for the existence of a club, and of the benefits it provides to other now and in the future).

- **Use value** refers to the Willingness to Pay (WTP) stated by those who have engaged with football, either as a fan of a specific club or a neutral fan. While these are expected to be primarily use values, they may also hold non-use values for the preservation of the club for its cultural heritage benefits, as well as elements of non-use value in knowing that others, now and in the future, will benefit.
- **Non-use value** refers to the WTP stated by the general public who have not engaged with football directly or indirectly within a designated time period. While these are expected to be primarily non-use values in terms of existence, altruistic, or bequest values, we acknowledge that non-visitors may hold elements of use value, such as the option value to visit football stadia in the future or to watch football on TV.

Valuation question 2: Future scenario analysis: Contingent valuation has the advantage that it can elicit value estimates for prospective changes in a policy or governance structure. A second independent valuation question elicits willingness to pay for the welfare gains associated with reforms that lead to governance of football in a more socially optimal manner. Textual and audio-visual information on the recommendations made in the FLR provided detail on the full scope of the policy area affected (the independent regulator, financial sustainability, corporate governance, club ownership, player welfare, equality and diversity and distribution of resources).

A key challenge in this survey is that fans already (partially) express their preferences through the market, in season ticket/ticket prices, shirt sales, willingness to travel to games (home/away), subscription to satellite sport channels. The survey elicits how much people currently pay for these services, and elicit the surplus non-market value that fans and non-fans hold over these outgoings to preserve football clubs for their cultural heritage benefits.

4.1 Survey Design

The CV survey was designed in alignment with previous existing cultural value research as published on the Culture and Heritage Capital Portal.

The survey was divided into four sections. Section 1 first asked how respondents had engaged with men's professional football in the past 5 years: directly through attending games at the stadium – individual games or season ticket - and indirectly through television broadcasting and purchasing of club branded products like football shirts. They were asked

how frequently they did each of these football-related activities: Never; Once in the past 5 years; 2-3 times in the past 5 years; Occasionally; Regularly; Very regularly (i.e., watch games every week/ buy season tickets or club merchandise as it becomes available).

Football users were defined as those who had done any of the four activities in the past 5 years. Additional checks were made in Section 1, to verify in which year they had last done each activity, and those who had only done them prior to 2017 were excluded from the user sample.

Football users were then asked how much they had spent annually on each of the activities. The purpose of these questions was both to prepare respondents cognitively for the WTP questions, and to collect indicative self-reported data on their spend on 'market value' football services, which can be used as a point of comparison with the non-market WTP values given.

WTP1: WTP to preserve the football club they support/local club

The first valuation section presented respondents with information about men's professional football clubs and the cultural role they play among fans and local people (see text box). The survey outlined the services that professional clubs provide in terms of competing competitively in football leagues and cups, economic benefits in terms of supporting economic activity and local expenditure, and **social benefits** in relation to **physical and mental health, wellbeing**, and social and community development. The information included current funding arrangements and the ongoing financial challenges for many clubs.

Text Box 1. Information presented on cultural heritage services provided by men's professional football clubs



"As well as competing competitively in football leagues and cups, many football clubs are at the heart of **local communities**, providing economic benefits in terms of supporting economic activity and local expenditure. They also provide **social benefits** in relation to **physical and mental health, wellbeing**, and social and community development.

The **identity** that develops around a football club can play an important part of a community's existence, playing a role in **unifying communities** across generations, race, class and gender. They can be a source of **pride**, and often in hard times, a source of comfort. Even members of the community who would not count themselves as fans of the club specifically and do not directly pay to watch games, may derive benefits from its **existence** and importance to the community.

Football clubs can also support a range of community programmes that use the hook of clubs and football to **engage people in positive activity** that can **support their personal development**. Such activities can include the provision of opportunities for local people to take part in sporting activities, education programmes for disadvantaged young people and programmes supporting health and wellbeing.

Football clubs' **business models** are generally based on **spectator revenues** from tickets and season ticket sales, sales of broadcasting rights and sponsorship deals. The **top tiers** tend to receive a higher proportion of their revenues from **broadcasting rights** while spectator revenues become relatively more important for clubs in the lower tiers. **Clubs are likely to be more financially unstable in the lower tiers** as they tend to rely more heavily on spectator revenues as the primary source of income. Pressure to succeed on the pitch may also lead to salary costs that are not financially sustainable."

The hypothetical scenario presented respondents with a situation where *“large numbers of football clubs are at financial risk and without intervention dire consequences could follow for fans, players and the local communities that clubs serve”*. The FLR acknowledged that there remains a significant risk of harm to a range of stakeholders resulting from the financial failure of football clubs, including irreversible damage to cultural heritage. The COVID-19 crisis, with its closure of spectator events, put considerable pressure on the finances of many football clubs.

Respondents were asked to imagine a scenario where the club they support/their local club *“faces serious risk of insolvency. Without alternative funding arrangements the club would have to close down. The social heritage and culture of the club would be lost to future generations. The stadium would close, and no further games would be played there or televised on screen. Players and staff would move elsewhere, and the community and charity work which the club currently does would also shut down. Supporters’ clubs and pubs around the ground would no longer have their connection to the football club. In the face of these challenges, an increasing number of men’s football clubs at all league levels are facing the risk of insolvency.”*

To avoid this scenario, respondents were asked if they would be willing to pay into an **independent Club Heritage Fund**, funded through annual subscriptions, to financially support the football club and ensure that it does not become insolvent.

*“This would be a not-for-profit organisation focused only on **supporting the club and preserving its cultural heritage for its fans and those in the local community** Club Heritage Fund would ensure that the club is able to continue to compete in the league and other competitions as normal, as well as supporting its charity and volunteering work.”*

The payment mechanism was an annual voluntary subscription to a **Club Heritage Fund to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work**. It is acknowledged in the literature that voluntary payment vehicles are more prone to hypothetical bias (responding in an unrealistic way due to the hypothetical and inconsequential nature of the payment question) and ‘free-riding’ (saying you would pay nothing or a small amount in the knowledge that other people will pay the donation to support the club). However, extensive consultation with stakeholder groups found that government-linked tax mechanisms would be too politically sensitive at a time of high inflation and cost of living challenges, meaning that on balance a voluntary donation was the most appropriate payment vehicle.

WTP2. WTP for the recommendations of the Fan-Led Review across the English football leagues

The second valuation scenario elicits willingness to pay to support the FLR recommendations. This was an independent question with a different scope: improving governance of clubs across all of the English football leagues, providing preventative measures that should reduce the risk of clubs experiencing financial harms, as well as

involving supporters more in the governance of clubs. This second valuation question is distinct from the hypothetical backstop measure for preserving a single supported/local club in the first valuation scenario. This was a completely independent section from the previous section about the Club Heritage Fund, and relates only to the value of the FLR Recommendations across the English football leagues and affecting the governance of men's football clubs. Respondents were asked to treat this set of questions as if they had not answered any previous questions about paying to support the existence of a specific club.

All respondents were asked to imagine a hypothetical scenario in which men's English football was planning to introduce all ten recommendations of the Fan-led review across all football leagues.

“The aim would be that football would be governed in a more socially responsible way, and that the voice of fans would be heard, ensuring that football is shaped around the fans experience and interests. It would improve the financial sustainability of professional football clubs and ensure fairer distributions of wealth into the lower leagues.”

For the payment vehicle, respondents were told these changes to the governance of men's football clubs and the organisation of the football leagues would be complex and would require funding to ensure they are delivered in the correct way through a new and independent **Fan Led Review voluntary fund**, based on voluntary subscriptions made by members of the public. This would be an independent **not-for-profit fund focused only on applying the recommendations of the Fan Led Review across all clubs in English football**.

Respondents were asked their willingness to pay an annual subscription to an independent Fan Led Review Fund, even if only a very small amount, to put in place the ten recommendations of the FLR across all men's football clubs in the English football league.

The final section asked a set of standard socio-demographic questions, including subjective wellbeing, education level, marital status, employment status, self-reported health status, annual income, and number of dependent children.²⁰

Following good practice, respondents were provided with oath script and cheap talk scripts asking them to be realistic, reminding them of their household budgetary constraints, and the existence of other things they may wish to spend their money on.²¹

4.2 Sampling and data collection

An online survey of adults aged 16+ in England was recruited via the Ipsos Interactive Services **online survey of a panel of adult residents in England/UK**.²²

²⁰ Bateman et al., *Economic Valuation with Stated Preference Techniques*.

²¹ Lawton et al. 'Comparing the Effect of Oath Commitments and Cheap Talk Entreaties in Contingent Valuation Surveys: A Randomised Field Experiment', *Journal of Environmental Economics and Policy*, 11 November 2019, 1–17, <https://doi.org/10.1080/21606544.2019.1689174>; Gregory Howard et al., 'Hypothetical Bias Mitigation Techniques in Choice Experiments: Do Cheap Talk and Honesty Priming Effects Fade with Repeated Choices?', *Journal of the Association of Environmental and Resource Economists* 4, no. 2 (20 February 2017): 543–73, <https://doi.org/10.1086/691593>; Fredrik Carlsson, Peter Frykblom, and Carl Johan Lagerkvist, 'Using Cheap Talk as a Test of Validity in Choice Experiments', *Economics Letters* 89, no. 2 (November 2005): 147–52, <https://doi.org/10.1016/j.econlet.2005.03.010>.

²² All survey participants in this research were England residents aged 16+ and will have answered a detailed consent form. Ipsos UK is compliant with the highest regulatory standards for the legal and safe processing of personal and/or sensitive data, including the Market Research Society Code of Conduct, ISO 27001, 20252, 9001 and GDPR. We are also a Fair Data

The survey was designed to split out those who had engaged with men's professional football in some way in the past 5 years (visited a stadium, watched football on TV, bought a season ticket, or bought a football shirt or other club branded product, defined as 'football users') and those who had not (defined as football non-users).

Respondents were offered a dropdown list with the name of all clubs in the five English football leagues. Fans of this club were presented with the name of the club throughout the survey and valuation questions, to increase the realism of the willingness to pay questions. This provides greater confidence that the values elicited are specific to a single club.

The survey had an option to enter the name of their club in open-text if they could not find it in the list. In some cases, respondents entered foreign or international clubs, and these were excluded from the sample (see Section 4.4).

For those who did not support a specific club (neutral football fans), or who did not engage with football (football non-users), the survey asked them to think of their local club. A dropdown list was again provided. For those who did not select a local club, we ran ex-post distance analysis to identify their closest local club from the five English football leagues. This allows these respondents to still be included in the regional and league analysis.²³

Analysis is broken down by which league and what region (NUTS1 and NUTS2) the club is in, based on the name of the club, not the residence of the respondent. This ensures that responses from club fans are analysed by the location of the club, not the location of the respondent.

The survey timing took place during the summer break while no league games were being played. This provided an opportunity to collect data for the previous season, without the risk of respondents giving a partial season response by mistake. Data collection took place between 15th July and 22nd July 2022. A pilot survey was run from July 13th to July 14th 2022, with insights that informed the final design of the main survey.²⁴

4.3 Quantitative analysis

We adopted a payment card approach, presenting respondents with a range of monetary amounts from which they were asked to pick their WTP. We ask how much the continued existence of their club would be worth to them, if anything, and present respondents with a range of 30 values (payment card) from £0-£1,000, with an 'other' option for open-end responses. The payment card method is recommended for CV surveys of small to medium

company and an MRS Company Partner and compliant with GDPR, the Data Protection Act, HMG Cyber Essentials, UK Statistics Code of Practice, the GSR Code and the MRS Code of Conduct. In terms of retention and destruction of personal data, our processes ensure that we meet client contractual requirements as well as GDPR legislation regarding how information should be labelled, handled, stored, transferred and destroyed. Any personal data is collected (usually two months after projects are completed). Identifiable data is anonymised when reporting. This will be outlined in a privacy notice available to participants, which would also provide details on why we are collecting the data, what is being used for and any further information for participants to make a subject access request, which we would promptly respond to. Alongside these measures, we would reassure DCMS that all work is conducted in-house by Ipsos staff and researchers who have undergone data protection and GDPR training.

²³ It is important to acknowledge that this sampling approach may have excluded some lower income households who might not be able to afford tickets/ shirts/ sports channel subscriptions, but support a football club none the less through other forms of engagement, for examples by reading football news in the paper/ online, or via the radio. However, we would expect that they would have engaged with one of the four engagement routes at least occasionally in the past 5 years, and would have been identified when asked if they support a specific club.

²⁴ Respondents were asked follow-up questions about the realism of the survey, payment question, and value options. The majority of pilot respondents found the two valuation scenarios to be realistic, the range of values in the payment card to be appropriate, all within acceptable levels for proceeding to the main survey.

sample size because it reduces starting point or anchoring bias (because respondents see the full range of 30 values at the same time) and provides a visual aid to the cognitive process of valuing the good.²⁵ However, use of a payment card elicitation mechanism means that respondents' stated values must be taken as a lower bound of their actual WTP²⁶ because the actual amount they are WTP will lie somewhere in between the amount they choose and the next amount on the payment card.

Following standard practice, all those who responded that they were not willing to pay in principle were coded as £0 bids. This ensures that the full range of values are included in the evaluation. Using the mean WTP, rather than the median WTP, is standard practice in CV studies where the objective is to aggregate values.²⁷ The mean WTP value is relevant if the context of the valuation exercise is cost benefit analysis because it represents an average WTP for the population which can be aggregated (by the population size) to derive the total WTP across the population.²⁸ Note that CV results will always be constrained by income levels (indeed, this is one of the features that makes it consistent with equivalent income techniques required by the Green Book, and one of the reasons why a positive statistical association between income and WTP is considered a validity test of CV data). This means that WTP stated by lower income groups may be on average lower than those stated by higher income groups, even though football clubs may hold a higher relative value once the relative spending power of their budgets is taken into account. This should be considered when interpreting WTP split by demographic groups, and is one reason why researchers are increasingly calling for WTP values to be welfare weighted in line with Green Book guidance. Social welfare weighting could be a way in the future to overcome issues of income constraining ability to pay, but this can be applied retrospectively if required by applying standard welfare weightings to WTP values in line with HMT Green Book guidance (2022).

We also report mean and median football user and non-user WTP values for different types of user (non-exclusively: those who visit the stadium, those who watch on TV, those who have a season ticket, and those who purchase shirts and other club-branded products), by the football league of the club they support/live closest to, and by region. However, in some cases, subgroup analysis provides small sample sizes which increase the risk of outlier bias in the average and lower bound (95% confidence interval) WTP values. Although the DCMS REA recommends 200 observations as a minimum sample size for the total sample of a survey of this kind²⁹, there is currently no guidance on the minimum sample required for subgroup analysis in WTP studies (although the issues are widely discussed in health economics³⁰). We set a threshold of 30 observations for reporting average and lower bound WTP. Any observations of $n < 30$ are excluded from reporting to reduce the risk of misinterpretation of potentially spurious results, and the national average (lower bound) imputed in its place.

²⁵ Bateman et al., *Economic Valuation with Stated Preference Techniques*; David Maddison and Terry Foster, 'Valuing Congestion Costs in the British Museum', *Oxford Economic Papers* 55, no. 1 (1 January 2003): 173–90, <https://doi.org/10.1093/oepp/55.1.173>; David Maddison and Susana Mourato, 'Valuing Different Road Options for Stonehenge', *Conservation and Management of Archaeological Sites* 4, no. 4 (1 January 2001): 203–12, <https://doi.org/10.1179/135050301793138182>.

²⁶ Bateman et al., *Economic Valuation with Stated Preference Techniques*.

²⁷ William J. Vaughan et al., 'Uncertainty in Cost-Benefit Analysis Based on Referendum Contingent Valuation', *Impact Assessment and Project Appraisal* 18, no. 2 (1 June 2000): 125–37, <https://doi.org/10.3152/147154600781767466>.

²⁸ Pearce and Özdemiroglu 2002

²⁹ Lawton et al., 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies - Technical Report'.

³⁰ James F. Burke et al., 'Three Simple Rules to Ensure Reasonably Credible Subgroup Analyses', *BMJ* 351 (4 November 2015): h5651, <https://doi.org/10.1136/bmj.h5651>.

4.4 Exclusions

We remove survey ‘**speedsters**’ (those who complete the survey in an unreasonably short period of time). A threshold time was set for user and non-user samples as the minimum period in which all the information provided in the survey could realistically be read and used to make informed preference decisions based on internal testing and exploration of the data. We applied a differential rule based on the number of questions in the user and non-user flows: less than 3 mins.³¹

The main variable of interest for this study is willingness to pay. For those who indicated that they would or may be willing to pay in principle, but then answered in the payment card that they “Don’t know/Rather not say”, it was not possible to infer any positive or non-positive WTP value. For this reason, these respondents were dropped from analysis.³² Following best practice in minimising hypothetical bias, we remove respondents who gave inconsistent follow up answers when asked why they gave their stated WTP value. This includes those who selected an option which does not align with the requirements of realism and consequentiality.³³

Inconsistent responses were identified by analysing those who told us they did not support a specific club, but who indicated that they regularly engaged at a high level with a football club, by occasionally buying season tickets or regularly buying shirts. These 132 respondents were dropped from the sample for providing inconsistent responses that were an indicator of unreliable answers or low-attention to the detail when undertaking the survey.

We also found some instances where respondents supported no particular club, but indicated that they had engaged occasionally with different aspects of football (stadia, TV, shirts), and then went onto give a £0 value in the valuation question. When asked their reason for not being willing to pay, 285 indicated that they were “not interested in football”. These respondents were coded as non-users.

Respondents were offered a dropdown list with the name of all clubs in the football leagues. Despite the presence of the drop-down list of club names, some respondents indicated that they could not find their club and filled in the name of their club manually in open-text. In most cases, these were English clubs, and we assume that the respondent found the dropdown list too long to identify their club. In other cases, the open-text entry was for a non-English or women’s football club, both of which are out of scope for this study. These respondents were excluded from the sample.³⁴

4.5 Qualitative case study analysis

Aims and Scope

Following the value of football survey undertaken by Ipsos, Ecorys conducted a series of online focus groups to provide additional qualitative evidence on the specific ways in which

³¹ 3 football fans and 11 football non-users were dropped from the total sample based on this speedster rule.

³² 144 respondents were dropped from the total sample based on giving an unclear “Don’t know/Rather not say” response to the payment card question.

³³ 148 respondents were dropped from the total sample based on the follow up response: “I don’t believe I would really have to pay”. 11 respondents were dropped for giving high WTP values (>£500 but gave inconsistent answers (indicating that they supported no particular football club, but also indicating that they regularly bought tickets to the stadium or bought season tickets).

³⁴ 7 respondents entered women’s football teams; 40 respondents entered international football teams (e.g., England, Wales); 54 respondents entered the names of foreign clubs (e.g. Real Madrid). These respondents were all dropped from the data.

clubs offer value to football fans. This enabled us to build on the survey findings and explore its key themes in more depth, which included:

- How and why football supporters engaged with clubs and their heritage
- The importance of football clubs' heritage and community role
- The potential impact of insolvency, and whether fans would be willing to pay to ensure the survival of their club
- Opinions on the fan-led review recommendations and the impact that adopting these might have on fans and the community

The Section 6 presents the key findings from each of these discussion points, and highlights cases where findings differed between the focus groups or types of fans.

Sampling and Recruitment

Survey respondents were asked to opt-into participating in focus groups. Ecorys recontacted these individuals and asked them to complete a short recruitment screener to confirm key personal characteristics (club supported, age, gender, region) and their availability to participate in the focus groups.

Ecorys' researchers moderated five online focus groups between 23rd-25th August 2022. Focus groups were conducted via online videoconferencing software Microsoft Teams. Ecorys aimed to recruit up to 10 respondents per group, containing a mix of fan engagement levels, gender, age, region, and socioeconomic grade, reflective of the sample population of opted-in respondents.

The primary sampling characteristic of each focus group was the league in which the club they supported play in, as outlined below:

- Fans of Premier League clubs
- Fans of Championship clubs
- Fans of League One clubs
- Fans of League Two and National League clubs
- Neutral supporters, not supporting a particular team³⁵

A range of 3-8 participants attended each group, with an average of six participants in each group. The Championship group was the least well attended (3) whilst all other groups contained 6-8 participants. Fans of League Two and National League clubs were combined due to a smaller sample size for both.

Focus groups were undertaken to better understand how and why different groups value men's football clubs. The aims of these groups were to better understand:

- Why different demographic and user groups (those who visit stadia, those who mostly watch on TV, those who have a season ticket, those who buy shirts and other club-branded products) value their football club (supported or local);

³⁵ Neutral supporters are 'users' who engage with football (for example watch matches on TV or occasionally watch their local team play) but do not consider themselves a supporter of a particular team. It was not considered appropriate to conduct focus groups with 'non-users' who do not engage with football, and so this sample group were excluded from the focus groups.

- How football value differs across demographic groups, especially between those who live local to the club and those who live more remotely;
- What element of the FLR football users and non-users value most, both in isolation and in combination;
- What, if any, opportunities football clubs offer to engage with cultural heritage, community outreach, place-making, sense of identify and community infrastructure;

5 Results

5.1 Demographic characteristics

A total sample of 5,329 respondents completed the survey after data cleaning, split between 4,098 who had engaged with men's professional football in some way in the past 5 years (visited a stadium, watched football on TV, bought a season ticket, or bought a football shirt or other club branded product, defined as 'football users') and 1,231 who had not (defined as football non-users).

2,298 of 'football users' supported a specific club and provided the name of that club when asked. An unexpected result of the survey is that nearly a quarter of the 'football user' sample did not support any specific club. 1,067 people supported no particular club, but had engaged with football occasionally by watching it on TV, or a smaller number who occasionally went to stadia or bought shirts and other branded products. When asked to pick the club they support the select the option: "I do not support a specific club".³⁶

Analysis shows that there are notable differences in the behaviour and values of those who support a specific club and those who do not. For this reason, the 'football user' sample is split into 'Club fans' (those who support a specific club) and 'Neutral football fans' (those who do not support a specific club).

These three groups provide different types of willingness to pay (WTP) values in the first valuation scenario (willingness to pay to financially support the football club and ensure that it does not become insolvent):

- Club fan: WTP for continued existence of club they support (n=3,031)
- Neutral football fan: WTP for continued existence of their local club (n=1,067)
- Non-user: WTP for continued existence of their local club (n= 1,231)

In the second valuation scenario – willingness to pay to support the Fan-Led Review recommendations – all respondents valued the same outcome of achieving the FLR recommendations across the men's professional football leagues. We still split results by the three user/non-user groups because there are instructive differences between them which are of relevance to the FLR results.

The sample was made up of England residents aged 16+. For data collection, quotas were applied at the NUTS2 regional level based on ONS population statistics.³⁷ All numbers based on sample after exclusions outlined in Section 4.4.

³⁶ This equates to c.20% of the sample being neutral fans. Collaboration with the FA identified that in the June 2022 wave of their monthly Football Fan Tracker, c.14% of respondents (n=400) identified as neutral football fans; providing external validity to our findings.

³⁷ <https://www.ons.gov.uk/methodology/geography/ukgeographies/eurostat>

Table 1 Sample size: Fan, neutral and non-user groups

	Club fan: Engaged with football in past 5 years and supports specific club	Neutral football fan: Engaged with football in past 5 years but supports no club	Football non-user: Not engaged with football
N	3,031	1,067	1,231

Across the three segmentations used for the study, club fans have the highest average household income (£50,524), followed by neutral football fans (£45,216). The average household income of both of these groups significantly surpasses the income of non-users (£39,348) (statistical t-test of significant different in average between groups, $p=0.000$).³⁸ Over half of club and neutral fans were employed, compared to only around 41% of non-fans, while non-fans also had a slightly lower proportion of university educated, and middle-upper class respondents. One possible explanation for this finding may be that the activities associated with football use – visiting the stadium, watching football on subscription channels and purchasing shirts and other merchandise – require some financial outlay, which excludes lower income groups. Further research would be required to establish whether the income differences between those engaged with football and those not are also borne out in the wider population, through larger sample population surveys.³⁹

In terms of gender, the majority of fans of professional male clubs were male (54%), but the majority of neutral or non-fans were female (68% and 70% respectively). Club fans were more likely to have children. In terms of ethnicity, neutral football fans were slightly more likely to be from BAME backgrounds compared to club fans and non-users.

As would be expected, club fans score highest on indicators of football engagement, such as placing public spending on sport in their top 5 priority areas and being a member of any football supporters or charity organisation, followed by neutral football fans. Club fans are also significantly more likely to agree (somewhat to strongly) to opinions that indicate higher levels of engagement with football, such as that preserving football clubs for current and future generations is important to them and watching football increases one's well-being (happiness) when compared with neutral football fans and non-users.

³⁸ Note, household income is elicited as all household income sources (pre-tax): salaries, scholarships, pension and Social Security benefits, dividends from shares, income from rental properties, child support and alimony etc. Mean household income estimated in this survey is higher than the mean equivalised disposable income for 2021 reported by ONS (£37,622), though we note that ONS estimates are post-tax.

³⁹ As noted in Section 4.2, the sampling approach may have excluded some lower income households who might not be able to afford tickets/ shirts/ sports channel subscriptions, but support a football club none the less through other forms of engagement, for examples by reading football news in the paper/ online, or via the radio. However, we would expect that they would have engaged with one of the four engagement routes at least occasionally in the past 5 years, and would have been identified when asked if they support a specific club. It is worth noting that income levels are expected to be positively correlated with higher stated WTP values in SP surveys such as this. Therefore, if these income differences are found to be an artefact of the survey, rather than the real differences in the population, then aggregate WTP could potentially be an over-estimate. This could be adjusted through statistical weighting to ensure that WTP is reflective of real-world income levels among the three groups.

Table 2 Demographics

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
	Mean	Mean	Mean
Average age	54	53	57
Female	45.8%	68.4%	69.7%
Dependent children	28.7%	21.0%	14.3%
Degree or above	54.4%	57.1%	51.0%
Employed (full/part time)	53.7%	51.4%	40.5%
Household income (average)	£50,524	£45,216	£39,384
Social class: Middle or upper class	80.7%	80.6%	78.4%
Ethnicity: Black Asian Minority Ethnic (BAME)	7.2%	7.8%	5.8%
Sport TOP5 areas where public funding should be spent	10.8%	3.7%	2.0%
Member of any football supporters or charity organisation	9.3%	0.6%	0.9%
Somewhat agree/Strongly agree Preserving football clubs for current and future generations is important to me	66.4%	20.5%	6.5%
Somewhat agree/Strongly agree Watching football increases one's well-being (happiness)	67.4%	30.5%	11.6%
Familiarity with information about football clubs	58.9%	32.2%	18.0%
Familiarity with information about Fan-Led Review	59.5%	34.7%	19.5%

5.2 Football club valued

The vast majority of club fans (67%) selected a Premier League club for the valuation survey, as expected due to the size and reach of many clubs in the top flight of English football, the level of resources flowing into the Premier League and its ability to attract some of the best quality and most popular players. As shown in the first column, the percentage of club fans selecting a team from other leagues decreases steadily from the Championship downwards. Championship clubs were chosen by 16% of fans, whilst only 10% selected

League One teams, 4% selected League Two clubs and 3% selected a club from National Leagues. This pattern is less pronounced among neutral football fans and non-fans who were asked to value their local club. In terms of local clubs valued by neutral fans and non-fans, the distribution across the five leagues was more equal, as would be expected based on geographical distribution of clubs, rather than personal preference for which club you support.

Table 3 League of football club selected for valuation survey: Club supported in case of users; local club in case of non-users

	Club fan	Neutral football fan	Football non-user
	Mean	Mean	Mean
Premier League	67.5%	19.4%	28.6%
Championship	16.3%	20.1%	18.4%
League One	9.6%	21.9%	21.3%
League Two	4.0%	18.7%	15.2%
National Leagues	2.7%	19.9%	16.5%
Total	2967	1067	1169

Group sample sizes in this table may differ from the full sample in

Table 1 due to missing observations in subsequent survey questions. Respondents were able to provide no response to survey questions to avoid forcing inaccurate responses.

Note: Figures may not sum due to rounding.

When we look at the regional split of clubs valued, among club fans, the highest proportion of Premier League clubs supported were located in the North West of England (820) and London (761) (Table 4). This can likely be attributed to greater populations and high urban density in these regions combined with a higher proliferation of top-flight clubs, especially clubs that are considered to be the 'top six' or 'big six' teams in the Premier League (e.g. Manchester United, Manchester City, Liverpool, Arsenal, Chelsea, Tottenham).

The next highest number of Premier League teams supported by club fans were located in the Yorkshire and the Humber and the North East (both with 107 respondents). This likely reflects the fact that both the North East (e.g. Newcastle F.C., Sunderland A.F.C and Middlesbrough F.C) and Yorkshire and the Humber (e.g. Hull City, Rotherham United, Sheffield United) have had several clubs consistently competing in the top two leagues in recent years based in their cities. In addition, a noticeable proportion of club fans also selected Premier League teams in the West Midlands of England, further supporting the notion that the distribution of clubs selected is likely to fall within regions with large populations and a greater number of clubs. Evidence from the focus groups (section 6.1) expands further on this idea, identifying the importance of family connections in the choice of club to support, with many of the bigger clubs located in larger towns and cities. Family links to urban areas and allegiances towards grandparents and parents is therefore likely to be an important factor influencing in this support. There are no clubs currently in the Premier League the South West of England or Wales (and also no League One teams in Wales) and this is correctly reflected in our sample.

As noted previously, the geographical distribution of local clubs for neutral football fans and non-users means they are generally less concentrated in the Premier League, with the exception of heavily-populated London where three of the big six teams are located (Arsenal, Chelsea and Tottenham Hotspur). For example, League One clubs in the South

East and Championship clubs in the West Midlands have the most neutral football fans and non-users living locally.

Table 4 - Region (NUTS1) and league of football club selected for valuation survey: Club supported in case of club fans; local club in case of neutral football fans and football non-users

	NUTS1 Region	Club fan	Neutral football fan	Football non-user
Premier League	East Midlands	50	15	21
	East of England	65	25	31
	London	714	50	94
	North East	107	9	30
	North West	820	17	54
	South East	46	49	47
	South West	0	0	0
	Wales	NA	NA	NA
	West Midlands	93	21	29
	Yorkshire and The Humber	107	21	28
Championship	East Midlands	71	21	15
	East of England	17	16	14
	London	48	27	26
	North East	32	8	11
	North West	37	17	19
	South East	13	20	17
	South West	15	15	13
	Wales	NA	NA	NA
	West Midlands	122	41	47
	Yorkshire and The Humber	100	26	26
League 1	East Midlands	5	19	16
	East of England	43	20	21
	London	22	18	15
	North East	58	5	14
	North West	33	25	32
	South East	55	72	77
	South West	15	18	17
	Wales	NA	NA	NA
	West Midlands	7	27	18
	Yorkshire and The Humber	43	22	22

League 2	East Midlands	11	26	17
	East of England	9	26	28
	London	7	14	23
	North East	4	7	3
	North West	22	28	33
	South East	2	18	14
	South West	5	14	10
	Wales	NA	NA	NA
	West Midlands	7	16	6
	Yorkshire and The Humber	14	22	27
National League	East Midlands	11	11	14
	East of England	9	23	22
	London	5	51	42
	North East	0	0	0
	North West	7	14	16
	South East	19	54	47
	South West	9	29	23
	Wales	NA	NA	NA
	West Midlands	1	20	13
	Yorkshire and The Humber	13	6	9

Group sample sizes in this table may differ from the full sample in Table 1 due to missing observations in subsequent survey questions. Respondents were able to provide no response to survey questions to avoid forcing inaccurate responses. Observations of n<50 are excluded from reporting to reduce the risk of misinterpretation of potentially spurious results.

The breakdown of football clubs selected by club fans (Appendix Table 22) provides an indication of the most popular teams. As expected, clubs in regions with large populations, high urban density and the highest revenue generation⁴⁰ such as Arsenal, Chelsea, Liverpool, Manchester City, Manchester United and Tottenham Hotspur, garner the most support. Outside of the three major English cities where these six clubs are based, other popular clubs selected by fans are also based in urban regions across the country with relatively large populations (e.g., Newcastle, Leeds, Aston Villa, Everton, Leicester City, Sunderland). Intergenerational support for clubs and urban regions is likely an important factor in influencing which club an individual supports, as borne out by the qualitative case studies. Clubs that are local to neutral football fans and non-users also tend to be located in urban regions, however, these clubs tend to be smaller (in terms of league status and revenue generation), indicating a preference among club fans to support a bigger club.

⁴⁰ <https://www2.deloitte.com/uk/en/pages/sports-business-group/articles/deloitte-football-money-league.html>

5.3 Football user experience

The survey gathered detailed information on how respondents engaged with football, in terms of their attendance at matches, purchasing behaviour, and viewing activities; visiting a stadium, watching football on TV, buying a season ticket, and purchasing a shirt or branded product. The results align with expectations about engagement levels, showing that **club fans (those who named a specific club they support) engage with football more regularly than neutral fans, who in turn engage more regularly than non-fans.**

Furthermore, the use of social media is becoming an increasingly important means of engagement, particularly among younger users, as identified in the qualitative case studies.

The most popular type of engagement with football across the four options presented to respondents, was watching football on TV: 94% of club fans, 92% of neutral fans, and 32% of non-fans had watched football occasionally to very regularly in the past 5 years. Over half of club fans reported watching football on TV regularly or very regularly (57%), whereas only 13% of neutral fans and 1% of non-fans who said they did the same.

A large proportion of club fans have supported their team by attending the stadium at some point in the past 5 years (57%), and a smaller group did so by purchasing a season ticket (21%) (note that these two groups are non-exclusive). This aligns with expectations that among club fans, only a minority would be signed up season ticket holders. A smaller proportion regularly attended the stadium or bought season tickets (17% and 12% respectively), which again aligns with the expectation that only a minority of club fans would be able to regularly attend the stadium in person.

Taken together, these results suggest that the majority of football fans (both club and neutral) engage with football through television, but that over half of club fans have attended the stadium at some point in the past 5 years, but that only around a fifth regularly attend games.

Over half of club fans had purchased a club shirt or other branded product in the past 5 years (54%) and 13% regularly did so. Neutral and non-fans had also bought football shirts occasionally, but at a much lower frequency (13% and 3% respectively).

There is nonetheless evidence that even non-fans engage with football, mainly by occasionally watching football on TV (32%).

It should be noted that a small proportion of the neutral and non-user fans were excluded from the sample for providing inconsistent responses to the season ticket and shirt-sales questions (see Section 4.4), which accounts for the 0% results in the table for those groups.

Table 4 Type of engagement with football in the past 5 years

	Club fan	Neutral football fan	Football non-user
Stadium visitor: Once or more in the past 5 years	57.4%	11.9%	4.0%
Football on TV: Once or more in the past 5 years	94.0%	91.6%	32.0%
Season ticket: Once or more in the past 5 years	20.8%	0.0%	0.0%
Purchased shirt or branded product: Once or more in the past 5 years	53.5%	12.8%	2.8%
Regular Stadium visitor: Regular or very regular in past 5 years	17.3%	0.4%	0.0%

Regular Football on TV: Regular or very regular in past 5 years	56.7%	13.2%	1.1%
Regular Season ticket: Regular or very regular in past 5 years	12.3%	0.0%	0.0%
Regular Purchased shirt or branded product: Regular or very regular in past 5 years	12.7%	0.0%	0.0%
Total	2991	1051	1219

Group sample sizes in this table may differ from the full sample in Table 1 due to missing observations in subsequent survey questions. Respondents were able to provide no response to survey questions to avoid forcing inaccurate responses.

The survey also asked football users to estimate their spend on a range of football-related activities in the 2021/2022 season. Away games constitute the highest annual average spend on football engagement during the 2021-2022 season (£733) and is considerably higher than other forms of engagement listed in Table 5. This is likely due to the cost of travel and hospitality involved in attending away games. Furthermore, the Premier League is currently the only league in England to introduce a price cap on away tickets (£30) and therefore the cost of attending the away games of clubs in other leagues could be considerably higher. The second highest average annual spend per user on football engagement during the 2021-2022 season was spend on season tickets (£442), followed by sports TV subscriptions (£425), spend on home stadium games (£293) and lastly, spend on shirt and other club branded products (£199).

Table 5 Annual average spend per user on football engagement in 2021-2022 season (Club fan sample only)

	N	Annual average spend per user
Spend on home stadium games 2021-2022	757	£293
Spend on away games 2021-2022	267	£733
Spend annually sport subscription 2021-2022	1049	£425
Spend season ticket 2021-2022	393	£442
Spend shirt and other club branded products 2021-2022	335	£199

Group sample sizes in this table may differ from the full sample in Table 1 as it includes only club fans who had spent in the 2021-2022 season.

5.4 Willingness to Pay 1: Annual willingness to pay from household budget to preserve the existence of their supported/local men's professional football club through a Club Heritage Fund

The first willingness to pay question was designed to elicit the **welfare loss that fans would experience if their club/local club faced insolvency and would have to close down**. The valuation scenario aims to quantify this welfare loss in monetary terms by asking **how much they would be willing to pay to avoid that outcome**.

Before eliciting their willingness to pay (WTP) to preserve the existence of the club in monetary terms (reported in Table 7), as standard in CV design and analysis, respondents were first asked a screener question of whether they would be willing in principle to pay for the continued existence of the football club. The payment scenario used to elicit this WTP

value was through an annual subscription to a Club Heritage Fund from their household budget. The value elicited via the survey represents willingness to pay to support the continued existence of the club against the risk of insolvency, to ensure that the club is able to continue to compete in the league and other competitions as normal, as well as supporting its charity and volunteering work. Note that there may be considerable variation in how much each individual values their club, including those who do not gain any welfare at all, and that the figures reported represent the average (or lower bound confidence interval) for England as a whole, masking this variation between individual respondents. The results outlined in Table 6 show:

- **A higher proportion of club fans were willing to pay in principle (yes or maybe) to preserve the existence of the professional men’s club they support (61%).** This is to be expected, given that club fans engage more commonly with football (recall Table 4), and are expected to have a stronger affiliation than those who are asked to pay for a local club they don’t support. Having around two-thirds of the sample be willing to pay in principle, and a third not willing to pay in principle is in line with previous CV studies for DCMS.⁴¹ In line with best practice, the preferences of those who are not willing to pay in principle are incorporated into average WTP as a £0 bid.
- **A lower proportion of neutral football fans were willing to pay in principle to support the continued existence of their local professional men’s football club (22%),** which is to be expected given that they do not support a specific club and generally engage with professional football less (recall Table 4).
- **Football non-users have the lowest willingness to pay in principle to support the continued existence of their local professional men’s football club (8%)** which is to be expected, given that they do not directly engage with their local club or with football in general.

Table 6 Willingness to pay in principle to preserve the existence of their supported/local men’s professional football club through a Club Heritage Fund

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
Yes	23.8%	2.8%	0.8%
Maybe	37.3%	19.2%	7.0%
No	38.9%	78.0%	92.2%
Sample Size	3031	1067	1231

Group sample sizes in this table may differ from the full sample in Table 1 due to missing observations in subsequent survey questions.

Respondents were able to provide no response to survey questions to avoid forcing inaccurate responses.

The results of the contingent valuation survey shows that people positively value the club they support/their local club and would be willing to pay an annual subscription to support them, even if they do not engage directly with the club themselves (Table 7). **As expected,**

⁴¹ Lawton et al., ‘The Economic Value of Heritage: A Benefit Transfer Study’; Lawton et al., ‘Regional Galleries and Theatres Benefit Transfer Report’.

club fans have a significantly higher WTP than neutral and non-fans, which is expected given that they engage more (recall Table 4) and are assumed to have a stronger emotional affiliation to the club they are asked to support financially. Neutral fans, who still engage with football, have a higher WTP to preserve their local club than non-fans who engage to much lower levels.

- **£56.07 (lower bound £51.55) per household per year: Club fans of a specific club mean willingness to pay** an annual subscription to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work. *Recall that DCMS and Arts Council England guidance states that lower bound 95% confidence interval of WTP should be used for business case purposes, to offset the risk for over-estimation of values due to hypothetical bias in surveys such as this.*⁴²
- **£9.28 (lower bound £5.85) per household per year: Neutral football fans' mean willingness to pay** an annual subscription to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work.
- **£2.25 (lower bound £0.76) per household per year: Football non-user mean willingness to pay** an annual subscription to ensure the club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work.

Table 7 Willingness to pay to preserve the existence of their supported/local professional men's football club through a Club Heritage Fund (annual household payment)

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
Mean	£56.07	£9.28	£2.25
Lower Bound 95% confidence interval	£51.55	£5.85	£0.76
Standard error	£2.31	£1.75	£0.76
Median	£10.63	£0.00	£0.00
Sample Size	2,990	1,060	1,222

WTP estimated as the sample average and lower bound 95% confidence interval, including those not willing to pay in principle from coded as £0.

Arts Council England guidance states that lower bound 95% confidence interval of WTP should be used for business case purposes, to offset the risk for over-estimation of values due to hypothetical bias in SP surveys.

For the sample of club fans, there is **supporting evidence that higher engagement with the club you support drives higher WTP values** (Appendix Table 23). Those who regularly buy season tickets, shirts and merchandise, and attend individual games have

⁴² Lawton et al., 'Guidance Note: How to Quantify the Public Benefit of Your Museum Using Economic Value Estimates. A Resource for Understanding the Economic Value of Museums'.

higher WTP than those who regularly watch football on TV. This suggests that although season ticket holders already tend to pay a large sum of money to support their club in return for access to each home game, they would still be willing to contribute the most to ensure their club continues to compete in the league and other competitions as normal, and preserve its cultural heritage for its fans and those in the local community, as well as its charity and volunteering work.

5.5 League and region splits: Willingness to pay to preserve the existence of football club through a Club Heritage Fund (annual household payment)

The survey was designed to provide average WTP values for clubs in each of the English football leagues. Within the club fan group, there are considerably higher samples for Premier League clubs and Championship/League One clubs compared to the lower leagues, due to natural fall-out in the population.

For club fans, while WTP values to preserve Premier League clubs at £57.63 per household per year (lower bound £51.71) are significantly higher ($p=0.002$) than those in the lower leagues, they are not of a large order of magnitude greater, with Championship club fans willing to pay £46.35 (lower bound £37.18), League One club fans willing to pay £57.06 (lower bound £43.83), League Two fans willing to pay £55.18 (lower bound £34.04), and National League fans willing to pay £58.75 (lower bound £3.87⁴³). This suggests that **even though more people support Premier League clubs, fans across any league gain very similar levels of welfare from the continued existence of their club. In other words, even though more money goes to Premier League clubs, the flows of benefits to fans from the continued existence of their club is similar even for a smaller club in the lower leagues.**

Interestingly, neutral football fans' willingness to pay value to preserve the existence of their local football club was highest for teams in the lowest National Leagues at £18.21 per household per year (lower bound £2.58), followed by £9.04 (lower bound £1.18) for teams in the Championship, £8.94 (lower bound £4.22) for teams in the Premier League, £5.43 (lower bound £2.95) for teams in League One, and £5.02 (lower bound £0) for teams in League Two. **The highest value elicited from neutral fans for teams in National Leagues may suggest neutral fans are more supportive of smaller local clubs rather than larger clubs in higher leagues that tend to attract more attention to their matches, potentially because they recognise the financial challenges that smaller clubs operate under, and are therefore willing to pay more to preserve the club, than those who live near Premier League clubs, whose large revenue streams are public knowledge.** We note, however, that confidence intervals are wide around the mean WTP values of neutral fans (as reflected in the relatively small lower bound WTP figures), which is driven by the high proportion of £0 bids (as reflected in the median WTP figures), as well as the sample size, which is at the minimum level recommended for extrapolation of national-level averages (see 2020 DCMS REA quality criteria⁴⁴). Therefore, caution should be taken when aggregating these values to the national level for neutral fans, and more research may be required to understand better the drivers of neutral WTP for local football clubs, which is partially

⁴³ Note that the confidence interval range for National League clubs is wider, which is likely driven by the lower sample size, and provides less confidence in the robustness of the WTP value for National League club fans.

⁴⁴ Lawton et al., 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies - Technical Report'.

explored in the qualitative section, but will require more detailed follow-up survey research at the national level.

Non-users of football were also willing to pay to preserve the existence of their local club, despite not engaging with football as much as the other groups. League One teams elicited the highest value of £4.58 per household per year (lower bound -£1.97), followed by £2.86 (lower bound £0.52) for Premier League teams, £1.04 (lower bound £0.20) for League Two teams, £0.82 (lower bound £0.09) for National League teams, and £0.58 (lower bound £0.16) for Championship teams. Again, the evidence suggests that the league a club plays in does not dictate the values that the public hold for the preservation of that club. This may suggest that members of the general public (who did not support a particular club) value the cultural heritage of their local football club regardless of its size and stature. In terms of sample size, we note that in most of the leagues sampled for football non-users sample sizes are below the 200 recommended by the DCMS REA for extrapolation, which accounts for some of the low/negative lower bound figures. Caution should therefore be applied when interpreting the sub-group analysis performed at this level.

Table 8 League split: Willingness to pay to preserve the existence of football club through a Club Heritage Fund (annual household payment)

	Club fan: WTP for existence of club they support			Neutral football fan: WTP for existence of their local club			Football non-user: WTP for existence of local club		
	Mean WTP	Lower bound 95% CI	Sample size	Mean WTP	Lower bound 95% CI	Sample size	Mean WTP	Lower bound 95% CI	Sample size
Premier League (PL)	£57.63	£51.71	1,982	£8.94	£4.22	206	£2.86	£0.52	332
Championship	£46.35	£37.18	470	£9.04	£1.18	210	£0.58	£0.16	214
League 1 (L1)	£57.06	£43.83	282	£5.43	£2.95	234	£4.58	-£1.97	247
League 2 (L2)	£55.18	£34.04	115	£5.02	£0.00	200	£1.04	£0.20	177
National League (NL)	£58.75	£3.87	79	£18.21	£2.58	210	£0.82	£0.09	191

Regional breakdowns of club fan's willingness to pay to preserve the existence of their supported football club show that those regions with a higher proportion of Premier League clubs have higher WTP on average, with **London clubs** eliciting the highest values from club fans at £71.65 per household per year (lower bound £60.45), followed by clubs in the North West of England (£55.34, lower bound £47.17), followed by the South West of England (£61.78 lower bound £12.99).

This maps onto the higher WTP values this set of fans gave for Premier League clubs in Table 8.

Among neutral fans, who are valuing the continued existence of their local club, WTP was highest for the East of England (£23.74, lower bound £2.04), London (£14.60, lower bound £1.95) and the Yorkshire and The Humber (£9.86, lower bound £2.68). The distribution of WTP does not appear to follow as strongly the presence of Premier League clubs in a region. This may suggest that the presence of a football club in an urban area provides cultural heritage value to local people, regardless of what league it is based in.

Among non-users, WTP for the continued existence of their local club was highest for the South-East of England (£4.48, lower bound £0.00), London (£2.69, lower bound -£0.00), and the East of England (£2.26, lower bound £0.00). The distribution of WTP does not appear to follow as strongly the presence of Premier League clubs in a region. This may suggest that the presence of a football club in an urban area provides cultural heritage value to local people, regardless of what league it is based in. In terms of sample size, we note that in most of the regions sampled for football non-users, sample sizes are below the 200 recommended by the DCMS REA for extrapolation, which accounts for some of the low/negative lower bound figures. Caution should therefore be applied when interpreting the sub-group analysis performed at this level.

Table 9 NUTS1 Region of football club selected for valuation survey: Club supported in case of club fans; local club in case of neutral football fans and football non-users

	Club fan: WTP for existence of club they support			Neutral football fan: WTP for existence of their local club			Football non-user: WTP for existence of local club		
	Mean WTP	Lower bound 95% CI	Sample size	Mean WTP	Lower bound 95% CI	Sample size	Mean WTP	Lower bound 95% CI	Sample size
Premier League (PL)	£57.63	£51.71	1,982	£8.94	£4.22	206	£2.86	£0.52	332
Championship	£46.35	£37.18	470	£9.04	£1.18	210	£0.58	£0.16	214
League 1 (L1)	£57.06	£43.83	282	£5.43	£2.95	234	£4.58	-£1.97	247
League 2 (L2)	£55.18	£34.04	115	£5.02	£0.00	200	£1.04	£0.20	177
National League (NL)	£58.75	£3.87	79	£18.21	£2.58	210	£0.82	£0.09	191

Observations of $n < 30$ are excluded from reporting to reduce the risk of misinterpretation of potentially inaccurate average WTP due to small sample bias and outlier effects (highlighted blue).

Observations of $n \geq 30$ with high variance around the mean WTP resulting in negative lower bound 95% confidence interval values should be interpreted with caution. In these instances, the mean WTP is unchanged but negative lower CI values are replaced with £0 (highlighted in green).

5.6 Willingness to pay motivations: WTP1

As standard, the survey asked follow-up motivations questions after the WTP valuation, with respondents asked to select the main reason behind their WTP. The top three reasons reported by **club fans** as the motivation for their willingness to pay related to valuing the history and heritage of the football (23%), closely followed by wanting their club to be able to continue playing and competing in the league and other competitions (21%) and watching football and valuing the existence of the club (16%). **These motivations align with the underlying hypothesis of this study that people value the cultural heritage of their club in addition to their enjoyment of the sport, and gain welfare from the club's continued existence.**

This aligns with the insights from the focus groups, which helped to unpack some of the motivations behind respondents WTP (section 6.2 and 6.3). The focus groups highlighted how support for a club adds to the sense of community identity and attachment to a place, as well as a sense of pride in the club, particularly if the club was performing well. Participants of the focus groups also recognised the role that a club plays in supporting the local community, demonstrating knowledge of a club's community support activities. Participants also placed value on aspects of the club's heritage, including the stadium, club colours and the club badge.

Interestingly, the reasons chosen by **neutral fans** were more likely to be associated with valuing the benefits their local club brings to other people in their community. For example, thinking that football clubs are important for others in their community was selected by 27% of neutral fans, followed by valuing the community and charity work that the football club does by 20%. Valuing the history and heritage of the football club was the third popular reason motivating 12% of neutral fans. **This aligns with expectations, given that neutral fans were supporting their local club (which might not be the case with distant club fans) and therefore that the community benefits would be a larger part of the welfare they gain from the continued existence of the club.**

The majority of **non-users** wanted to support the existence of their local football club even though they don't watch them play (20%). However, the following two reasons selected by non-users also focus on the benefits of football clubs for the community, including valuing the community and charity work that their local football club does (16%), and thinking that football clubs are important for others in their community (16%). **Again, this aligns with expectations given that non-fans were valuing their local club, and that many of the benefits provided would be non-use in character.**

Table 10 Reasons willing to pay to support the continued existence of their supported club/local club (WTP1)

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
I watch football and value the existence of the club.	15.7%	1.9%	4.1%

I want to support the existence of the football club even though I don't watch football.	2.7%	9.5%	20.3%
I value the history and heritage of the football club.	23.1%	13.3%	12.2%
I value the community and charity work that the football club does.	9.8%	20.4%	16.2%
I think that football clubs are important for others in my community.	8.1%	27.0%	16.2%
My willingness to pay is not just for the club, but also an expression of support for football as a whole in this country.	9.6%	6.6%	4.1%
I value the health and wellbeing benefits professional football promotes.	3.2%	5.7%	4.1%
I agreed to pay mostly because it seemed the right thing to do.	4.5%	6.6%	5.4%
I don't believe that I would really have to pay.	0.0%	0.0%	0.0%
I want the club to be able to continue playing and competing in the league and other competitions.	21.1%	2.8%	9.5%
Other (please specify)	1.1%	2.8%	1.4%
Don't know / Rather not say	1.0%	3.3%	6.8%

Follow-up motivation questions were also asked of respondents who were not willing to pay to preserve the club in principle, or gave a £0 response when asked how much they would pay. The reason given most often by **club fans** for their unwillingness to pay is because they believe there's already enough money in professional football (26%), followed by having more important things to spend their money on (19%) and not being able to afford to pay the subscription (17%). A large proportion of **neutral fans and non-users** also reported having more important things to spend their money on (26% and 11% respectively) and believe there's already enough money in professional football (21% and 9% respectively). The reason given most often by non-users was because they are not interested in football (59%). This is to be expected for non-users given that they do not directly engage with their local club or with football in general.

Table 11 Reasons not willing to pay to support the continued existence of their supported club/local club (WTP1)

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
I cannot afford to pay the subscription.	16.8%	11.4%	4.8%
I would not be prepared to commit to an annual subscription given the Cost of Living Crisis.	11.2%	7.9%	2.9%
I am not interested in football.	2.5%	0.0%	58.6%
I would prefer to give my money to other sports that are in greater need of financial support.	0.3%	1.5%	0.7%
There's already enough money in professional football.	26.1%	20.9%	9.2%
I have more important things to spend my money on.	19.1%	25.7%	11.2%
The Government should be directly helping struggling clubs through government funding.	0.7%	0.8%	0.0%
I think it should be the responsibility of the Premier League to ensure the financial stability of the lower tiers.	12.3%	17.9%	5.5%
Club supporters should pay to keep their club alive.	2.2%	6.9%	2.3%
I would prefer to pay into a fund that is not specific to individual clubs, to ensure the longevity of football as a whole opposed to a specific club.	0.5%	0.6%	0.3%
I don't have faith that the way the game is currently managed would allow my club to survive, regardless of a Heritage Fund.	2.6%	1.4%	0.6%
Other (please specify)	3.2%	1.4%	2.1%
Don't know / Rather not say	2.4%	3.5%	1.7%

5.7 Willingness to Pay 2: Willingness to pay to support the Fan-Led Review Recommendations across the men's English leagues

The second valuation question elicited **willingness to pay an annual household payment for having the recommendations of the FLR across English football**, as distinct from the first WTP question which focused on a single club (that the respondent supported or lived close to). The FLR valuation scenario was posed as a **payment to a fund which was completely independent from the previous question (the Club Heritage Fund). This related only to the value of the FLR Recommendations** across the English football leagues and affecting the governance of all football clubs. We asked respondents to **ignore payments they said they were willing to make to a Club Heritage Fund in the first WTP question.**

Prior to answering questions on their willingness to pay to put in place the ten recommendations of the FLR across all football clubs in the English football league, respondents were provided with an overview of the three main factors that contributed to English football's fragility as identified by the FLR, along with the ten recommendations made by the FLR that would put football supporters at the heart of the game and ensure clubs receive greater protection as community assets (outlined in Section 4). Respondents were then asked how familiar, if at all, they were with this information beforehand. The results reported back in

Table 2 show that club fans were more likely to be familiar with this information (60%) than neutral or non-fans (35% and 20% respectively). Following this information, respondents were then introduced to a hypothetical scenario on how the changed recommended by the review would be funded.

The hypothetical scenario involved English football planning to introduce all ten recommendations of the FLR across all football leagues and its objectives that football would be governed in a more socially responsible way, and that the voice of fans would be heard, ensuring that football is shaped around the fans experience and interests. FLR recommendations also aim to improve the financial sustainability of men's professional football clubs and ensure fairer distributions of wealth into the lower leagues.

Respondents were informed that these changes to the governance of football clubs and the organisation of the football leagues would be complex and would require funding to ensure they are delivered in the correct way. For hypothetical purposes, this would need to be funded through a new and independent Fan Led Review voluntary fund, based on voluntary subscriptions made by members of the public. This would be an independent not-for-profit fund focused only on applying the recommendations of the FLR across all clubs in English football.

As standard in CV design and analysis, respondents were first asked whether they and their household would be willing in principle to pay an annual subscription to an independent Fan Led Review Fund, even if only a very small amount, to put in place the ten recommendations of the Fan-led review across all football clubs in the English football league. The voluntary subscriptions would be raised by an independent organisation spent exclusively on the FLR reforms to the Premier League, English Football League, (EFL), and the National League.

- **A higher proportion of club fans were willing to pay in principle (yes or maybe) to support the FLR recommendations (58%).** This is to be expected, given that club fans engage more commonly with their football (recall Table 4).
- **A lower proportion of neutral football fans were willing to pay in principle for the FLR recommendations (27%).** This is slightly higher than the percentage willing to pay in principle to support their local club (22%, recall Table 6), which may suggest that the FLR recommendations have more importance to a neutral fan than the survival of their local club which they do not support.
- **Football non-users have the lowest willingness to pay in principle for the FLR recommendations (12%)** which is to be expected, given that they do not directly engage with their local club or with football in general, but again, is a slightly higher percentage than those willing to pay in principle for the survival of their local club (8%, recall Table 6).

Table 12 Willingness to Pay in principle for Fan-Led Review Recommendations through a Fan Led Review Fund

	Club fan: WTP in principle for implementing FLR recommendations	Neutral football fan: WTP in principle for implementing FLR recommendations	Football non-user: WTP in principle for implementing FLR recommendations
Yes	19.5%	4.9%	1.7%
Maybe	38.8%	22.0%	10.6%
No	41.8%	73.1%	87.7%
Sample Size	3031	1067	1231

Group sample sizes in this table may differ from the full sample in Table 1 due to missing observations in subsequent survey questions.

Respondents were able to provide no response to survey questions to avoid forcing inaccurate responses.

The WTP results show that the FRL recommendations are more highly valued by those who support a specific club, and are likely to be more engaged with football, but that neutral fans and non-users also hold positive, if lower values for having the recommendations for the FLR in English football regardless of their personal affiliation to a club.

- **£38.86 (lower bound £34.95) per household per year: Club fans of a specific club mean willingness to pay** an annual subscription to put in place the ten recommendations of the Fan-led review across all football clubs in the men's English football league. This is **lower than the mean WTP of club fans to support the continued existence of their local club, which may reflect the fact that club fans have a stronger affiliation to protecting their supported club, over the more indirect benefits of changes to the governance of professional football through the FLR recommendations.** Nonetheless, this is a strong indicator of the positive value that club supporters would put in seeing the recommendations of the FLR enacted in the English men's leagues. The findings from the focus group built upon

this, suggesting that whilst respondents would be willing to pay less, there was an expectation that some form of intervention was needed to ensure that clubs, and the game, were ran in a responsible way.

- £5.66 (lower bound £3.71) per household per year: Neutral football fans of no specific club mean willingness to pay** an annual subscription to put in place the ten recommendations of the Fan-led review across all football clubs in the men's English football league. **Average WTP for neutral football fans is around half the value stated by club fans, but is still a strong positive indicator of the public preferences for seeing the FLR recommendations enacted, even among neutrals.** It is also worth noting that average WTP of neutral football fans for the FLR recommendations is not significantly lower than their average WTP to support the continued existence of their local club (£9.28, recall Table 7), which may indicate that for the neutral fan, reform of the governance of the men's football leagues is almost as important as the cultural heritage value of their local club.
- £1.05 (lower bound £0.72) per household per year: Football non-user mean willingness to pay** an annual subscription to put in place the ten recommendations of the Fan-led review across all football clubs in the men's English football league. **Non-user WTP for the FLR recommendations is significantly lower than that of club and neutral fans, as would be expected, but again, is not significantly lower than non-user WTP for the preservation of their local club, which again may indicate that for those non-users not engaged with football, reform of the governance of the men's football leagues is almost as important as the cultural heritage value of their local club.**

Table 13 Willingness to Pay for Fan-Led Review Recommendations through a Fan Led Review Fund (annual household payment)

	Club fan: WTP in principle for implementing FLR recommendations	Neutral football fan: WTP in principle for implementing FLR recommendations	Football non-user: WTP in principle for implementing FLR recommendations
Mean	£38.86	£5.66	£1.05
Lower Bound 95% confidence interval	£34.95	£3.71	£0.72
Standard error	£1.99	£0.99	£0.17
Median	£4.25	£0.00	£0.00
Sample Size	2,927	1,040	1,213

WTP estimated as the sample average and lower bound 95% confidence interval, including those not willing to pay in principle from coded as £0.

Arts Council England guidance states that lower bound 95% confidence interval of WTP should be used for business case purposes, to offset the risk for over-estimation of values due to hypothetical bias in SP surveys.

5.8 Willingness to Pay allocation results: FLR Recommendations

Respondents were asked if they would allocate their WTP differently between the ten FLR recommendations. The majority (82%) were indifferent to how their WTP was distributed. Consequently, WTP to support **different recommendations of the FLR** do not differ significantly within each sample. However, even a small variation in values can provide an insight on which recommendations are more important to the public.

Average WTP values amongst club fans across all recommendations range between £3.77 - £4.10 per household per year (lower bound £3.38-£3.65). The highest WTP allocation from club fans was for the recommendation on additional protections for key items of club heritage in recognition of the fact that football clubs are a vital part of their local communities (£4.10, lower bound £3.65). This recommendation was also valued most highly by neutral fans (£0.64, lower bound £0.40). This provides supporting evidence that the WTP values elicited by the first willingness to pay survey around preserving football clubs are in part driven by a motivation to preserve the cultural heritage value of those clubs.

The second highest WTP value allocated by club fans was to the recommendation ensuring that the Premier League guarantees its support to the pyramid and makes additional, proportionate contributions to further support football (£3.92, lower bound £3.51); in recognition of the fact that distributions are vital to the long-term health of football. This may suggest that club fan's stated WTP is in part driven by a more altruistic desire to improve the financial sustainability and equitable distribution of funds to the lower leagues.

The recommendation to ensure financial sustainability of the professional game by enabling an Independent Regulator for English Football to oversee financial regulation elicited the third highest WTP value from club fans (£3.85, lower bound £3.45).

For neutral football fans the highest valued recommendation was that football clubs are a vital part of their local communities, in recognition of this, there should be additional protections for key items of club heritage (£0.64, lower bound £0.40). Non-user WTP values per recommendation were low, with very small differences between the values, which suggests that non-football fans did not hold strong preferences for any recommendations over the others.

Table 14 Willingness to Pay allocation to each of the 10 Fan-Led Review Recommendations through a Fan Led Review Fund (annual household payment)

	Club fan: WTP for existence of club they support		Neutral football fan: WTP for existence of their local club		Football non-user: WTP for existence of local club	
	Mean	Lower Bound 95% confidence interval	Mean	Lower Bound 95% confidence interval	Mean	Lower Bound 95% confidence interval
To ensure the long-term sustainability of football, the Government should create a new Independent Regulator for English Football.	£3.85	£3.45	£0.53	£0.33	£0.12	£0.07

To ensure financial sustainability of the professional game, the Independent Regulator for English Football should oversee financial regulation in football.	£3.85	£3.46	£0.52	£0.33	£0.09	£0.06
New owners' and directors' tests for clubs should be established by the independent regulator for English football, replacing the three existing tests and ensuring that only good custodians and qualified directors can run the clubs.	£3.79	£3.39	£0.53	£0.34	£0.11	£0.07
Football needs a new approach to corporate governance to support a long-term sustainable future of the game.	£3.77	£3.38	£0.54	£0.35	£0.09	£0.06
Football needs to improve equality, diversity and inclusion in clubs with committed equality, diversity and inclusion Action Plans regularly assessed by the Independent Regulator for English Football.	£3.79	£3.39	£0.55	£0.36	£0.10	£0.06
Supporters should be properly consulted by their clubs in taking key decisions by means of a Shadow Board.	£3.85	£3.43	£0.59	£0.38	£0.11	£0.07
Football clubs are a vital part of their local communities, in recognition of this, there should be additional protections for key items of club heritage.	£4.10	£3.65	£0.64	£0.40	£0.11	£0.07
Fair distributions are vital to the long-term health of football. The Premier League should guarantee its support to the pyramid and make additional, proportionate contributions to further support football.	£3.92	£3.51	£0.57	£0.37	£0.09	£0.06
Women's football should be treated with parity and given its own dedicated review.	£3.81	£3.42	£0.62	£0.40	£0.13	£0.08
The welfare of players exiting the game needs to be better protected; particularly at a young age.	£3.81	£3.42	£0.53	£0.33	£0.09	£0.06
N	3031		1067		1231	

WTP for each of the 10 FLR recommendations is based on an allocation of the stated WTP in WTP 2. Average/lower bound CI WTP is elicited as an allocation among those who indicated they would like to allocate differently to different recommendations. For those who had no preference around allocating to different FLR recommendations, their WTP2 value (WTP for the FLR as a whole) was divided by 10 and allocated equally to each of the FLR recommendations, as per their request in the survey.

5.9 Willingness to pay motivations: WTP2

The most frequently selected reasons behind **willingness to pay to support the recommendations of the FLR** were generally similar across all three subgroups in the sample. The majority of club fans said they believe the changes proposed in the FLR will help preserve the history and heritage of all football clubs (29%), whilst this reason was also popular amongst neutral fans (21%) and non-users (11%). As reported in Section 6.4, most fans attending the focus groups, regardless of league or fan status, agreed with the recommendations and wanted to see them implemented. Club fans from the focus groups had particularly strong views around club ownership, stressing the importance of good ownership and preventing clubs being ran like businesses. This sentiment was shared by neutral fans who believed that clubs should be tied to expectations around holistic community delivery, and not financial performance.

The reason chosen most often by neutral fans was because they value the community and charity work that football clubs do and believe that the changes in the FLR will enhance the role of football clubs in the community (30%), which was also a strong motivator for club fans (25%) and non-users (26%). Even though non-users don't watch football, 31% of them would still like to see the proposed changes. 18% of neutral football fans also gave this as their reason for willing to pay to support the recommendations of the FLR. This was not as much of a motivator for club fans, with a greater proportion believing the changes proposed in the FLR would make their club more likely to survive in the long run (18%).

Table 15 Reasons willing to pay to support the recommendations of the FLR (WTP2)

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
I believe the changes proposed in the Fan-Led Review would make my club more likely to survive in the long run.	18.2%	7.7%	8.5%
Even though I don't watch football, I would like to see the proposed changes in the Fan-Led Review.	3.4%	18.3%	30.5%
I believe the changes proposed in the Fan-Led Review will help preserve the history and heritage of all football clubs.	28.7%	20.7%	11.0%
I value the community and charity work that football clubs do and I believe that the changes in the Fan-Led Review will enhance the role of football clubs in the community.	25.2%	29.8%	25.6%

My willingness to pay is not for the Fan-Led Review changes across all tiers of English Football, but only for my own club.	9.1%	5.3%	4.9%
I agreed to pay mostly because it seemed like the right thing to do.	12.2%	10.6%	9.8%
I don't believe that I would really have to pay.	0.0%	0.0%	0.0%
Other (please specify)	0.7%	1.4%	2.4%
Don't know / Rather not say	2.5%	6.3%	7.3%

There are a number of different reasons behind why people are **not willing to pay** to support to support the recommendations of the FLR (Table 16), however, all three groups across the sample felt strongly about two reasons in particular. The first being that they have more important things to spend their money on. 18% of club fans gave this as the reason behind their unwillingness to pay, whilst 26% of neutral fans and 33% of non-users, the majority of both groups, also chose this reason. The other reason selected by a large proportion of the sample is because respondents believe there is enough money in football already, which reflects the responses expressed in the focus groups (section 6.4). 24% of club fans chose this reason (the most selected for this group), in addition to 20% of both neutral football fans and non-users.

Table 16 Reasons not willing to pay to support the recommendations of the FLR (WTP2)

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
I cannot afford to pay for the subscription.	15.2%	10.9%	8.2%
I would not be prepared to commit to an annual subscription given the Cost of Living Crisis.	10.7%	7.2%	4.2%
Even with the proposed changes in the Fan-Led Review, I am not interested in football.	1.3%	6.8%	15.4%
Even though the Fan-Led Review brings about positive changes across football, I would prefer to give my money to other sports that are in greater need of financial support.	1.1%	1.2%	0.4%
There is enough money in football already.	23.5%	20.1%	20.1%

I have more important things to spend my money on.	18.3%	26.3%	33.2%
The Premier League should take financial responsibility for putting the Fan-Led Review recommendations into practice.	12.5%	17.6%	7.7%
The Government should be directly helping struggling clubs, through Government funding.	1.5%	0.8%	0.3%
Club supporters should pay to keep their club alive	0.0%	0.0%	0.0%
I would prefer to pay into a fund that is specific to individual clubs, to ensure the longevity of a specific club.	4.6%	0.7%	0.6%
I don't have faith that the changes proposed in the Fan-Led Review are enough to ensure the survival of all football clubs.	4.0%	1.4%	0.8%
If the proposals in the Fan-Led Review work, then there will be no need for me to pay.	1.5%	1.0%	0.2%
I think the changes proposed in the Fan-Led Review would negatively affect my club.	0.3%	0.1%	0.0%
Other (please specify)	2.5%	1.7%	4.2%
Don't know / Rather not say	3.0%	4.1%	4.7%

5.10 Sensitivity testing of statistical drivers of willingness to pay

Ordinary least square (OLS) regression was used to identify the statistical drivers of WTP. A p-value of less than 0.1 is labelled with one asterisk, and shows that there is a 90% probability that factor is statistically associated with WTP, holding the other factors in the table constant. Three asterisks indicate a 99% probability. Positive coefficients indicate that the factor is positively associated with WTP (i.e., those with degree or higher education on average report higher WTP, controlling for other factors like their income, gender, age etc). Negative coefficients indicate that this factor is associated with lower WTP.

Statistical drivers of WTP1: Preserving club

For club fans, those with higher log household income (significant at the 99% confidence level) and degree or above education (significant at the 99% confidence level) report higher WTP to preserve their club, holding other demographic factors constant. This aligns with theoretical expectations that those with higher incomes (and larger household budgets) would be willing (and able) to part with more of their money to support things like the cultural heritage of their football club. Education is also a theoretical driver of interest in pro-social and cultural outcomes. This provides a good validity test to the club fan WTP results.

Club fan's WTP to preserve their club was significantly higher among younger people and males. Indicators of interest in and greater engagement with football were also significant and positive drivers of WTP, including being a member of any football supporters or charity organisation, regularly or very regularly visit stadium, regularly or very regularly watch football on TV, and agreeing or strongly agreeing that preserving football clubs for current and future generations is important. Those who reported higher familiarity with the information presented in the survey about the services provided by football clubs also reported statistically higher WTP values. The Adjusted R2 statistic provides a measure of model fit (i.e., how well the variables in the model explain the variation in WTP). In the club fan model 22% of the variation in WTP is explained by the variables, which is high for a CV study of this kind, and compares well to previous DCMS studies.⁴⁵

The regression model for neutral football fans is not as strong statistically, with low model fit (adjusted R2 of 3%) and very few statistically significant drivers of WTP, except for distance from the respondent's postcode to the club stadium, which is a significant and positive driver of WTP. This is not what would be expected if we assumed that cultural heritage benefits were stronger the closer you live to the stadium, but could be caused by interactions with deprivation indicators if the areas directly around football stadia are more deprived on average. Log household income is not significant. This may suggest that the neutral football fan group is not a very homogenous set of individuals, and that they have varying and different reasons for valuing football which are not captured in the observable demographic and engagement variables. The question of what makes a neutral fan and how and why they value professional football will therefore be explored in more detail in the qualitative case studies, but should also be the focus of future research by DCMS and the Football Association.

The non-user group has better model fit (Adjusted R2 14%), but there are still issues around the lack of statistical significance for log household income and distance to the club, and unusual results in those with lower education levels reporting higher WTP on average. Along with the motivations data in Section 5.6, this may suggest that the reasons behind people being willing to pay or not are quite varied and heterogeneous within the non-user group, suggesting that the drivers behind neutral and non-fans' WTP to preserve their local club are not easily predicted from observable demographic data, and may need to be teased out through in-depth qualitative research.

Table 17 Linear regression willingness to pay for continued existence of club (WTP1) regressed on demographics and indicators of football engagement

	Club fan: WTP for existence of club they support	Neutral football fan: WTP for existence of their local club	Football non-user: WTP for existence of local club
--	--	---	--

⁴⁵ Lawton et al.

	Coefficient	P-value	Coefficient	P-value	Coefficient	P-value
Distance of residence from club (log)	-0.728	0.657	2.865*	0.063	0.253	0.249
Average age	-0.370*	0.063	-0.032	0.781	0.033	0.176
Female	-11.116**	0.024	-3.75	0.425	1.233	0.128
Dependent children	6.559	0.276	-5.511	0.144	-0.463	0.697
Degree or above	11.328***	0.005	-0.015	0.996	-2.387**	0.013
Employed (full/part time)	0.697	0.876	-1.313	0.699	-0.247	0.799
Household income (log)	12.188***	0	3.854	0.253	-0.157	0.79
Sport TOP5 areas where public funding should be spent	10.122	0.35	-4.021	0.302	2.856	0.457
Member of any football supporters or charity organisation	110.758***	0	-3.462	0.228	48.446	0.153
Somewhat agree/Strongly agree Preserving football clubs for current and future generations is important to me	18.320***	0	20.464***	0.008	1.004	0.69
Regularly or very regularly visit stadium	60.802***	0				
Regularly or very regularly watch football on TV	16.189***	0				
Familiarity with information about football clubs	16.332***	0	-9.087	0.135	-0.013	0.985
Familiarity with information about Fan-Led Review						
Constant	-108.552***	0.005	-28.349	0.412	0.84	0.897
Observations	2513		825		905	
R-squared	0.223		0.029		0.141	

Note: * p-value < 0.1, ** p-value < 0.05, *** p-value < 0.01. Heteroskedasticity robust standard errors. Ordinary Least Squares (OLS) Regression. Regression samples are smaller than total group samples due to missing observations in control variables where respondents were not forced to answer.

Statistical drivers of WTP2: FLR

A separate OLS model was run for WTP2, to identify drivers of WTP for the FLR recommendations. Among club fans, WTP for the FLR recommendations was significantly higher for those on higher household incomes and with degree or above education, as well as those with families. Again, younger people were more likely to state higher WTP than older people, but the difference between men and women was not significant. Indicators of engagement with and interest in football were again significant positive drivers of WTP. Prior familiarity with the information presented about the FLR was also a strongly significant driver of higher stated WTP. These results all align with theoretical expectations, and accompany a relatively high Adjusted R2 value for the goodness of fit of the model (22%) which gives good statistical confidence in the robustness of the WTP results. As in the WTP1 regressions, neutral and non-user groups showed lower statistical consistency and model fit, suggesting that the drivers behind neutral and non-fans' WTP for the FLR recommendations are not easily predicted from observable demographic data, and may need to be teased out through in-depth qualitative research.

Table 18 Linear regression willingness to pay for FLR (WTP2) regressed on demographics and indicators of football engagement

	Club fan: WTP for existence of club they support		Neutral football fan: WTP for existence of their local club		Football non-user: WTP for existence of local club	
	Coefficient	P-value	Coefficient	P-value	Coefficient	P-value
Distance of residence from club (log)	0.52	0.717	0.104	0.881	0.087	0.504
Average age	-0.513***	0.003	0.041	0.663	0.012	0.495
Female	-4.21	0.344	-3.028	0.3	0.791**	0.019
Dependent children	16.235***	0.001	0.414	0.856	1.582**	0.032
Degree or above	10.424***	0.001	-0.058	0.981	-1.057***	0.007
Employed (full/part time)	-1.682	0.625	-0.009	0.996	0.488	0.407
Household income (log)	8.671***	0.008	1.591	0.294	-0.012	0.955
Sport TOP5 areas where public funding should be spent	27.240***	0.008	-2.022	0.447	-0.688	0.234
Member of any football supporters or charity organisation	89.418***	0	-5.516*	0.072	3.36	0.183
Somewhat agree/Strongly agree Preserving football clubs for current and future generations is important to me	7.061	0.102	14.261**	0.015	1.148	0.161
Regularly or very regularly visit stadium	39.830***	0				
Regularly or very regularly watch football on TV	3.727	0.387				
Familiarity with information about football clubs						
Familiarity with information about Fan-Led Review	15.159***	0	-0.039	0.989	1.422**	0.033
Constant	-66.987*	0.075	-13.474	0.395	-0.519	0.861
Observations	2485		817		930	
R-squared	0.218		0.029		0.038	

Note: * p-value < 0.1, ** p-value < 0.05, *** p-value < 0.01. Heteroskedasticity robust standard errors. Ordinary Least Squares (OLS) Regression. Regression samples are smaller than total group samples due to missing observations in control variables where respondents were not forced to answer.

6 Qualitative case studies

6.1 Engagement with football

Most focus group participants who supported a particular team have done so for a long period of time. They engaged with their club in a range of ways, with **more committed fans attending matches regularly** – though the cost of travelling and attending matches could put some people off. Some younger fans talked about how they engaged with football through **social media**. Many participants watched matches on **TV**, particularly those who did not live locally to the teams they support, or neutral supporters who enjoyed watching particular teams or players.

The most commonly cited reason for supporting a particular club was **family connections**. Many participants reminisced about how they were taken to watch football matches by family members at a young age, and have carried this on with their own children to continue a family tradition. For some participants, family connections were more influential than local ties, particularly amongst Premier League fans who might not live near the club they support but who have a family member that support the club. Family connections were also a reason that neutral supporters engaged with football.

“I didn't really have an affinity to one particular team, but it was always something that was quite important in my family and I think because my granddad is quite into betting as well. We would often sort of sit and have a bet” (Neutral supporter)

For fans of local clubs, **supporting their team formed a strong part of their community's identity**. One Huddersfield Town fan described how his father used to watch the football with his colleagues from the textile mill (for which the town was known) which is the reason why he started attending. For many, **supporting their local team was something that was ingrained in them to do, rather than it feels like a choice**. This sense of community identity was particularly evident amongst football fans in the North East.

“Just growing up in this town, this is the team you support.” (Championship fan)

“Bringing local people together and enjoying themselves at the same time. It also gives a focus for the town or city” (Neutral supporter)

Many supporters see their club as inextricably linked to the community. Supporting their team was described by some as a local tradition. **For some fans of clubs in lower divisions, supporting their clubs could be synonymous with supporting their community. In contrast, some of the younger Premier League fans were more driven to support a club based on their clubs' success on the pitch.**

“It's important the club is part of the community, it's not a separate entity which to me is why it's important. That's why I love supporting my club.” (League One fan)

“I just feel like even when I go and the football's not great and I'm not actually enjoying watching it, it just feels like I'm giving to charity” (League Two fan)

6.2 Club heritage value and social benefits

Focus group participants articulated the heritage of their clubs in a number of ways. More tangibly, some described their **pride and attachment to the stadium** itself, which physically roots a club within its community and can be iconic within a city. Stadiums also have a historical role, as they have remained a constant through other changes within a place. For

example, one AFC Wimbledon fan described the significance of the club returning to their original site on Plough Lane, whilst a Newcastle United fan talked about how **integral the stadium is to the city**.

“The ground itself is fairly synonymous throughout the country, everyone knows it”
(Premier League fan).

Club heritage was also rooted within a club’s **colours and badge**. Participants thought that clubs’ names, kits and badges were all part of an identity and helped to **connect places, fans and clubs together** through a **shared history**. One participant described that fans having ‘easily identifiable shirts’ that people know and recognise can help to build a sense of identity and community. Some fans were particularly passionate about the heritage of their club’s badge, with one Birmingham City fan recounting how their badge was designed by a fan and the club continue to celebrate that, for example by asking everyone to wear the badge on its 50th anniversary. Some **younger Premier League fans thought that club heritage was changing** and did not necessarily have to be linked to the people who are local to the stadium, but is made up of the people who associated with the kits, the badge, and the traditions, including the **website and social media engagement**.

Interestingly, some participants seemed to value heritage more when they felt it was **under threat**. There was a communal feeling of frustration when these representations of a club’s **heritage were threatened by commercialisation**. **Changes to stadium names or club names were felt to be significant**. A Hull City fan described how their name Hull City is part of the heritage, and how fans had to reverse the decision to change their name to ‘Hull Tigers’ by organising protests. Similarly, a Newcastle fan expressed frustration at the extent to which Newcastle’s partnership with Sports Direct had impacted fans’ engagement with their stadium as a representation of their team.

“When you take away what the club is to the fans it makes a massive difference. Look at St James’ Park. It’s now referred to as Sports Direct arena because there are Sports Direct signs everywhere. It was no longer a representation of Newcastle it was just a representation of a business.” (League Two fan)

Instead, fans believed that they should be **consulted** before any changes to club colours, name or badge were made. Those fans of clubs who have not changed their colours, name or badge since their inception were proud of the fact, and talked about their clubs ‘staying true’ to their identity.

Participants described an **affinity for the history of their clubs** where rivalries, famous ‘derby days’ and the histories of famous players and matches are all seen as crucial to a club’s heritage value. Some recalled past successes however big or small, from winning national trophies to a good cup run. Even if these events took place a long time ago, they still formed the basis of a club’s heritage and history and remained a source of pride which was felt to bind a community together. For example, one Huddersfield Town fan recalled how the fact they were the first team to win three championships in a row still forms an important part of their club heritage and a strong part of their community identity.

“There’s all that history and heritage there. We’ve got three stars on the Crest, which represents the three titles we won. We sing about winning the title three times in a row and the FA Cup, so all of that is constantly played out in the way that people talk about the club.” (Championship fan)

This heritage and sense of community identity are drivers for people to support their local team, in some cases over other more successful nearby clubs. Even neutral supporters recognised the pride associated with supporting a local team which is deep-rooted within their community.

“I’m from a place called Burton on Trent. I think the local team’s Burton Albion and I think they’re known as the Brewers because we’re big brewing town and I just love that history that comes with it and the way that they still stick with that association with the area.” (Neutral supporter)

“I feel like AFC Wimbledon embody most of the good stuff in football. Fans are local and friendly, sponsors are nice... local beers in stadium bars and the club’s mere existence stands as the physical opposition to franchising model.” (League Two fan)

Many discussed how football matches provide a **focal point for socialising**. Fans who regularly attended matches talked about how they formed their own social circle with the spectators who sit near them, with the game also providing a point of discussion with family and friends afterwards. Neutral supporters also associated football with shared social experiences, for example with family, or friends in the pub.

6.3 Community impact

Fans in all five focus groups showed an **awareness** of professional football clubs’ impact on the community, whether through charitable outreach initiatives, heritage value or the economic benefits that football clubs could bring.

Community outreach

Awareness that football clubs played an active role in the community was a major theme discussed amongst fans at all levels. This included awareness of **charitable foundations** set up through the club that funded activities, **diversity arms**, **outreach programmes** and **health initiatives**. Specific examples included walking football for over 55s, mental health football, disability football, school programmes to get more girls involved in the sport and support for local foodbanks during the pandemic. For some, this made the football club feel very **visible** in their local area.

“I still can’t go to a shop within 2-3 miles of house without there always being someone out there with a collection basket with a badge for AFC Wimbledon saying we are collecting for these food banks. This is how much we’ve collected so far. This is how much for difference from making and even if you don’t care about football like you’ve got to look at the club and then just go ‘that’s great.’” (League Two fan)

Some showed awareness of specific charitable trusts, such as Chelsea Supporters’ Trust, a non-profit set up to represent fans’ interests outside of the club’s own financial interests, or Plymouth Argyle Trust. Others could draw on specific examples where the players had been active in making a difference in the community. For example, a Carlisle FC supporter remembered seeing the football team out in the community helping people rip up carpets and move furniture following floods that destroyed people’s homes. **Taking pride** in examples of active community participation and support from their club was discussed amongst fans at all levels.

“It’s important the club is part of the community, it’s not a separate entity which to me is why it’s important. That’s why I love supporting my club.” (League One fan)

Some recognised these examples of non-profit organisations or active participation in the community as a positive way to **drum up support** for their club amongst more casual football supporters or non-football fans. It made the club more visible and connected to the cultural heritage of the community outside of the sport.

Neutral supporters also showed awareness of examples of community participation from football clubs, such as hospital visits to sick children or school programmes to encourage football participation. The impression that it was mainly clubs lower down the pyramid that were most involved in this community outreach work was a theme amongst neutral supporters.

Economic impact

Awareness of the economic benefits a successful club could bring to a town or city was also a strong theme amongst supporters at all levels. Neutral supporters mentioned the number of casual jobs football club could provide to the local community through matchday hospitality roles. Supporters in other groups were aware of the positive financial impact the increased footfall in the town centre could have on the economy. One fan mentioned a noticeable economic boost in their town when their team got promoted to Premier League. They connected this to a **boost in cultural heritage or town pride**.

“There was a tangible sense of people feeling a renewed sense of pride. Football clubs can be incredibly important to that because the success of the club can mirror how people feel about where they live and about their town and community.”

(Championship League fan)

There were some who felt that the community impact of football clubs could be overstated, suggesting that club cultural value was being eroded. A key theme amongst those who expressed this view was a feeling that football as a **sport has become too focused on financial success** and that examples of community support were more about marketing than tangible involvement.

“I think football is business. I think it's a money-making machine and I think they are totally divorced from their community, particularly the Premiership and Championship [...] they're not in the community at all and particularly the Premiership teams, unless there is an event the marketing people can take advantage of.” (Neutral supporter)

Examples of the sale of the ownership of their club to a foreign organisation and removal of tangible aspects of heritage, such as changes to kit, stadium colours or even the stadium bar fuelled this opinion.

Club community impact in future business decisions

The need for football clubs' heritage and community roles to be considered in clubs' future business decisions was a strong theme across all focus groups. Unsurprisingly, those who felt that football clubs had a significant role in the community were **most in favour** of this role being considered within business decisions, as were those who felt that the community value of football clubs was being eroded by business decisions focused on generating profit.

When justifying why they thought this was so important, some drew on examples of clubs setting up foundations specifically to get local children involved in football as a way to carry the heritage and local support for the club through the generations. This was suggested as a

way of involving future generations in **the club's influence**, as well as creating a local, **grassroots pathway** for talent to feed the team. A Liverpool fan gave the example of their Football Foundation. Although they didn't name specifics, this idea was also mentioned by neutral supporters as a way to develop the next generation of players locally.

Others mentioned initiatives that encourage fans to bring their children to games, either by admitting them for free, as is the case with Shrewsbury admitting all under 12s for free to home games, or through initiatives to give away a certain number of tickets, as with Tranmere, who set up a foundation that gives away 300 children's tickets a year to disadvantaged children and young people. Examples like these **connected cultural heritage with business decisions** and strengthened the club in the minds of fans.

The importance of being consulted on business decisions that would impact their experience of the game was also prominent amongst fans. For example, one Portsmouth fan really valued the fact that their club had a Heritage and Advisory Board that offered supporters the opportunity to give feedback on proposed changes to tangible heritage, such as kit or the stadium. A Shrewsbury supporter similarly felt that because fans had had a say in their new stadium, it was something they could be proud of.

"Fans knew what they wanted, so they put their ideas and the club actually responded to that and that's why I think we've got one of the best grounds in the country." (League One fan)

Conversely, fans expressed **significant dissatisfaction** when they were not consulted on business decisions, even if they could recognise that it was a good decision for the club financially or if it didn't impact the game of football itself.

"They also changed the bar which lots of fans felt really connected to something under a different name. It doesn't impact the actual football but it's really far away from what the fans know and love." (League Two fan)

Consulting fans on business decisions could go a long way to easing potential push-back around business decisions.

6.4 Risk of insolvency and impact on community

Understanding the impact of insolvency on the community

The feeling that insolvency would be **devastating both economically and in heritage terms** was widely discussed by fans at all levels.

Some felt that club insolvency would significantly impact club heritage, and in some cases even erase it. Those that most strongly felt this often **struggled to articulate** what the full impact of insolvency would be, giving the impression that they were not able to think beyond how upsetting it would be for them as supporters.

"It's inconceivable for any true football fan. It's inconceivable. And the hole that would be left in the community if their club went out of existence. So you see this when any club is in trouble and football fans from other clubs give money." (League One fan)

"If the club actually disappeared, you just lose that 120 years of history. It would be a nightmare." (Championship League fan)

Others felt that, whilst it would be upsetting for fans, fan support would allow their club to recover, and that a period of insolvency would eventually become part of their heritage.

“It would be pretty crippling, but of all the clubs that could survive insolvency, Wimbledon would be up there. It’s always been a community and a fan-owned club.”
(League Two fan)

Insolvency was not unanimously considered to spell the end of a club’s existence. Fans could think of plenty of clubs that had **survived insolvency** and come back stronger. One fan mentioning Lewes FC as an example of this, a club that was bought out by fans.

Others considered the potential **economic impacts** of club insolvency. Where club grounds were in a city centre, as with St James’ Park in Newcastle, the loss of the club would mean the loss of football and spending within the city. This was also mentioned in connection to smaller clubs, such as Tranmere.

“If the club goes it will be the death knell of the town – the local shopping area has gone from boom to bust, and is beginning to be built up again, but without the football club the town will have no identity and it will die.” (League Two fan)

Connected to these economic losses, some recognised a social loss if a football club disappeared from a town, with neutral supporters commenting that football brings local people together and gives even those with limited options for social contact a reason to come together.

“[Insolvency could mean] loss of jobs locally, reduced opportunities for youngsters, the community around matches is a lifeline for a lot of people who have limited social contact so it would also impact on them negatively.” (Neutral supporter)

Financial contributions from fans

Opinions on paying more to support their club and prevent insolvency were mixed across focus groups. Some felt club allegiances could not be switched; the team you support is something you start at an early age and therefore cannot be changed, and therefore fans **must and would pay** to keep their club afloat. Some drew on examples of where fans had come together in a consortium to buy clubs out from administration and keep them running that way, as with Portsmouth FC.

Others said they would be willing to pay a little bit extra in the short term, but would **not want it to be a long-term solution**. There was a feeling that although fans would likely pay to keep their club from going bankrupt, they should not be the ones to fix mistakes caused by the mismanagement of club owners, particularly if the same governance that led to insolvency was being kept in place.

“I don’t think it’s down to the fans to keep clubs going. There needs to be a more equitable distribution of money...I’m sure we would all support our club [financially], but it shouldn’t be down to the individual fans to do that.” (League One fan)

Some felt that most fans would change their allegiances if their club went insolvent or got too expensive to support. One Gateshead fan mentioned a recent 30% increase in season ticket prices that they feared would push away more casual fans who don’t have strong allegiances to their team.

“For most people it’s a day out, it’s a nice thing to do on a weekend. Maybe they can’t be bothered to walk to Newcastle, but if you raise the prices that much they will just

turn around and say 'you know what I will walk the extra 15 minutes.' (National League fan)

The potential to push away casual supporters through raising prices was similarly considered by neutral supporters. Some felt that, whilst die-hard club fans might want to pay more to support their club, **they might not be able to meet those additional financial demands**, meaning that rising prices could push away even the most committed. Fears over the impact of the cost-of-living crisis exacerbated these concerns.

Value for Money

Willingness to pay for tickets was stronger than willingness to pay for merchandise, such as team shirts, which some considered over-priced. When discussing value for money, concerns over supporters being pushed away due to the rising cost of attending matches was a major theme. This was a particular concern amongst Premier League fans, where buying a ticket was even more competitive and price was often driven up by international tourists wanting to attend matches as well.

Lower down the pyramid, supporters within our sample were more often satisfied with ticket prices, but had concerns over what they saw as an uneven distribution of television coverage for Premier League teams over clubs lower down the pyramid. The **redistribution of wealth across the pyramid** was widely discussed. Supporters lower down the leagues appreciated clubs' efforts to maintain concession prices or run initiatives to aid those bringing the whole family to games.

Some neutral supporters in our sample felt that football was an expensive pastime, but struggled to quote actual figures. This was a key theme amongst neutral supporters, but also extended to fans of Premier League teams. This could reflect an overall impression of football as expensive amongst the general population. For example, for neutral supporters cost could be a barrier to watching football on TV, with one fan explaining how the cost of subscription-based TV packages means they have to make do with watching matches when they are on free-to-air TV.

"It's difficult because now most matches are on Sky Sports and I can't afford... the subscription." (Neutral supporter)

6.5 Fan-led review recommendations

Supporters across all five groups were asked to what extent they agreed with each of the ten recommendations that came from the [2021 Fan-led Review of Football Governance](#). Generally, regardless of league or fan status, most fans agreed with the recommendations and wanted to see them implemented.

Some of these recommendations emphasised the need for improvement in the **governance of football** through an Independent Regulator. They suggested that a regulator could be put in place to ensure financial regulation, good ownership, and a sustainable approach to club's corporate governance across the leagues. **The general view was that "all of those things are an absolute minimum"** (Premier League fan) and that they should have already been implemented by the governance bodies across English football.

Some supporters agreed that, whilst an **'Independent Regulator'** sounded like a good concept, fans were very sceptical that any such body would have the authority to tangibly implement the recommendations in practice. They wanted improvements to football's

governance but were not optimistic about the recommendation's likelihood of meaningful delivery.

"Whilst I think they're all really good, and the independent regulator is a great idea, for example, are they toothless or are they going to have genuine power?" (Championship fan)

"Clubs should already be implementing these things anyway. A lot of this should be standard, it should be commonplace, it should be a priority and something their funds are going on already" (Neutral supporter)

The focus groups emphasised the importance of the recommendation regarding the tightening of restrictions on ownership, because "**without good owners the clubs are bound to fail**" (League Two fan). Some fans across the leagues thought that the existing tests for ownership were not stringent enough. They were concerned that ownership being dictated by the highest bidder might result in the long-term sustainability of clubs being jeopardised by owners treating clubs as business opportunities, burdening them with debt and not considering the fans, heritage, or the long-term future of the club.

Fans from a range of clubs such as AFC Wimbledon, Manchester United, Hull City, and Doncaster felt they had experienced poor treatment by the current or previous owners and would support the recommendations if they would have prevented takeovers from damaging owners who were disconnected from the fan's interests. Even neutral supporters said they disagreed on principle with club's ownership being financially driven and instead wanted **ownership to be tied to expectations around more holistic community delivery** for the biggest clubs.

"It was a bit worrying that someone like Elon Musk could potentially buy a Football Club. It shouldn't be the richest person can buy what they want. I don't know what answer is, but they should be vetted." (Neutral supporter)

"If someone's just buying it because they've got a billion pounds, well, that's not good enough. It needs to be, I guess like how London got the Olympics. There has got to be a legacy. There's got to be a plan. There's got to be a series of different things that are put up front for that owner to commit to and then be shown to be supporting those commitments." (Neutral supporter)

The only major discrepancy within focus groups around ownership and governance was regarding the **fair application of the rules and regulations**. A couple of fans from Leagues One, Two and National League were of the view that ownership was being more strictly monitored in lower leagues than the higher divisions, especially at Premier League level. There was a feeling that takeover by owners with suspect political and financial backgrounds was accepted at the highest levels, such as with Newcastle United or Manchester City, but that scrutiny was harsher in the lower leagues.

Lastly, some fans across the groups raised **models of club ownership from foreign leagues** such as Denmark and Germany as examples that could be replicated to improve governance in English football. Discussions around the '**50+1**' model, where fans own at least half of the club's shares, were positive. Those who expressed this view suggested that fans being able

to use their majority vote to shape club outcomes and protect the club's best interests ahead of business preferences could lead to fairer outcomes.

"[The 50+1 model] would be a better way for building in that involvement of fans that involvement in the governance of the clubs, that sense of ownership, people from that community deciding what's happening for that club in their community" (Championship fan)

Recommendations related to the governance of football clubs themselves – such as expressing a need for more fan representation through a 'Shadow Board' and clearer commitments to equality, diversity, and inclusion (EDI) – elicited less agreement across fans. The **Shadow Board was not warmly received amongst some**. Some suggested that more influence for fans on the decisions of the club would be of benefit but they remained sceptical on its capacity for any real influence. Other fans reported already having fan representatives on their boards and confirmed that their impact was limited. Fans from Doncaster United, who already have a Shadow Board, said that they were more likely to divide opinion further rather than offer any real advantages to supporters with regards to club decision making.

"[The Shadow Board] scarcely represents the typical fan." (League Two fan)

"A Shadow Board might not solve all those problems and might just add more complications and not satisfy anyone, in the end. It can add a level of accountability, but in the long run it lacks the really diverse views that make it useful, and it's got nothing to do with the actual decisions being made in the board room." (League Two fan)

"Unless the 'Shadow Board' has any sort of power or influence, it's never going to work, because the powers that be i.e., the owners of the club are not particularly fussed unless the club is making a profit or money for themselves." (Premier League fan)

Whilst for the most part fans across leagues **agreed with the equality, diversity, and inclusion (EDI) recommendation, some felt that this topic was less appropriate** for a series of recommendations around the governance and management of the sport. One participant said that that discrimination in various forms, such as homophobia, racism, and sexism, was going unchallenged at football matches and that it was *"worse than any other sport"* (Neutral supporter). Others suggested that this could be solved by authorities properly intervening as they should, rather than it being a governance issue for individual clubs to police. A couple of League Two fans argued that attempts to progress EDI efforts was directly contradicted by the sport's prioritisation of financial gain in the acceptance of the World Cup being held in a country where homosexuality was still illegal or women could not drive, for example.

"I'm sure the whole of the football authorities know all that, but they've really got to do something hard hitting to achieve it." (Neutral supporter)

"All the rainbow laces is great, but if you put microphones on the pitch I wonder how many times you'd hear players scream homophobic slurs at each other? It's the same with the BLM stuff, it's great, but there's still tonnes and tonnes of racial animosity in the crowd." (League Two fan)

“How can we have a football team who spend 5 years talking about EDI but then go to a country for the world cup where homosexuality is still illegal?” (League Two fan)

One fan took this one step further, suggesting that this recommendation around addressing diversity issues was **beyond football and was a societal challenge**. Others disagreed, arguing that football was already “spearheading” our national conversations around EDI. One Portsmouth fan suggested that conversations around their first black player had influenced the decision to name a new square in the city after him, with football playing a positive role in the diversity conversation of their local area without needing their EDI activity regulated by an authority.

In line with the recommendation on supporting the football pyramid, **cascading of finances more fairly across the football pyramid was a major theme** amongst fans across the focus groups. Premier League fans from the league’s biggest clubs had similar views to the fans from lower leagues, with one Manchester United fan saying “*a little cartel*” had formed amongst the most rich and popular clubs. They reflected that there were “*serious implications for the rest of the sport*” when the major clubs made decisions that favour their club outcomes rather than overall sustainability of the professional game, with the proposed Super League given as an example. Fans agreed that more needed to be done to distribute funding more fairly, with an expectation for the richest clubs to ensure funding is accessible to protect the viability of clubs and the preservation of their heritage and community role across the lower leagues.

“The distribution of wealth across the teams is grossly unfair at the moment.” (Neutral supporter)

“I think... money and skills need to be passed down to the clubs in lower leagues. I strongly believe that the major football clubs should support the smaller clubs and actually show that they want to do it.” (Neutral supporter)

One of the most unanimously supported points from the focus groups was not only the need for an independent review of women’s football but a more **general expectation that professional football needed to commit more investment into women’s football**. Whilst not all fans felt passionately about the topic, participants in the neutral supporter focus group were particularly vocal. Multiple fans gave anecdotal evidence of young girls in their family who loved following and playing football, who they felt “*they don’t get the same chances, they don’t have the same academies for girls*” (Neutral supporter) compared to the opportunities boys get to play competitive football. The Lionesses were regularly cited as an example of why investing in women’s football is important. A Newcastle fan commended their own club’s shift from the women’s team being part of the club’s charity, Newcastle Foundation, to including it within the normal club’s funding strategy meant women’s football is now considered as a serious professional sport. One fan suggested this issue was not just football-related, but that all women’s sport needed reviewing and more of a commitment to parity.

“But also when they’re having youth teams, where are the girls teams? Where are the women’s matches with local clubs that infuse those girls? You have to inspire passion for football at a young age. You’ve usually lost it by the age of 15 and aren’t interested anymore because there’s nowhere for them to play.” (Neutral supporter)

“What proportion of UK schools actually allow girls to play football at school? You know it might be 3%, 5% or something? It’s tiny, but you know, isn’t it such a great idea that

that the Lionesses success has got lots of other girls interested and you know this is the time to get it all in place and get people enthused enough to keep playing rather than just disappear when they get to 11.” (Neutral supporter)

Lastly, when asked whether fans would be willing to pay for the implementation of these recommendations, almost all fans said they should not be expected to. They reflected that when the governing bodies and some clubs were already “so incredibly rich”, that it would be unfair to ask the fans to pay more when they are already paying significant amounts to support their football teams. The only discrepancy was that some thought that fans would pay more if they knew the recommendations would lead to a more sustainable change in their football clubs, rather than investing their money for the clubs to continue to mismanage funding. Others completely rejected the idea of fans paying for the recommendations, either because they should already be funded elsewhere or because football fans are paying to watch football rather than to address governance issues.

7 Guidance on aggregation

As advised in the ACE guidance⁴⁶, an economist or valuation professional should be consulted when applying the WTP values to a specific business case. However, following the guidance below, it will be possible to transfer the average annual willingness to pay values for the three samples identified in this survey – fans of professional men’s football clubs, neutral football fans, and non-football fans - to a business case for demonstrating the value of professional men’s football clubs across England. The same aggregation method can be applied independently to the second valuation question, to understand the value of the FLR to club fans, neutral fans, and non-fans in England. Note that in both cases willingness to pay was elicited as a payment on behalf of the respondent’s household. Therefore, it is necessary to aggregate to the household level.

The survey was designed to elicit a nationally representative value to preserve professional football clubs and, separately, to achieve the recommendations of the FLR. Quotas were applied to ensure that sampling was regionally representative at the NUTS2 level. No other quotas were applied, except to limit the number of non-fans to approximately 1,000 respondents. This quota was designed in response to the study’s focus on fans’ engagement and values, in order to ensure that the sample was not flooded with non-users. However, the sample restriction on 1,000 non-fans means that we cannot be certain that the natural fall-out of football users vs football non-users is representative of what we would find in the English population. However, there are other elements of the survey can be realistically expected to reflect natural fall-out. For instance, there was no quota or sample restriction placed on the football user population, and so the 3:1 ratio that we found in the survey of club fans compared to neutral fans can be broadly expected to reflect what might be found in the English population.

For aggregation purposes, it is therefore necessary to verify in what proportions club fans, neutral fans, and non-fans exist in the English population. The FA provided us with information on the proportion of people in the UK that follow football in some capacity. Based on a nationally representative survey of 1,500 people in the UK, 37% of respondents reported that they follow football; although it should be noted that could be to any degree (i.e. club fan or neutral fan).

We provide two levels of aggregation:

1. National aggregation of the annual WTP (lower bound) for club fans, neutral fans, and non-fans based on assumptions about the proportion of club fans, neutral fans, and non-fans in England, equivalised at the household level.
2. Aggregation at the NUTS 1 level and by league of the annual WTP (lower bound) for club fans, neutral fans, and non-fans based on assumptions about the proportion of club fans, neutral fans, and non-fans in England, equivalised at the household level.

⁴⁶ <https://www.artscouncil.org.uk/sites/default/files/download-file/ACE%20Local%20Museums%20Guidance%20Note.pdf>

7.1 National aggregation of annual WTP (lower bound) for club fans, neutral fans, and non-fans based on assumptions about the proportion of club fans, neutral fans, and non-fans in England, equivalised at the household level.

7.1.1 Aggregation of WTP1: Willingness to pay to preserve the existence of their supported/local men's professional football club through a Club Heritage Fund

In a nationally representative survey of 1,500 people in the UK undertaken by the FA, 37% of respondents reported that they follow football in some capacity (i.e. club fan or neutral fan)⁴⁷. We apply this 37% estimate to the number of households in England⁴⁸ to produce an estimate for the total number of households in England that follow football in some capacity. The 3:1 ratio of club fans to neutral fans, identified from our CV survey, can be applied. We assume this figure is nationally representative, given no quota or sampling restrictions were placed on the football user population. Finally, the number of non-users can be found by netting off the number of total fans (club fans and neutral fans) from the number of households in England (which is equivalent to 67% of households in England). Table 19 presents the estimated number of households for each user type. Appendix Table 6 presents a detailed worked example on estimating the number of households by user type.

Table 19 Estimated number of households for each user type: club fan, neutral fan and non-user

Estimated number of club fan households	Estimated number of neutral fan households	Estimated number of non-user households
6,517,643	2,172,548	14,796,810

The approach to identifying population sizes of club fan, neutral fan, and non-fans estimates that over **6million households would be classed as club fans, over 2million households would be classed as neutral fans, and nearly 15million households would be classed as non-fans.**

The relevant club, neutral and non-fan annual WTP estimates (lower bound) are multiplied by the populations of their respective groups in Step 3 of the table.

Step 4 generates three aggregate sets of annual WTP values that can be added together to produce a national aggregate figure which shows that **the welfare gains generated through the continued existence of professional men's football clubs in England amounts to £360million per year.**

In step 5 aggregate annual WTP figures can be projected over an appropriate aggregation period, with a 3.5% discount rate to reflect future discounting, as recommended in the HM Green Book. We have selected a 10-year and a 30-year evaluation period, given that football clubs have existed for over a hundred years in many cases, and their value to individuals and the community can span generations.

⁴⁷ Internal English FA document, 2022

⁴⁸ 23.5m according to ONS estimates:

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/datasets/householdsbyhouseholdsizeandconstituentcountries>

- Over a **10-year evaluation period, the present value of the welfare gains generated through the continued existence of professional men's football clubs in England amounts to £3.1billion.**
- Over a **30-year evaluation period, the present value of the welfare gains generated through the continued existence of professional men's football clubs in England amounts to £6.9billion.**

This is additional to any economic values already paid for engagement with football, for instance through the contribution of gate receipts, shirt sales, sports subscriptions to the gross value added of the national economy.

These monetary values represent the cultural value of all men's professional football clubs in the top five English leagues, over and above the economic value that fans and television viewers already pay. This can be seen as the welfare loss that the country would experience if all football clubs ceased to exist overnight. Based on comparable evidence, the cultural value of men's professional football can be considered proportionate for a number of reasons. First, football engagement is something which is a regular part of life for many fans, not only in the weekly matches, but also in the ongoing coverage in the media and engagement with other fans in person and online. Evidence from the wellbeing literature shows that regular engagement with sport and culture is statistically associated with higher levels of wellbeing, and that this can be detected in large national datasets. For instance, the DCMS study on the wellbeing value of engagement with sport and culture, which reported annual individual level wellbeing values of £1,127 per person per year from participation in sport⁴⁹, which is significantly higher than the WTP values estimated here at £56.07 (lower bound £51.55) per household per year (although the value relates to regularly playing sport rather than sport spectating, the scale of the difference in value is significant).

Second, football fans already demonstrate their strong positive preferences towards football in a number of ways, both market and non-market. The market value of the Premier League alone (an indicator of the amount of welfare that football brings to those who are willing to pay to engage with it) is estimated to be £7.6billion per year⁵⁰. In addition to this, there is a substantial non-monetary market for football engagement through social media engagement, online content creation, and the proliferation of fan communities, both in-person and online, which attest to the important place that football holds in people's lives. There is also intangible evidence of the strong negative impact that fans and local people experience through anxiety and loss of social networks when a club goes into administration, which could be explored through content analysis of social media and network analysis of the loss of social capital associated with closure of a football club. Future research could seek to evidence these revealed preferences through digital content analysis and network analysis of fan content and community creation, to provide additional supporting evidence to the monetary values estimated in this study.

49

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/304899/Quantifying_and_valuing_the_wellbeing_impacts_of_sport_and_culture.pdf

⁵⁰ https://assets.ey.com/content/dam/ey-sites/ey-com/pt_br/topics/ey-economic-advisory-/ey-premier-league-economic-and-social-impact-january-2019.pdf

Third, the national-level aggregate WTP for the cultural services that men’s professional football provides to both fans and non-fans is proportionate to other willingness to pay studies in the sports sector. A willingness to pay study was run to understand how much people would value London hosting the 2012 Olympic games, finding an illustrative total UK WTP of £2billion over 10 years.⁵¹ Although not directly comparable, as this was a one-off event rather than an ongoing part of people’s lives and local cultural heritage. The 10-year aggregation value for men’s professional football (£3.1billion) is only around 50% higher. Given the temporary nature of the Olympics and the long-term presence of professional football in people’s lives, is not an unrealistic magnitude of difference.

Finally, although individual level WTP values are lower for non-football fans, and neutral fans, these values do become more substantial in the aggregate. However, given that football clubs are located all over the country, and that the non-use benefits they provide to local communities can be enjoyed even by those who do not engage with football, this is an appropriate level of aggregation for the WTP values estimated in this study.

Table 20 Guidance for aggregation of WTP1 values (annual WTP to preserve the existence of their supported/local men’s professional football club) to national level (lower bound WTP is used in line with DCMS and Arts Council England guidance)

	Club fan value	Neutral fan value	Non-fan value
Step 1: Identify WTP value for relevant user/non-user groups	Club fan WTP value Lower bound £51.55	Neutral fan WTP value Lower bound £5.85	Non-fan WTP value Lower bound £0.76
Step 2: Aggregation: Correct unit of aggregation	Per football fan, equalized to household level	Per neutral fan, equalized to household level	Per non-fan, equalized to household level
Step 3: Aggregation: Multiply by relevant population size	Annual number of spectators per club with assumptions about the proportion of repeat spectators vs unique spectators Assume that the ratio of regular stadium spectators to TV spectators is representative in the survey. Equalized to household level: 6,517,643	Assume ratio of club fans to neutral fans is the same as in the survey (broadly 3:1). Equalized to household level: 2,172,548	Subtract club and neutral fans from remaining household in England to estimate non-fan households: 14,796,810
Step 4: Combine annual aggregate club fan, neutral fan and non-fan WTP	$(£51.55 \times 6,517,643) + (£5.85 \times 2,172,548) + (£0.76 \times 14,796,810)$ =£359,939,478		
Step 5: Apply Green Book corrections and adjustments.	Calculate present value over 10-year evaluation period, with 3.5% future discount rate (see HMT Green Book guidance (2022, Table 2). £3,098,246,189	Calculate present value over 30-year evaluation period, with 3.5% future discount rate (see HMT Green Book guidance (2022, Table 2). £6,851,724,039	

Although out of scope in this study, the analyst should also consider whether to incorporate standard Green Book corrections to account for social welfare weighting. Green Book guidance permits using distributional weights to adjust for diminishing marginal utility of income in situations where there is a difference in the socioeconomic characteristics of the population in the evaluation area compared to the national or regional average. This can be especially useful in cases where the user or non-user

⁵¹ Giles Atkinson et al., ‘Are We Willing to Pay Enough to “Back the Bid”? Valuing the Intangible Impacts of London’s Bid to Host the 2012 Summer Olympic Games’, *Urban Studies* 45, no. 2 (2008): 419–44.

group is made up of a high proportion of individuals from lower socioeconomic backgrounds, to demonstrate a higher welfare weighted WTP value which is unconstrained by the relatively smaller household budgets of these groups.

7.1.2 Aggregation of WTP2: Willingness to pay to support the Fan-Led Review Recommendations across the men's English leagues

To estimate the aggregate national-level welfare value of introducing the FLR recommendations across the English leagues, the same steps are followed, using the annual WTP values (lower bound) estimated in the independent second valuation question.

Note that the two WTP questions are independent sets of questions. Respondents were asked to consider each scenario (the preservation of their club and the FLR recommendations) as independent and separate hypothetical scenarios. As such, the two sets of aggregate WTP values should not be added together, as this would lead to double counting. An alternative design approach, where WTP for the FLR recommendations was elicited as a marginal value on top of the first WTP question, was rejected at the scoping phase, as it would have meant that the FLR findings could not have been interpreted in isolation. Therefore, the benefit of this study is that two independent estimates of the welfare value of (1) preserving the existence of their supported/local men's professional football club through a Club Heritage Fund; and (2) to support the Fan-Led Review Recommendations across the men's English leagues are produced which can be reported in separate business cases related to different policy issues, one around the current value of professional football clubs in England, and the other about the potential value of introducing the FLR recommendations to the English football leagues.

Again, the three aggregate sets of annual WTP values that can be added to together to produce a national aggregate figure which shows that **the welfare gains that would be generated by introducing the FLR recommendations the professional men's football leagues in England amounts to £247million per year.**

In step 5 aggregate annual WTP figures can be projected over an appropriate aggregation period, with a 3.5% discount rate to reflect future discounting, as recommended in the HM Green Book. We have selected a 10-year and a 30-year evaluation period here, given that changes to the governance of football clubs will be long-term and enduring over multiple decades.

- **Over a 10-year evaluation period, the present value of the welfare gains generated by introducing the FLR recommendations the professional men's football leagues in England amounts to £2.1billion.**
- **Over a 30-year evaluation period, the present value of the welfare gains generated by introducing the FLR recommendations the professional men's football leagues in England amounts to £4.7billion⁵².**

⁵² Again, these values are realistic when compared to the other benchmark studies summarised above. Although the national cultural value for the FLR recommendations is lower than the national cultural value for preserving men's professional football clubs (at £6.9 billion over a 30-year appraisal period), this is to be expected, given that the FLR scenario is of hypothetical improvement on current situation, while the preservation of the club is a scenario where people would be losing something they already have, which is typically associated with a higher value (due to people's cognitive aversion to loss over hypothetical gain, known as the endowment effect). In addition, the ordering of the two valuation questions in the survey may have

Table 21 Guidance for aggregation of WTP2 values (annual WTP to support the Fan-Led Review Recommendations across the men’s English leagues) to national level (lower bound WTP is used in line with ACE guidance)

	Club fan value	Neutral fan value	Non-fan value
Step 1: Identify WTP value for relevant user/non-user groups	Club fan WTP value Lower bound £34.95	Neutral fan WTP value Lower bound £3.71	Non-fan WTP value Lower bound £0.72
Step 2: Aggregation: Correct unit of aggregation	Per football fan, equalized to household level	Per neutral fan, equalized to household level	Per non-fan, equalized to household level
Step 3: Aggregation: Multiply by relevant population size	Annual number of spectators per club with assumptions about the proportion of repeat spectators vs unique spectators Assume that the ratio of regular stadium spectators to TV spectators is representative in the survey. Equalized to household level: 6,517,643	Assume ratio of club fans to neutral fans is the same as in the survey (broadly 3:1). Equalized to household level: 2,172,548	Subtract club and neutral fans from remaining household in England to estimate non-fan households: 14,796,810
Step 4: Combine annual aggregate club fan, neutral fan and non-fan WTP	$(£34.95 * 6,517,643) + (£3.71 * 2,172,548) + (£0.72 * 14,796,810)$ =£246,505,479		
Step 5: Apply Green Book corrections and adjustments.	Calculate present value over 30-year evaluation period, with 3.5% future discount rate (see HMT Green Book guidance (2022, Table 2). £2,121,841,887	Calculate present value over 30-year evaluation period, with 3.5% future discount rate (see HMT Green Book guidance (2022, Table 2).	£4,692,420,865

Although out of scope in this study, the analyst should also consider whether to incorporate standard Green Book corrections to account for social welfare weighting. Green Book guidance permits using distributional weights to adjust for diminishing marginal utility of income in situations where there is a difference in the socioeconomic characteristics of the population in the evaluation area compared to the national or regional average. This can be especially useful in cases where the user or non-user group is made up of a high proportion of individuals from lower socioeconomic backgrounds, to demonstrate a higher welfare weighted WTP value which is unconstrained by the relatively smaller household budgets of these groups.

introduced an sequencing effect, whereby people thought about their previous payment (for preserving the club), and this has an effect on their perceived budget for the second (FLR) valuation question, leading them to provide a lower bid in the second question (this kind of behavioural response is difficult to completely mitigate against, despite repeat instructions in the survey to treat the second valuation scenario as completely independent from the first).

8 Literature cited

- Atkinson, Giles, Susana Mourato, Stefan Szymanski, and Ece Ozdemiroglu. 'Are We Willing to Pay Enough to `Back the Bid`?: Valuing the Intangible Impacts of London's Bid to Host the 2012 Summer Olympic Games'. *Urban Studies* 45, no. 2 (2 January 2008): 419–44. <https://doi.org/10.1177/0042098007085971>.
- . 'Are We Willing to Pay Enough to "Back the Bid"?: Valuing the Intangible Impacts of London's Bid to Host the 2012 Summer Olympic Games'. *Urban Studies* 45, no. 2 (2008): 419–44.
- Bateman, I., R. T. Carson, B. Day, M. Hanemann, N. Hanley, T. Hett, M. Jones-Lee, et al. *Economic Valuation with Stated Preference Techniques: A Manual*. Cheltenham, UK: Edward Elgar, 2002.
- Burke, James F., Jeremy B. Sussman, David M. Kent, and Rodney A. Hayward. 'Three Simple Rules to Ensure Reasonably Credible Subgroup Analyses'. *BMJ* 351 (4 November 2015): h5651. <https://doi.org/10.1136/bmj.h5651>.
- Carlsson, Fredrik, Peter Frykblom, and Carl Johan Lagerkvist. 'Using Cheap Talk as a Test of Validity in Choice Experiments'. *Economics Letters* 89, no. 2 (November 2005): 147–52. <https://doi.org/10.1016/j.econlet.2005.03.010>.
- Castellanos, Pablo, Jaume García, and José Manuel Sánchez. 'The Willingness to Pay to Keep a Football Club in a City: How Important Are the Methodological Issues?' *Journal of Sports Economics* 12, no. 4 (1 August 2011): 464–86. <https://doi.org/10.1177/1527002510385301>.
- Ericson, Keith M. Marzilli, and Andreas Fuster. 'The Endowment Effect'. *Annual Review of Economics* 6, no. 1 (2014): 555–79. <https://doi.org/10.1146/annurev-economics-080213-041320>.
- Fenn, Aju J., and John R. Crooker. 'Estimating Local Welfare Generated by an NFL Team under Credible Threat of Relocation'. *Southern Economic Journal*, 2009, 198–223.
- Groothuis, Peter A., Bruce K. Johnson, and John C. Whitehead. 'Public Funding of Professional Sports Stadiums: Public Choice or Civic Pride?' *Eastern Economic Journal* 30, no. 4 (2004): 515–26.
- Howard, Gregory, Brian E. Roe, Erik C. Nisbet, and Jay F. Martin. 'Hypothetical Bias Mitigation Techniques in Choice Experiments: Do Cheap Talk and Honesty Priming Effects Fade with Repeated Choices?' *Journal of the Association of Environmental and Resource Economists* 4, no. 2 (20 February 2017): 543–73. <https://doi.org/10.1086/691593>.
- Johnson, Bruce K., Michael J. Mondello, and John C. Whitehead. 'Contingent Valuation of Sports Temporal Embedding and Ordering Effects'. *Journal of Sports Economics* 7, no. 3 (8 January 2006): 267–88. <https://doi.org/10.1177/1527002504272943>.
- Lawton, R., D. Fujiwara, S. Mourato, H. Bakhshi, A. Lagarde, and J. Davies. 'The Economic Value of Heritage: A Benefit Transfer Study'. Arts and Humanities Research Council, 2018.
- Lawton, R. N., D. Fujiwara, M. Arber, D. Radosevic, A. Lagarde, and P. O'Donovan. 'Regional Galleries and Theatres Benefit Transfer Report'. Arts Council England, 2021. <https://www.artscouncil.org.uk/sites/default/files/download-file/Arts%20Council%20England%20-%20Regional%20Galleries%20and%20Theatres%20Benefit%20Transfer%20Report.pdf>.
- Lawton, R. N., D. Fujiwara, H. Bakhshi, S. Mourato, M. Arber, and J. Davies. 'Guidance Note: How to Quantify the Public Benefit of Your Museum Using Economic Value Estimates. A Resource for Understanding the Economic Value of Museums'. London, UK: Arts Council England, 2021. https://www.artscouncil.org.uk/sites/default/files/download-file/Guidance%20Note%20-%20How%20to%20estimate%20the%20public%20benefit%20of%20your%20Museum%20using%20the%20Economic%20Values%20Database_0.pdf.
- Lawton, Ricky N., Susana Mourato, Daniel Fujiwara, and Hasan Bakhshi. 'Comparing the Effect of Oath Commitments and Cheap Talk Entreaties in Contingent Valuation Surveys: A Randomised Field Experiment'. *Journal of Environmental Economics and Policy*, 11 November 2019, 1–17. <https://doi.org/10.1080/21606544.2019.1689174>.
- Lawton, R.N., D. Fujiwara, M. Arber, H. Maguire, J. Malde, P. O'Donovan, A. Lyons, and G Atkinson. 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies - Technical Report'. London, UK: Department for Digital Culture, Media and Sport, 2020. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/955142/REA_culture_heritage_value_Simetrica.pdf.
- Maddison, David, and Terry Foster. 'Valuing Congestion Costs in the British Museum'. *Oxford Economic Papers* 55, no. 1 (1 January 2003): 173–90. <https://doi.org/10.1093/oepp/55.1.173>.
- Maddison, David, and Susana Mourato. 'Valuing Different Road Options for Stonehenge'. *Conservation and Management of Archaeological Sites* 4, no. 4 (1 January 2001): 203–12. <https://doi.org/10.1179/135050301793138182>.

- Mitchell, Robert Cameron, and Richard T. Carson. *Using Surveys to Value Public Goods: The Contingent Valuation Method*. Washington DC: Resources for the Future, 1989.
- Pearce, David, and Ece O'zdemiroglu. 'Economic Valuation with Stated Preference Techniques'. London, UK: Department for Transport, Local Government and the Regions, 2002.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/191522/Economic_valuation_with_stated_preference_techniques.pdf.
- Vaughan, William J., Clifford S. Russell, Diego J. Rodriguez, and Arthur C. Darling. 'Uncertainty in Cost-Benefit Analysis Based on Referendum Contingent Valuation'. *Impact Assessment and Project Appraisal* 18, no. 2 (1 June 2000): 125–37.
<https://doi.org/10.3152/147154600781767466>.

9 Annex 1. Additional quantitative analysis tables

Appendix Table 22 Name of football club selected for valuation survey: Club supported in case of users; local club in case of neutral fan and football non-users

Club	Club fan	Neutral football fan	Football non-user
Accrington Stanley FC	2	2	1
AFC Bournemouth	15	15	13
AFC Fylde FC	0	0	1
AFC Wimbledon	8	9	9
Aldershot Town FC	4	11	6
Altrincham FC	2	6	6
Alvechurch FC	1	0	0
Andover FC	0	0	1
Arsenal FC	246	16	15
Ashford FC	0	0	2
Aston Villa FC	59	9	11
Barnet FC	1	7	8
Barnsley FC	16	6	7
Barrow FC	2	7	2
Bideford AFC	0	0	1
Birmingham City FC	26	13	14
Blackburn Rovers FC	18	5	5
Blackpool FC	7	5	10
Bolton Wanderers FC	17	2	6
Boreham Wood FC	1	5	2
Boston United FC	1	0	0
Bradford City FC	12	7	9
Bradford Park Avenue FC	1	0	1
Brentford FC	11	6	17
Bridlington Town FC	1	0	0
Brighton and Hove Albion FC	7	41	28
Bristol City FC	19	21	26
Bristol Rovers FC	14	11	7
Bromley FC	2	8	9
Burnley FC	19	3	5
Burton Albion FC	3	10	7
Bury FC	0	0	2
Cambridge United FC	4	13	10

Canterbury City FC	1	0	0
Cardiff City FC	2	1	1
Carlisle United FC	6	6	8
Charlton Athletic FC	14	9	6
Chatham Town FC	1	0	0
Chelsea FC	205	3	14
Cheltenham Town FC	4	8	17
Chester FC	2	0	0
Chesterfield FC	3	11	14
Chippenham FC	0	0	1
Cleethorpes Town FC	1	0	0
Coggeshall Town FC	1	0	0
Colchester United FC	7	12	18
Concord Rangers FC	1	0	0
Coventry City FC	31	12	15
Crawley Town FC	2	18	14
Crewe Alexandra FC	3	5	4
Croydon Football Club FC	0	0	1
Crystal Palace FC	25	7	10
Dagenham and Redbridge FC	1	23	11
Darlington FC	1	0	3
Derby County FC	29	9	5
Doncaster Rovers FC	8	6	10
Dorking FC	0	0	1
Dover Athletic FC	1	12	17
Dulwich Hamlet Football Club FC	0	0	1
Eastbourne Borough FC	1	0	0
Eastleigh FC	1	14	4
Ebbsfleet FC	0	0	1
Egham Town FC	0	0	1
Ely City FC	0	0	1
Everton FC	37	3	3
Exeter City FC	5	14	10
FC Halifax Town FC	4	2	4
Fleetwood Town FC	2	1	2
Folkestone Invicta FC	0	0	1
Forest Green Rovers FC	3	6	3
Fulham FC	11	0	2
Gillingham FC	5	15	25
Gloucester City FC	1	0	1

Grimsby Town FC	9	4	5
Hallam FC	1	0	0
Harrogate Town FC	2	8	11
Hartlepool United FC	4	7	3
Hastings FC	0	0	1
Hastings United FC	0	0	2
Havant & Waterlooville FC	1	0	0
Hednesford Town FC	1	0	1
Hereford FC	3	0	1
Hucknall Town FC	0	0	1
Huddersfield Town FC	29	5	6
Hull City FC	28	11	9
Ipswich Town FC	39	7	11
Kidderminster Harriers FC	0	0	1
King's Lynn Town FC	1	4	8
Leamington FC	1	0	0
Leatherhead FC	0	0	2
Leeds United FC	107	21	28
Leicester City FC	50	15	21
Lewes FC	1	0	1
Leyton Orient FC	7	2	9
Lincoln City FC	5	19	16
Lingfield FC	1	0	0
Liverpool FC	339	5	23
Lowestoft FC	0	0	1
Luton Town FC	13	7	5
Macclesfield FC	2	0	0
Macclesfield town FC	0	0	2
Maidenhead United FC	13	5	8
Maidstone United FC	1	0	0
Maine FC	1	0	0
Manchester City FC	117	4	8
Manchester United FC	308	2	15
Mansfield Town FC	4	13	6
Middlesbrough FC	33	8	11
Millwall FC	19	21	17
Milton Keynes Dons FC	5	8	16
Morecambe FC	2	10	7
Mossley AFC	0	0	1
Newcastle United FC	107	9	30

Newport County FC	2	1	0
Northampton Town FC	7	13	11
Norwich City FC	41	17	19
Nottingham Forest FC	42	12	10
Notts County FC	8	0	0
Nuneaton Borough FC	0	0	1
Oldham Athletic FC	8	7	3
Oxford City FC	1	0	0
Oxford United FC	10	19	19
Penzance FC	1	0	0
Peterborough United FC	4	9	9
Plymouth Argyle FC	15	18	17
Port Vale FC	5	6	0
Portsmouth FC	31	24	19
Preston North End FC	12	7	4
Queens Park Rangers FC	18	6	7
Reading FC	13	20	17
Reigate FC	0	0	1
Rochdale FC	1	2	9
Rotherham United FC	2	12	5
Rugby Town FC	0	0	1
Salford City FC	0	3	7
Scarborough Athletic FC	1	0	1
Scunthorpe United FC	0	7	7
Sheffield United FC	27	4	4
Sheffield Wednesday FC	33	4	7
Shrewsbury Town FC	4	17	11
Sleaford FC	0	0	1
Solihull Moors FC	1	20	13
Southampton FC	39	8	19
Southend United FC	8	19	14
Southport FC	1	0	1
Stafford Rangers FC	1	0	2
Stalybridge Celtic FC	1	0	0
Stevenage FC	2	14	10
Stockport County FC	5	8	10
Stoke City FC	19	7	10
Stourbridge FC	1	0	0
Sunderland FC	58	5	14
Sutton United FC	0	12	14

Swansea City FC	7	1	0
Swindon Town FC	18	11	7
Tamworth FC	0	0	1
Taunton Town FC	1	0	0
Tiverton FC	0	0	1
Tonbridge Angels FC	1	0	0
Torquay United FC	4	9	7
Tottenham Hotspur FC	153	10	19
Tranmere Rovers FC	5	3	4
Truro City FC	1	0	0
Walsall FC	3	10	6
Ware Town FC	0	0	1
Watford FC	24	8	12
Wealdstone FC	0	8	12
Welwyn Garden City FC	0	0	1
West Bromwich Albion FC	46	9	8
West Ham United FC	74	8	19
Weymouth FC	0	7	5
Whitby Town FC	1	0	0
Whitley Bay FC	1	0	0
Wigan Athletic FC	7	5	12
Windsor FC	0	0	1
Wisbech FC	0	0	1
Wisbech Town FC	0	0	1
Woking FC	0	12	12
Wolverhampton Wanderers FC	34	12	18
Worcester FC	0	0	1
Workington AFC	1	0	0
Worksop town FC	1	0	0
Wrexham FC	5	4	7
Wycombe Wanderers FC	4	6	7
Yeovil Town FC	5	13	11
York City FC	4	0	2

Group sample sizes in this table may differ from the full sample in Table 1 due to missing observations in subsequent survey questions. Respondents were able to provide no response to survey questions to avoid forcing inaccurate responses.

Appendix Table 23 Football engagement WTP: Willingness to pay to preserve the existence of football club through a Club Heritage Fund (annual household payment). Split by type of football engagement type (regular or very regular user in past 5 years, non-exclusive, club fan sample only)

	Stadium spectator Club Fan	Football TV spectator Club Fan	Season ticket holder Club Fan	Consumer of shirt and other club branded products Club Fan
Mean	£168.51	£88.07	£199.75	£193.41
Lower Bound 95% confidence interval	£149.01	£79.99	£174.49	£168.54
Standard error	£9.93	£4.12	£12.85	£12.65
Median	81.25	26.25	106.25	81.25
Sample Size	572	1770	425	438

WTP estimated as the sample average and lower bound 95% confidence interval, including those not willing to pay in principle from coded as £0.

Note: engagement with football columns are not mutually exclusive, so WTP values are not additive. This means that WTP for different user types are not mutually exclusive, i.e., some of the people in the TV watching category will also be in the shirt-buying category. This means that the four WTP values reported in this table will not be comparable to the overall average for the fan group in Table 7.

National League		£55.18	£34.04	14	£5.02	£2.58	22	£1.04	£0.20	27
Yorkshire and The Humber										
East Midlands	£58.75	£39.78	11	£18.21	£3.87		11	£0.82	£0.09	14
East of England	£58.75	£39.78	9	£18.21	£3.87		23	£0.82	£0.09	22
London	£58.75	£39.78	5	£25.70	£0.00		53	£0.62	£0.00	42
North East	£58.75	£39.78	0	£18.21	£3.87		0	£0.82	£0.09	0
North West	£58.75	£39.78	7	£18.21	£3.87		14	£0.82	£0.09	16
South East	£58.75	£39.78	21	£22.07	£0.00		54	£0.09	£0.00	47
South West	£58.75	£39.78	9	£18.21	£3.87		29	£0.82	£0.09	23
Wales	NA	NA	NA	NA	NA		NA	NA	NA	NA
West Midlands	£58.75	£39.78	1	£18.21	£3.87		20	£0.82	£0.09	13
Yorkshire and The Humber	£58.75	£39.78	13	£18.21	£3.87		6	£0.82	£0.09	9

Observations of $n < 30$ are excluded from reporting to reduce the risk of misinterpretation of potentially inaccurate average WTP due to small sample bias and outlier effects. In these instances, regional league WTP values are replaced with national league average and lower bound WTP (highlighted blue).

Observations of $n \geq 30$ with high variance around the mean WTP resulting in negative lower bound 95% confidence interval values should be interpreted with caution. In these instances, the mean WTP for that regional league is unchanged but negative lower CI values are replaced with £0 (highlighted in green).

Appendix Table 25: WTP to implement the FLR recommendations: League split by NUTS1 Region of football club selected for valuation survey: Club supported in case of club fans; local club in case of neutral football fans and football non-users

	Club fan: WTP to implement FLR recommendations			Neutral football fan: WTP to implement FLR recommendations			Football non-user: WTP to implement FLR recommendations			
	Mean WTP	Lower bound 95% CI	Sample size	Mean WTP	Lower bound 95% CI	Sample size	Mean WTP	Lower bound 95% CI	Sample size	
Premier League	East Midlands	£11.83	£4.97	50	£7.91	£3.11	15	£1.69	£0.76	21
	East of England	£9.68	£4.23	65	£7.91	£3.11	25	£1.79	£0.00	31
	London	£56.96	£46.49	714	£2.97	£0.21	50	£1.89	£0.40	94
	North East	£17.69	£9.81	107	£7.91	£3.11	9	£0.14	£0.00	30
	North West	£43.08	£34.67	820	£7.91	£3.11	17	£3.06	£0.00	54
	South East	£18.01	£4.77	46	£7.37	£2.10	49	£0.42	£0.00	47
	South West	£42.52	£37.29	0	£7.91	£3.11	0	£1.69	£0.76	0
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£28.48	£12.06	93	£7.91	£3.11	21	£1.69	£0.76	29
	Yorkshire and The Humber	£23.25	£13.93	107	£7.91	£3.11	21	£1.69	£0.76	28
Championship	East Midlands	£17.76	£9.99	71	£3.83	£2.19	21	£0.49	£0.18	15
	East of England	£26.66	£20.47	17	£3.83	£2.19	16	£0.49	£0.18	14
	London	£34.54	£18.09	48	£3.83	£2.19	27	£0.49	£0.18	26
	North East	£30.57	£9.44	32	£3.83	£2.19	8	£0.49	£0.18	11
	North West	£10.59	£4.09	37	£3.83	£2.19	17	£0.49	£0.18	19
	South East	£26.66	£20.47	13	£3.83	£2.19	20	£0.49	£0.18	17
	South West	£26.66	£20.47	15	£3.83	£2.19	15	£0.49	£0.18	13
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£27.00	£15.16	122	£4.15	£0.00	41	£0.27	£0.00	47
	Yorkshire and The Humber	£23.22	£14.10	100	£3.83	£2.19	26	£0.49	£0.18	26
League 1	East Midlands	£32.39	£21.48	5	£4.69	£2.58	19	£0.70	£0.22	16
	East of England	£29.68	£1.74	43	£4.69	£2.58	20	£0.70	£0.22	21
	London	£32.39	£21.48	22	£4.69	£2.58	18	£0.70	£0.22	15
	North East	£11.20	£5.97	58	£4.69	£2.58	5	£0.70	£0.22	14
	North West	£69.86	£19.53	33	£4.69	£2.58	25	£0.82	£0.00	32
	South East	£24.84	£14.62	55	£1.15	£0.08	72	£0.74	£0.00	77
	South West	£32.39	£21.48	15	£4.69	£2.58	18	£0.70	£0.22	17
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£32.39	£21.48	7	£4.69	£2.58	27	£0.70	£0.22	18

League 2	Yorkshire and The Humber	£25.88	£7.28	43	£4.69	£2.58	22	£0.70	£0.22	22
	East Midlands	£30.90	£21.98	11	£3.58	£1.45	26	£1.06	£0.25	17
	East of England	£30.90	£21.98	9	£3.58	£1.45	26	£1.06	£0.25	28
	London	£30.90	£21.98	7	£3.58	£1.45	14	£1.06	£0.25	23
	North East	£30.90	£21.98	4	£3.58	£1.45	7	£1.06	£0.25	3
	North West	£30.90	£21.98	22	£3.58	£1.45	28	£2.30	£0.00	33
	South East	£30.90	£21.98	2	£3.58	£1.45	18	£1.06	£0.25	14
	South West	£30.90	£21.98	5	£3.58	£1.45	14	£1.06	£0.25	10
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£30.90	£21.98	7	£3.58	£1.45	16	£1.06	£0.25	6
	Yorkshire and The Humber	£30.90	£21.98	14	£3.58	£1.45	22	£1.06	£0.25	27
National League	East Midlands	£30.83	£19.17	11	£8.31	£0.43	11	£0.61	£0.00	14
	East of England	£30.83	£19.17	9	£8.31	£0.43	23	£0.61	£0.00	22
	London	£30.83	£19.17	5	£5.26	£1.45	51	£1.80	£0.00	42
	North East	£30.83	£19.17	0	£8.31	£0.43	0	£0.61	£0.00	0
	North West	£30.83	£19.17	7	£8.31	£0.43	14	£0.61	£0.00	16
	South East	£30.83	£19.17	19	£21.27	£0.00	54	£0.21	£0.00	47
	South West	£30.83	£19.17	9	£8.31	£0.43	29	£0.61	£0.00	23
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£30.83	£19.17	1	£8.31	£0.43	20	£0.61	£0.00	13
	Yorkshire and The Humber	£30.83	£19.17	13	£8.31	£0.43	6	£0.61	£0.00	9

Observations of $n < 30$ are excluded from reporting to reduce the risk of misinterpretation of potentially inaccurate average WTP due to small sample bias and outlier effects. In these instances, regional league WTP values are replaced with national league average and lower bound WTP (highlighted blue).

Observations of $n \geq 30$ with high variance around the mean WTP resulting in negative lower bound 95% confidence interval values should be interpreted with caution. In these instances, the mean WTP for that regional league is unchanged but negative lower CI values are replaced with £0 (highlighted in green).

Appendix Table 26 Worked example of estimating the population of club fans, neutral fans and non-users in England.

Item	Description	Source	Value												
A	Proportion of country that follows football in some capacity	Assumption: Internal FA document, 2022 Result from nationally representative survey undertaken by the English FA	37%												
B	Estimated number of households in England	Assumption: https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/datasets/householdsbyhousehold/Sizeregionsofenglandandukconstituentcountries	23,487,000												
C	Estimated number of households that follow football in some capacity	Calculation: $C = B \times A$	= 23,487,000 x 37% = 8,690,190												
Total number of football fan household = number of club fan households + number of neutral fan households															
D	Ratio of club fan to neutral fan	Result from CV Survey	3:1												
D1	Proportion of total football fans that are club fans	Calculation: Using D	= $3/(3+1)=75\%$												
E	Number of club fan households	Calculation: $E = C \times D1$	=8,690,190 x 75% = 6,517,643												
F	Number of neutral fan households	Calculation: $F = C \times (1-D1)$	=8,690,190 x (100% - 75%) = 2,172,548												
G	Number of non-user households	Calculation: $G = B - C$	=23,487,000 – 8,690,190 = 14,796,810												
This produces the following table for the estimated number of households in each user group:															
<table border="1"> <thead> <tr> <th>User group</th> <th>Cell Reference</th> <th>Estimates number of households</th> </tr> </thead> <tbody> <tr> <td>Club fans</td> <td>E</td> <td>6,517,643</td> </tr> <tr> <td>Neutral fans</td> <td>F</td> <td>2,172,548</td> </tr> <tr> <td>Non-users</td> <td>G</td> <td>14,796,810</td> </tr> </tbody> </table>				User group	Cell Reference	Estimates number of households	Club fans	E	6,517,643	Neutral fans	F	2,172,548	Non-users	G	14,796,810
User group	Cell Reference	Estimates number of households													
Club fans	E	6,517,643													
Neutral fans	F	2,172,548													
Non-users	G	14,796,810													

10 Annex 2. NUTS1 level aggregation by league

10.1 Aggregation at the NUTS 1 level and by league of annual WTP (lower bound) for club fans, neutral fans, and non-fans based on assumptions about the proportion of club fans, neutral fans, and non-fans in England, equivalised at the household level.

We are able to estimate the aggregate WTP for each user type in each NUTS1 region, broken down by league. Aggregation is achieved by combining the methodology in section 7 and findings from the primary survey about both the proportion and (lower bound) WTP of club fans, neutral fans and non-users by NUTS1 region and league. The primary survey was designed to be nationally representative at the NUTS2 level, meaning that our sample is nationally representative at the NUTS1 level.

To produce the aggregated WTP estimates by NUTS1 level and by league, firstly, data is extracted from the survey results identifying the number of respondents who were club fans, neutral fans, and non-users, by NUTS1 level and by league. The proportions of respondents by user type are then calculated. These proportions were then applied to the estimated number of football fan households, neutral fan households and non-user households, which was discussed in section 7.1. A worked example of estimating the number of households can be found in Appendix Table 27 below.

Appendix Table 27 Worked example to estimate the number of club fan households in the Premier League.

Item	Description	Source	Value								
Using the estimated number of English households in each user group (as derived in Annex Table 26)											
User group		Estimates number of households									
Club fans		6,517,643									
Neutral fans		2,172,548									
Non-users		14,796,810									
A	Estimated number of club fan households in England	Estimated in Annex Table 26	6,517,643								
B	Number of Premier League Club fans in our sample, broken down by region	Result from CV survey	<table border="1"> <thead> <tr> <th>NUTS1 Region</th> <th>Sample Size</th> </tr> </thead> <tbody> <tr> <td>East Midlands</td> <td>50</td> </tr> <tr> <td>East of England</td> <td>65</td> </tr> <tr> <td>London</td> <td>761</td> </tr> </tbody> </table>	NUTS1 Region	Sample Size	East Midlands	50	East of England	65	London	761
NUTS1 Region	Sample Size										
East Midlands	50										
East of England	65										
London	761										

			<table border="1"> <tbody> <tr> <td>North East</td> <td>107</td> </tr> <tr> <td>North West</td> <td>865</td> </tr> <tr> <td>South East</td> <td>46</td> </tr> <tr> <td>South West</td> <td>0</td> </tr> <tr> <td>West Midlands</td> <td>94</td> </tr> </tbody> </table>	North East	107	North West	865	South East	46	South West	0	West Midlands	94																														
North East	107																																										
North West	865																																										
South East	46																																										
South West	0																																										
West Midlands	94																																										
C	Total Number of club fans in sample	Result from CV survey	3002																																								
D	Proportion of Premier League fans out of whole sample	$D = B / C$	<table border="1"> <thead> <tr> <th>NUTS1 Region</th> <th>Sample Size</th> <th>Calculation</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>East Midlands</td> <td>50</td> <td>$=(50/3002)*100$</td> <td>=1.67%</td> </tr> <tr> <td>East of England</td> <td>65</td> <td>$=(65/3002)*100$</td> <td>=2.17%</td> </tr> <tr> <td>London</td> <td>761</td> <td>$=(761/3002)*100$</td> <td>=25.35%</td> </tr> <tr> <td>North East</td> <td>107</td> <td>$=(107/3002)*100$</td> <td>=3.56%</td> </tr> <tr> <td>North West</td> <td>865</td> <td>$=(865/3002)*100$</td> <td>=28.81%</td> </tr> <tr> <td>South East</td> <td>46</td> <td>$=(46/3002)*100$</td> <td>=1.53%</td> </tr> <tr> <td>South West</td> <td>0</td> <td>$=(0/3002)*100$</td> <td>=0.00%</td> </tr> <tr> <td>West Midlands</td> <td>94</td> <td>$=(94/3002)*100$</td> <td>=3.13%</td> </tr> <tr> <td>Yorkshire and The Humber</td> <td>107</td> <td>$=(107/3002)*100$</td> <td>=3.56%</td> </tr> </tbody> </table>	NUTS1 Region	Sample Size	Calculation	Result	East Midlands	50	$=(50/3002)*100$	=1.67%	East of England	65	$=(65/3002)*100$	=2.17%	London	761	$=(761/3002)*100$	=25.35%	North East	107	$=(107/3002)*100$	=3.56%	North West	865	$=(865/3002)*100$	=28.81%	South East	46	$=(46/3002)*100$	=1.53%	South West	0	$=(0/3002)*100$	=0.00%	West Midlands	94	$=(94/3002)*100$	=3.13%	Yorkshire and The Humber	107	$=(107/3002)*100$	=3.56%
NUTS1 Region	Sample Size	Calculation	Result																																								
East Midlands	50	$=(50/3002)*100$	=1.67%																																								
East of England	65	$=(65/3002)*100$	=2.17%																																								
London	761	$=(761/3002)*100$	=25.35%																																								
North East	107	$=(107/3002)*100$	=3.56%																																								
North West	865	$=(865/3002)*100$	=28.81%																																								
South East	46	$=(46/3002)*100$	=1.53%																																								
South West	0	$=(0/3002)*100$	=0.00%																																								
West Midlands	94	$=(94/3002)*100$	=3.13%																																								
Yorkshire and The Humber	107	$=(107/3002)*100$	=3.56%																																								
E	Estimating the number of Premier League Club Fan households for each NUTS1 region	$E = D \times A$	<table border="1"> <thead> <tr> <th>NUTS1 Region</th> <th>Proportion of PL fan in sample</th> <th>Calculation</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>East Midlands</td> <td>=1.67%</td> <td>$=1.67%*6,517,643$</td> <td>108,555</td> </tr> <tr> <td>East of England</td> <td>=2.17%</td> <td>$=2.17%*6,517,643$</td> <td>141,122</td> </tr> <tr> <td>London</td> <td>=25.35%</td> <td>$=25.35%*6,517,643$</td> <td>1,652,207</td> </tr> <tr> <td>North East</td> <td>=3.56%</td> <td>$=3.56%*6,517,643$</td> <td>232,308</td> </tr> </tbody> </table>	NUTS1 Region	Proportion of PL fan in sample	Calculation	Result	East Midlands	=1.67%	$=1.67%*6,517,643$	108,555	East of England	=2.17%	$=2.17%*6,517,643$	141,122	London	=25.35%	$=25.35%*6,517,643$	1,652,207	North East	=3.56%	$=3.56%*6,517,643$	232,308																				
NUTS1 Region	Proportion of PL fan in sample	Calculation	Result																																								
East Midlands	=1.67%	$=1.67%*6,517,643$	108,555																																								
East of England	=2.17%	$=2.17%*6,517,643$	141,122																																								
London	=25.35%	$=25.35%*6,517,643$	1,652,207																																								
North East	=3.56%	$=3.56%*6,517,643$	232,308																																								

			North West	=28.81%	=28.81%*6,517,643	1,878,002
			South East	=1.53%	=1.53%*6,517,643	99,871
			South West	=0.00%	=0.0%*6,517,643	0
			West Midlands	=3.13%	=3.13%*6,517,643	240,083
			Yorkshire and The Humber	=3.56%	=3.56%*6,517,643	232,308
<p>The same procedure can be applied to each of the other leagues and user types to produce estimates for then number of households that are fans of each league in each NUTS1 region</p>						

10.1.1 Aggregation of WTP1 at the NUTS 1 level by league

Using the WTP1 results of Appendix Table 24 to provide the WTP lower bound 95% confidence interval for each user type, reported at the NUTS 1 regions and by league. The lower bound WTP estimates for each user type is then combined with the number of users in each group to produce a WTP estimate, aggregated at the NUT1 level, by league.

Green Book guidance on discounting was applied to calculate a 10-year and 30-year Present Value welfare value for each NUTS 1 region in each league. The results can be seen in Annex Table 28 below.⁵³

⁵³ Note, the total estimated 10-year Present Value welfare gains when calculated at a dis-aggregated level is £2.3billion (compared to £3.1billion when aggregated nationally). The total estimated 30-year Present Value welfare gains when calculated at a dis-aggregated level is £5.1billion (compared to £6.9billion when aggregated nationally). The likely cause of this discrepancy is the variation at the lower bound level on the small sample sizes, introducing small sample bias and outlier effects. As such, we recommend proceeding with caution when using dis-aggregated values, as these are more prone to uncertainties, primarily driven by small sample sizes. This is discussed further in Section 10.2

Annex Table 28 WTP1: Willingness to pay to preserve the existence of their supported/local men's professional football club through a Club Heritage Fund aggregated at the NUTS 1 level by league

	Lower bound 95% CI WTP						Number of Fans			Aggregated WTP	10-year NPV	30-year NPV
	Club fan		neutral fan		non-user		Club fan	neutral fan	non-user			
	£	£	£	£	£	£						
Premier League	East Midlands	£10.67	£4.22	£0.52	£0.52	£0.52	108555	32298	280952	£1,440,673	£12,400,858	£27,424,308
	East of England	£18.42	£4.22	£0.00	£0.00	£0.00	141122	53829	414739	£2,826,617	£24,330,637	£53,806,832
	London	£58.15	£1.56	£0.00	£0.00	£0.00	1652207	109812	1257595	£96,247,153	£828,465,324	£1,832,138,387
	North East	£23.41	£4.22	£0.00	£0.00	£0.00	232308	21532	401360	£5,529,187	£47,593,510	£105,252,320
	North West	£45.39	£4.22	£0.00	£0.00	£0.00	1878002	36604	735827	£85,396,960	£735,070,264	£1,625,596,640
	South East	£8.05	£2.28	£0.00	£0.00	£0.00	99871	105505	628798	£1,044,510	£8,990,818	£19,883,057
	South West	£51.71	£4.22	£0.52	£0.52	£0.52	0	0	0	£0	£0	£0
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£28.76	£4.22	£0.52	£0.52	£0.52	204083	45217	387981	£6,262,003	£53,901,359	£119,202,031
	Yorkshire and The Humber	£33.93	£4.22	£0.52	£0.52	£0.52	232308	45217	374603	£8,267,808	£71,166,699	£157,384,065
Championship	East Midlands	£18.04	£1.18	£0.16	£0.16	£0.16	156319	45217	200680	£2,905,463	£25,009,313	£55,307,714
	East of England	£37.18	£1.18	£0.16	£0.16	£0.16	36909	36604	187301	£1,445,426	£12,441,777	£27,514,799
	London	£31.54	£1.18	£0.16	£0.16	£0.16	106384	58136	347845	£3,479,604	£29,951,337	£66,236,923
	North East	£6.76	£1.18	£0.16	£0.16	£0.16	69475	17225	147165	£513,525	£4,420,260	£9,775,337
	North West	£12.23	£1.18	£0.16	£0.16	£0.16	82502	36604	254195	£1,092,861	£9,407,003	£20,803,443
	South East	£37.18	£1.18	£0.16	£0.16	£0.16	30395	43063	227437	£1,217,306	£10,478,187	£23,172,350
	South West	£37.18	£1.18	£0.16	£0.16	£0.16	34738	32298	173923	£1,357,483	£11,684,786	£25,840,725
	Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	West Midlands	£33.65	£0.00	£0.00	£0.00	£0.00	269216	88280	642176	£9,059,132	£77,978,171	£172,447,531
	Yorkshire and The Humber	£23.54	£1.18	£0.16	£0.16	£0.16	221452	55982	347845	£5,334,700	£45,919,421	£101,550,097
League 1	East Midlands	£43.83	£2.95	£0.00	£0.00	£0.00	10856	40910	214059	£596,482	£5,134,328	£11,354,487
	East of England	£26.75	£2.95	£0.00	£0.00	£0.00	93357	43063	294331	£2,624,345	£22,589,538	£49,956,417
	London	£43.83	£2.95	£0.00	£0.00	£0.00	47764	38757	200680	£2,207,838	£19,004,380	£42,027,895
	North East	£31.10	£2.95	£0.00	£0.00	£0.00	128095	10766	187301	£4,015,511	£34,564,258	£76,438,328
	North West	£37.01	£2.95	£0.00	£0.00	£0.00	73817	53829	428117	£2,890,778	£24,882,913	£55,028,182
	South East	£15.29	£0.56	£0.00	£0.00	£0.00	119411	155028	1030158	£1,912,602	£16,463,082	£36,407,854
	South West	£43.83	£2.95	£0.00	£0.00	£0.00	32567	38757	227437	£1,541,723	£13,270,669	£29,347,880

10.1.2 Aggregation of WTP2 at the NUTS 1 level by league

To estimate the aggregate welfare value of introducing the FLR recommendations across the English leagues at the NUTS1 level by league, the same steps as in section 7.2.1 are followed⁵⁴, and the lower bound WTP values to implement the FLR recommendations in Annex Table 25 used. Annex Table 29 presents the results of WTP2 aggregated by NUTS1 region by league.

Note that the two WTP questions are independent sets of questions. Respondents were asked to consider each scenario (the preservation of their club and the FLR recommendations) as independent and separate hypothetical scenarios. As such, the two sets of aggregate WTP values should not be added together, as this would lead to double counting. An alternative design approach, where WTP for the FLR recommendations was elicited as a marginal value on top of the first WTP question, was rejected at the scoping phase, as it would have meant that the FLR findings could not have been interpreted in isolation. Therefore, the benefit of this study is that two independent estimates of the welfare value of (1) preserving the existence of their supported/local men's professional football club through a Club Heritage Fund; and (2) to support the Fan-Led Review Recommendations across the men's English leagues are produced which can be reported in separate business cases related to different policy issues, one around the current value of professional football clubs in England, and the other about the potential value of introducing the FLR recommendations to the English football leagues.

⁵⁴ Caution is advised when working with the welfare gains calculated at a dis-aggregated level. Discrepancies can arise due to variation at the lower bound level on the small sample sizes, introducing small sample bias and outlier effects. As such, we recommend proceeding with caution when using dis-aggregated values, as these are more prone to uncertainties, primarily driven by small sample sizes.

Annex Table 29 WTP2: Willingness to pay to implement the FLR recommendations in English football, aggregated at the NUTS1 level by league

	Lower bound 95% CI WTP						Number of Fans				Aggregated WTP	10-year NPV	30-year NPV
	Club fan		neutral fan		non-user		Club fan	neutral fan	non-user				
	Club fan	neutral fan	Club fan	neutral fan	non-user								
East Midlands	£4.97	£3.11	£0.76	280952	32298	108555	280952	£853,487	£7,346,551	£16,246,785			
East of England	£4.23	£3.11	£0.00	414739	53829	141122	414739	£764,353	£6,579,310	£14,550,043			
London	£46.49	£0.21	£0.40	1257595	109812	1652207	1257595	£77,337,210	£665,694,460	£1,472,173,112			
North East	£9.81	£3.11	£0.00	401360	21532	232308	401360	£2,345,902	£20,192,791	£44,656,048			
North West	£34.67	£3.11	£0.00	735827	36604	1878002	735827	£65,224,153	£561,429,062	£1,241,591,780			
South East	£4.77	£2.10	£0.00	628798	105505	99871	628798	£697,944	£6,007,682	£13,285,897			
South West	£37.29	£3.11	£0.76	0	0	0	0	£0	£0	£0			
Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA			
West Midlands	£12.06	£3.11	£0.76	387981	45217	204083	387981	£2,896,735	£24,934,189	£55,141,578			
Yorkshire and The Humber	£13.93	£3.11	£0.76	374603	45217	232308	374603	£3,661,368	£31,515,908	£69,696,948			
East Midlands	£9.99	£2.19	£0.18	200680	45217	156319	200680	£1,696,776	£14,605,312	£32,299,424			
East of England	£20.47	£2.19	£0.18	187301	36604	36909	187301	£869,398	£7,483,504	£16,549,655			
London	£18.09	£2.19	£0.18	347845	58136	106384	347845	£2,114,414	£18,200,212	£40,249,490			
North East	£9.44	£2.19	£0.18	147165	17225	69475	147165	£720,059	£6,198,044	£13,706,879			
North West	£4.09	£2.19	£0.18	254195	36604	82502	254195	£463,350	£3,988,371	£8,820,221			
South East	£20.47	£2.19	£0.18	227437	43063	30395	227437	£757,441	£6,519,818	£14,418,478			
South West	£20.47	£2.19	£0.18	173923	32298	34738	173923	£813,116	£6,999,051	£15,478,294			
Wales	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA			
West Midlands	£15.16	£0.00	£0.00	642176	88280	269216	642176	£4,081,321	£35,130,730	£77,691,072			
Yorkshire and The Humber	£14.10	£2.19	£0.18	347845	55982	221452	347845	£3,307,690	£28,471,557	£62,964,412			
East Midlands	£21.48	£2.58	£0.22	214059	40910	10856	214059	£385,817	£3,320,995	£7,344,330			
East of England	£1.74	£2.58	£0.22	294331	43063	93357	294331	£338,298	£2,911,963	£6,439,762			
London	£21.48	£2.58	£0.22	200680	38757	47764	200680	£1,170,118	£10,072,008	£22,274,091			
North East	£5.97	£2.58	£0.22	187301	10766	128095	187301	£833,709	£7,176,304	£15,870,286			
North West	£19.53	£2.58	£0.00	428117	53829	73817	428117	£1,580,533	£13,604,735	£30,086,663			
South East	£14.62	£0.08	£0.00	1030158	155028	119411	1030158	£1,758,184	£15,133,895	£33,468,378			
South West	£21.48	£2.58	£0.22	227437	38757	32567	227437	£849,558	£7,312,728	£16,171,985			

10.2 Technical discussion on national and sub-national aggregation

The total estimated 10-year present value welfare gains for the preservation of people's supported/local club (WTP1) calculated at a NUTS1-league level is £2.3billion, which is less than the £3.1billion when aggregated nationally. Likewise, the 30-year NUTS1-league level value for WTP1 is £5.1billion compared to the nationally aggregated value of £6.9billion. Similarly, the NUTS1-league estimated 10-year (30-year) present value welfare gains for the implementation of the FLR recommendations (WTP2) are lower compared to the national aggregation; £1.6billion (£3.5billion) vs £2.1billion (£4.7billion). The cause of this discrepancy is the variation at the lower bound level on the small sample sizes, introducing small sample bias and outlier effects.

The DCMS REA recommends a minimum sample size of 200 observations for the total sample of a survey of this kind⁵⁵, although there is currently no guidance on the minimum sample required for subgroup analysis in WTP studies. The CV survey used in this report is of sample size $n=5,272$, significantly above the recommended sample size of 200. As such, the national aggregation contains a sufficient sample size to mitigate issues of small sample bias and outlier effects. The sub-national aggregation however does not contain a sufficient sample for every sub-group and therefore relies on imputed values, in an attempt to mitigate small sample bias and outlier bias. As a result, the aggregated sub-national present values do not sum to the national aggregation. We therefore recommend proceeding with caution when using the sub-national figures.

A confidence interval refers to the probability that a population parameter will fall between two sets of values. For aggregation purposes, the lower bound 95% confidence interval is used to offset the risk of over-estimation that typically exists due to hypothetical bias in CV surveys⁵⁶. Confidence intervals are a function of the ratio of the sample standard deviation to the square root of the sample size, where we would expect smaller samples to exhibit larger variation (larger standard deviation). Therefore, where the sample size is small, we would expect more variation around the mean resulting in a comparatively wider confidence interval than that of a parameter of a larger sample size. This directly impacts the sub-national results of our survey by producing a wider confidence interval (meaning a smaller, or even negative, lower bound). This therefore causes part of the discrepancy between the sub-national and the national aggregation figures, as the national aggregation is not susceptible to small sample bias due to the large sample size.

Given problems caused by the smaller sample sizes at the sub-national level, values have had to be imputed to address small sample size and outlier biases. In instances where there is either a low sample size ($n < 30$) or high variance around the mean resulting in a negative lower bound 95% confidence interval, WTP values have been imputed. Where the sample size is less than 30, the mean WTP and 95% lower bound confidence interval values were imputed from the national sample of the respective league and user type. Where there were instances of negative lower bound estimates, these were replaced with £0.00. This can be seen by the blue and green colour coding in Annex Table 27 and Annex Table 28.

⁵⁵

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/955142/REA_culture_heritage_value_Simetrica.pdf

⁵⁶ Lawton et al., 'Guidance Note: How to Quantify the Public Benefit of Your Museum Using Economic Value Estimates. A Resource for Understanding the Economic Value of Museums'.

In practise, we would expect the lower bound WTP value of all the regions to differ from the national lower bound WTP value. However, due to small sample size issues, we have been required to impute a significant number of values. Of the 135 WTP1 values for leagues, NUTS1 regions and user type combinations, there are 92 imputed values. Furthermore, there are 21 instances of a negative 95% lower bound confidence interval being replaced by £0.00. This in-turn further adds to the discrepancy between the sub-national and national aggregation as the results in the sub-national aggregation are not wholly representative of the true sub-national aggregate willingness to pay.

Similarly, there are also a large number of imputations for WTP2 values. Of the 135 WTP2 values for leagues, NUTS1 regions and user type combinations, there are 93 imputed values. Furthermore, there are 19 instances of a negative 95% lower bound confidence interval being replaced by £0.00. Once again this is a contributing factor to the discrepancies between the national and sub-national aggregations.

Our standards and accreditations

Ipsos' standards and accreditations provide our clients with the peace of mind that they can always depend on us to deliver reliable, sustainable findings. Our focus on quality and continuous improvement means we have embedded a "right first time" approach throughout our organisation.



ISO 20252

This is the international market research specific standard that supersedes BS 7911/MRQSA and incorporates IQCS (Interviewer Quality Control Scheme). It covers the five stages of a Market Research project. Ipsos was the first company in the world to gain this accreditation.



Market Research Society (MRS) Company Partnership

By being an MRS Company Partner, Ipsos endorses and supports the core MRS brand values of professionalism, research excellence and business effectiveness, and commits to comply with the MRS Code of Conduct throughout the organisation. We were the first company to sign up to the requirements and self-regulation of the MRS Code. More than 350 companies have followed our lead.



ISO 9001

This is the international general company standard with a focus on continual improvement through quality management systems. In 1994, we became one of the early adopters of the ISO 9001 business standard.



ISO 27001

This is the international standard for information security, designed to ensure the selection of adequate and proportionate security controls. Ipsos was the first research company in the UK to be awarded this in August 2008.



The UK General Data Protection Regulation (GDPR) and the UK Data Protection Act (DPA) 2018

Ipsos is required to comply with the UK GDPR and the UK DPA. It covers the processing of personal data and the protection of privacy.



HMG Cyber Essentials

This is a government-backed scheme and a key deliverable of the UK's National Cyber Security Programme. Ipsos was assessment-validated for Cyber Essentials certification in 2016. Cyber Essentials defines a set of controls which, when properly implemented, provide organisations with basic protection from the most prevalent forms of threat coming from the internet.



Fair Data

Ipsos is signed up as a "Fair Data" company, agreeing to adhere to 10 core principles. The principles support and complement other standards such as ISOs, and the requirements of Data Protection legislation.

For more information

3 Thomas More Square
London
E1W 1YW

t: +44 (0)20 3059 5000

www.ipsos.com/en-uk
<http://twitter.com/IpsosUK>

About Ipsos Public Affairs

Ipsos Public Affairs works closely with national governments, local public services and the not-for-profit sector. Its c.200 research staff focus on public service and policy issues. Each has expertise in a particular part of the public sector, ensuring we have a detailed understanding of specific sectors and policy challenges. Combined with our methods and communications expertise, this helps ensure that our research makes a difference for decision makers and communities.