

MANCHESTER CITY FC

DI Sanction Architecture & Systemic Impact Report

A proposed fair-and-equitable remediation framework following the Independent Commission's findings

Analysis date	29 September 2026
Method	Dimensional Intelligence (DI): decomposition, adversarial testing, constraint analysis, systemic-impact reconciliation
Status	Analytical sanction proposal; not an official Premier League, EFL, UEFA, FIFA or court determination
Core objective	Maximum institutional accountability with minimum avoidable harm to innocent parties and the football ecosystem

Executive Summary

Verified case posture. On 29 September 2026, the Premier League announced that an independent Commission had found Manchester City FC guilty of all charges relating to serious breaches of the League’s financial rules over a nine-season period, and guilty of the majority of charges concerning failure to cooperate with the investigation. Sanctions remain a separate question.

DI conclusion. A sanction should not be optimized for maximum destruction of Manchester City. It should restore competitive integrity, remove inherited sporting advantage, impose a durable institutional consequence, protect innocent players/coaches/employees, avoid rewriting unknowable historical counterfactuals, and limit damage exported to the Premier League, EFL, UEFA ecosystem, supporters, broadcasters, sponsors, communities and unrelated clubs.

Optimal Sanction = max(Integrity Restoration + Accountability – Collateral Damage)

Component	Final DI Design	Purpose
Historical record	Retain all titles, cups and match results	Preserve observed history; do not manufacture counterfactual champions
Sporting sanction	Compulsory demotion by two tiers	Extraordinary institutional consequence without permanent destruction
Roster reset	Zero retained current first-team registrations, with protected player economics	Remove inherited sporting stock while avoiding punishment of innocent players
Financial corridor	50% minimum restriction; never more permissive than 80%, for nine seasons	Constrain reconstruction while allowing regulators to respond to systemic harm
Duration	Nine seasons, regardless of promotion/relegation	Temporal symmetry with the nine-season breach period
Systemic review	Annual independent impact assessment	Prevent the sanction itself from creating disproportionate damage

1. Verified Factual Baseline

The analytical model must distinguish verified findings from proposed remedies. The Premier League’s 29 September 2026 statement reports that the independent Commission found serious financial-rule breaches across nine seasons. Public reporting on the Core Decision describes sham commercial arrangements and financial effects exceeding £900 million. The sanction phase is separate; nothing in this report should be read as an official sanction determination.

Manchester City reported £694.1 million of revenue for 2024/25: £75.1 million matchday, £278.6 million broadcasting and £340.4 million commercial revenue. That scale matters because a sanction imposed on City propagates beyond ownership and the first team.

The wider Premier League is itself systemically significant. A 2026 EY study publicized by the League projects £33 billion of UK gross value added from 2025–2028, £14.8 billion in tax revenue and 107,600 full-time-equivalent jobs supported annually. Accordingly, permanent removal of a globally significant club cannot be assumed to have zero external cost.

2. DI Fairness Architecture

DI decomposes fairness into separate objectives rather than treating severity as a single scalar.

Fairness = Proportionality + Attribution + Integrity Restoration + Deterrence + Innocent-Party Protection – Systemic Externality

The central design rule is non-duplication: each sanction component should address a distinct harm. A giant points deduction, massive fine, title stripping, forced relegation and prolonged spending restriction can become double-counting if all are merely different expressions of the same punishment.

3. Historical Record: Retain Titles, Cups and Results

The proposal leaves Manchester City's historical sporting record intact. No league title, cup, match result or recorded achievement is vacated or reassigned.

Titles Removed = 0 | Cups Removed = 0 | Historical Results Altered = 0

The rationale is epistemic rather than lenient. Once a season has occurred, the counterfactual cannot be reconstructed deterministically. Removing City from a historical table changes fixtures, tactical incentives, injuries, transfers, qualification races, relegation races, goal difference and thousands of subsequent decisions. The runner-up cannot therefore be proven to be the champion of a world in which Manchester City's historical competitive position had been different.

Observed History ≠ Reliably Reconstructable Counterfactual

4. Sporting Sanction: Two-Tier Demotion

The model imposes a compulsory two-tier demotion. If applied from the Premier League, the sporting starting point would be two levels below the Premier League, subject to the governing bodies' actual jurisdiction, competition rules and implementation mechanics.

DI treats this as the principal institutional sporting sanction. It is deliberately more consequential than an ordinary relegation while stopping short of permanent expulsion, which would create much larger irreversible externalities.

5. Roster Reset With Innocent-Party Protection

The proposed objective is a complete reset of inherited first-team sporting capital: no current first-team player registration is retained by Manchester City through the reset. The economic mechanism, however, must not confiscate innocent players' contractual rights.

City Sporting Registration → 0 while Player Contractual Entitlement is Protected

The club, rather than uninvolved players, should bear the economic cost created by the remedy. The same principle applies to coaches and ordinary employees who were not responsible for historical financial misconduct. Exact implementation would require separate analysis under English employment/contract law and applicable FIFA/FA/EFL registration rules.

A further anti-circumvention rule is required: forced roster disposal must not generate unrestricted reconstruction capital. Net proceeds attributable to the mandated reset should be quarantined from first-team rebuilding during the extraordinary restriction period, while remaining available for protected contractual obligations, ordinary employees, infrastructure, debt and other approved non-competitive uses.

6. Nine-Year Financial Constraint: 50%–80% Corridor

The final model fixes the lower bound at 50% and the upper bound at 80%. The 50% value is a policy floor selected for this DI proposal, not a claim that mathematics uniquely proves 50%. The 80% value is likewise the proposal's maximum permitted relaxation.

$50\% \leq C(t) \leq 80\%$ for $t = 1 \dots 9$

The extraordinary constraint persists for nine seasons regardless of promotion or relegation. Regulators may move the applicable percentage within the corridor based on independently measured collateral effects, but may neither tighten below 50% nor relax above 80% under this proposal.

For regulatory context, UEFA’s 2026 squad-cost rule uses a permanent 70% ceiling. UEFA previously used an 80% transitional threshold in 2024/25 before moving to 70%. Therefore, 80% in this report is not represented as UEFA’s current normal ceiling; it is the upper boundary of the proposed remedial corridor.

The regulated cost definition should be anchored to a recognized squad-cost concept: relevant player/coach employee expenses, registration amortization, loan costs and agent/intermediary/connected-party costs. Non-competitive spending such as ordinary employee payroll, safety, community programs and appropriate infrastructure should not automatically be swept into a first-team competitive cap.

7. Why Nine Seasons

The Commission’s findings cover a nine-season period. The proposal therefore applies the extraordinary reconstruction constraint for nine seasons. This is not a theorem that every year of misconduct must equal one year of sanction; it is a transparent temporal symmetry that makes the duration intelligible and resistant to arbitrary extension.

Duration of Extraordinary Constraint / Duration of Found Misconduct = 9 / 9 = 1

Promotion does not terminate the clock. Relegation does not restart it. After season nine, the extraordinary corridor expires and ordinary applicable rules resume.

8. Systemic Impact: The Missing Dimension

A sanction is itself an intervention into a complex economic and sporting network. DI therefore evaluates not only harm caused by the misconduct but also harm caused by the remedy. Permanent expulsion illustrates the problem: it maximizes institutional destruction but may also export large, irreversible costs to parties who did not commit the violations.

Sanction Quality ≠ Severity Alone

Sanction Quality = Integrity Restored – Avoidable External Harm

Impact Dimension	Potential Negative Effect	DI Control
Broadcasting	Loss of high-value fixtures, audience demand and international inventory	Measure rights/value effects annually; adjust corridor only within 50–80%
Commercial	Sponsor and partner value loss; redistribution across clubs may be incomplete	Track league and club commercial changes rather than assuming one-for-one loss
Employment	Club, stadium, supplier and local-economy effects	Protect ordinary employment/non-competitive spending where possible
Football pyramid	City could either overwhelm a lower tier or, if over-constrained, damage local competition economics	Maintain financial corridor and monitor lower-tier competitive balance
UEFA/Europe	Qualification and coefficient/commercial effects may propagate internationally	Coordinate applicable rules; do not assume domestic remedy is isolated
Supporters/community	Large population of non-culpable supporters and community programs	Preserve institution and community functions; avoid permanent extinction
Other clubs	Windfalls or losses from player redistribution, fixtures and market changes	Anti-circumvention and transfer-proceeds quarantine

9. Systemic Impact Index (SII)

The annual review should use a transparent Systemic Impact Index rather than discretionary impressions. Each dimension is normalized to a common scale and weighted before the next season’s corridor percentage is set.

SII = wB·B + wC·C + wE·E + wF·F + wU·U + wL·L

B = broadcasting impact; C = commercial impact; E = employment/supply-chain impact; F = football-pyramid impact; U = UEFA/European impact; L = local/community impact. Weights should be published in advance. The SII cannot cancel the sanction; it can only inform movement inside the 50–80% corridor.

10. Annual Control Logic

- Season 1 begins at the 50% restriction following the roster reset and two-tier demotion.
- An independent panel measures competitive balance, economic externalities, protected-party impacts and circumvention risk.
- If City remains capable of economically overwhelming the competition, the restriction remains near 50%.
- If the system is stable but measurable collateral harm is increasing, the regulator may relax the restriction toward 80%.
- The ceiling remains 80% and the floor remains 50% for all nine seasons; no promotion, relegation or ownership decision automatically terminates the regime.
- At the end of season nine, extraordinary controls expire and Manchester City returns to the ordinary rules applicable to its competition.

11. Adversarial Findings

Element	Attack	DI Resolution	Status
Titles retained	May appear insufficiently punitive	Counterfactual champions cannot be deterministically reconstructed; punish institution prospectively	SURVIVES
Two-tier demotion	Two tiers is a policy choice, not a mathematically unique number	Use as explicit extraordinary sporting sanction between ordinary relegation and extinction	SURVIVES AS POLICY PARAMETER
Roster reset	Could punish innocent players and breach contracts	Separate sporting registration from protected economic entitlement	SURVIVES WITH MODIFICATION
50% floor	Not uniquely derivable from available data	Treat as chosen minimum constraint; test effects annually	SURVIVES AS POLICY PARAMETER
80% ceiling	Not UEFA's current normal ceiling	Clearly label as proposal ceiling; UEFA current rule is 70%	SURVIVES WITH CLARIFICATION
Nine years	Temporal symmetry is not proof of optimality	Transparent and directly tied to duration of found misconduct	SURVIVES
Permanent expulsion	Maximum punishment	Creates potentially enormous irreversible externalities and harms non-culpable parties	REJECTED IN MODEL
Large extra points deduction	Adds severity	Risks double counting after demotion + reset + nine-year constraint	NOT REQUIRED

12. Final DI Sanction Architecture

$$S^* = H + D_2 + R_0 + C_9 + IP + SII$$

Where H preserves historical results; D₂ is compulsory two-tier demotion; R₀ is zero retained current first-team registrations; C₉ is the nine-season 50–80% extraordinary squad-cost corridor; IP is innocent-party protection; and SII is the annual systemic-impact control.

Final design principle: preserve the football institution and observed historical record; remove inherited sporting advantage; impose an unmistakable sporting consequence; constrain reconstruction for the same nine-season

horizon as the misconduct period; protect innocent participants; and continuously measure whether the remedy itself is damaging the wider football ecosystem.

13. What This Report Does Not Claim

- It does not claim that the Commission or Premier League has selected this sanction.
- It does not claim that 50%, 80% or two divisions are uniquely mathematically compelled; they are explicit policy constraints in the proposed model.
- It does not establish that forced player-registration termination is legally available without further employment, contract, FIFA, FA and EFL analysis.
- It does not quantify the monetary loss to the Premier League from permanent expulsion; that requires a dedicated counterfactual economic model.
- It does not treat Manchester City's current revenue as equivalent to the amount the Premier League would lose if City disappeared; economic activity would partially redistribute.

14. Sources and Verification Notes

Primary/current sources used for factual baselines:

Premier League — Manchester City FC statement, 29 Sep 2026: <https://www.premierleague.com/en/news/4727779/premier-league-statement-manchester-city-fc>

Premier League / EY — economic and social contribution, 3 Aug 2026: <https://www.premierleague.com/en/news/4681949/premier-league-set-to-deliver-record-economic-and-social-contribution-to-the-uk>

Manchester City — Annual Report 2024/25, Business Performance: <https://www.mancity.com/annualreport2025/business-performance/>

UEFA — 2026 Club Licensing and Financial Sustainability Regulations, Article 94: <https://documents.uefa.com/r/UEFA-Club-Licensing-and-Financial-Sustainability-Regulations-2026/Article-94-Squad-cost-rule-Online>

UEFA — Financial sustainability overview: <https://www.uefa.com/running-competitions/integrity/financial-sustainability/>

UEFA — Article 93, calculation of squad cost ratio: <https://documents.uefa.com/r/UEFA-Club-Licensing-and-Financial-Sustainability-Regulations-2026/Article-93-Calculation-of-squad-cost-ratio-Online>

DI STATUS: COHERENT PROPOSAL — FURTHER LEGAL AND ECONOMIC QUANTIFICATION REQUIRED