

## MIDDLESEX NOTES ON THE RFU COUNCIL MEETING

### Held at Twickenham Stadium - 9<sup>th</sup> February 2018

The meeting was chaired by the President, John Spencer.

#### 1. **CHIEF EXECUTIVE'S REPORT**

Stephen Brown - Chief Executive Officer

##### 1.1 **Executive Team**

- a. Eddie Jones contract as Head Coach has been extended until 2021. This is conditional on an acceptable team performance at the 2019 Rugby World Cup in Japan. The contract extension has been well received by the media and the Game.
- b. Sue Day has been appointed as Chief Financial Officer and will be joining the Union on 26th March 2018. Sue joins from KPMG, where she is a deal advisory partner

##### 1.2 **Organisational Changes**

###### a. **Rugby Development Restructure**

###### i. **Universities**

The Union is changing the way it works with Universities. As a result, the roles of University Development Manager and University Rugby Development Officers will disappear and be replaced by a University Partnership Development Manager and four University Partnership Officers.

###### ii. **Player Development**

The Union is changing the way it supports the male and female pathways. As a result, the roles of Player Development Manager and Player Development Officers will disappear and be replaced by a Player Pathways Manager and four Player Pathways Officers.

###### iii. **Women's Rugby Development Officers**

Due to the ongoing integration of the men's and women's game, the Women's Rugby Development Officer posts are disappearing. The development of the women's & girls' game will now be delivered by all Rugby Development staff.

###### iv. **Other**

Four new posts have been created, an Age Grade Rugby Manager, two Match Official Development Officers and a Growth Assistant.

###### v. **Summary**

In total 20 members of staff are being made redundant and 20 new positions are being created. All staff affected have been consulted and advised of the new posts.

###### b. **Medical**

Simon Kemp has assumed responsibility for the Community Game, whilst retaining his responsibilities for the Professional Game.

###### c. **Marketing**

Organisational changes have also been made in the Marketing Department.

##### 1.3 **Sport England**

The Union has received positive feedback from Sport England over its response to the Governance Code and for using the Union's financial strength to increase investment in developing the game. As a result, the RFU is currently seen as a leading Governing Body.

#### 1.4 Operational Review

The executive team met offsite at the start of January 2018 to focus on strategic issues which will be discussed with the Board and Council shortly. These include how to embed a culture of innovation across the organisation and how to focus on the Strategic Priorities. This will include stopping some work that no longer helps achieve the Union's purpose and vision.

### 2. PROFESSIONAL RUGBY REPORT

Nigel Melville - Professional Rugby Director

#### 2.1 Global Season

In recent weeks, PRL/RPA and the RFU have been working together to finalise the domestic season schedule. The talks have been positive, and a draft proposal was discussed at the Professional Game Board (PGB) on 25<sup>th</sup> January 2018.

#### 2.2 Greene King Championship

Consultants EY have met with all Championship stakeholders and will complete their report, which will include recommendations, shortly. The report will cover subjects including wage; income ratios; the effectiveness of the Championship as a development tool; the increasing gap between the Premiership and Championship; ring fencing and promotion/relegation amongst other areas.

#### 2.3 National Teams

a. Eddie Jones has presented his review of the November Internationals and preview of Six Nations to the Professional Game Board.

b. All teams (Men's, Women's & Under 20s) are now in camp for their Six Nations campaigns.

#### 2.4 Premiership

In parallel to the global season discussions, the CEO and Director of Professional Rugby have been meeting the PRL executive and Club owners/CEOs to discuss issues facing their Clubs.

#### 2.5 Women's Rugby

a. The Tyrell's Premier 15s has been a great success and already producing a stronger/deeper pool of potential international players (7s and 15s).

b. The recent collective bargaining agreement in Australia has provided some interesting development in the contracting of women's and men's sevens players. This will undoubtedly have an impact on the future of the women's game worldwide.

#### 2.6 Stakeholder Relations

Relations with key stakeholders remain strong. The Director of Professional Rugby would like to encourage Council members to visit PRL/Tyrells and Championship games during the remainder of the season.

### 3. RUGBY DEVELOPMENT DIRECTOR

Steve Grainger - Rugby Development Director

#### 3.1 Player Data

a. The second National Rugby Survey (NRS) has now been completed. There were 14,000 respondents. The results are being reviewed.

b. Ireland, Scotland & Wales are now participating in the NRS. This will be useful in identifying any underlying trends and any significant points of difference. Initial results and comparators were discussed at the 4 Nations Development meeting on 16<sup>th</sup> January 2018.

c. The RFU continues to track and analyse growth in team numbers. Net growth in male teams at U14 and above is currently at 213 (52 adult, 51 U17/18 and 110 at U14-U16). This is against a target of 230. Female net growth is at 74 (30 adult and 44 U15 & U18) against a target of 69.

#### 3.2 Strategic plan priorities

##### a. Artificial Grass Pitches

Seven Rugby Turf and two Rugby Share pitches are now fully operational. Construction is underway at Derby, Leicester Forest and Cheshunt with completion due in February/March 2018. Approvals are complete for a further 10 sites with start dates agreed.

##### b. Community Sevens Offer

i. X-Rugby laws became operational from 1<sup>st</sup> January 2018. Plans are progressing well for initial implementation in the Spring in 9 universities and from May 2018 at six AGP sites.

- ii. Dates and venues are confirmed for this summer's Secure Trading 24/7s series. This was launched in December 2017 and over 40 local qualifiers will take place from April to June 2018 with regional and national finals in June/July 2018.
- c. **Engaging New Communities**  
The Women and Girls Action Plan was formally launched in November 2017 and has continued to generate strong interest. The latest round of 185 Inner Warrior Camps has commenced and overall player numbers are now over 29k.
- d. **Age grade to Adult Transition**
  - i. University work has continued to be a key focus and six university clusters have now appointed their dedicated Development Officers to support cross institution working and to grow playing numbers.
  - ii. 7,200 students and graduates have been contacted through a new University Leavers mechanism to transition players into Clubs.
  - iii. The 21 Focus Colleges have all now agreed their plans; at the centre of which is work to sustain participation through the 16-20 year old age group and transition players into Clubs.
- e. **Other**
  - i. Project 15s is the World Rugby working group established to look at the challenges facing the fifteen-a-side game globally. Steve Grainger is a member of the group, which is tasked with preparing an initial report for the Rugby Committee for consideration at its March 2018 meeting.
  - ii. Efforts to increase the use of technology in coach education have continued. The second Facebook Live session took place on 11<sup>th</sup> January 2018 and the Old Mutual Wealth Kids First Skills Series is getting strong traction; there have been 13k views on the footwork skills video.
  - iii. O<sub>2</sub> Touch centre numbers have risen to 430 with over 22,000 active players. A new website and app has been soft launched and is performing well.
  - iv. Aspirational Team fixtures have been confirmed. England Counties U18s will play two matches against Ireland in Portsmouth, England Counties U20s will play two matches against Georgia in Tbilisi, England Counties will play three matches in Bucharest – one warm up, one against Romania U23 and one against Romania A, and England Students will play two matches in Chambery against French Students.
  - v. Headcase training programme figures are up significantly year on year, 11,253 to date compared to 8,614 in the previous year. The biggest spike was seen in September with players increasing 150%, teachers by around 80% and coaches more than doubling.
  - vi. 27 facility projects are in development; 14 projects having been awarded a total of £654k towards a total project value of £1.85m. 30 projects have been identified for the 2018/19 programme.
  - vii. Both NatWest Rugby Force 2018 and the Mitsubishi Motors Volunteer Recognition Programme 2018 have opened for nominations.

### 3.3 Technology

- a. The Union has recently secured the support of a seconded employee from Deloitte to project manage the response to the General Data Protection Regulations (GDPR). Several workstreams have been established internally and the first communication to the game was issued as part of the community game weekly send out on 15<sup>th</sup> December 2017.
- b. The IBM Player Analytics tool was used successfully by the Senior Team through the Old Mutual Wealth Autumn Internationals.

## 4. HUMAN RESOURCE UPDATE

Lucinda Pullinger - Human Resource Director

- 4.1 Gender pay figures have been finalised and presented to the Board
- 4.2 The Diversity & Inclusion programme was "launched" to employees and a contract has been signed with consultants EY for National Equality Standard which will be undertaken in Q1 2018
- 4.3 The "Speak Up" policy has been drafted to ensure that the Union is well positioned to help those involved in the game raise any concerns they have. The policy allows anyone to raise concerns about unacceptable practice, behaviour, wrongdoing or misconduct.

**5. DIGITAL, MARKETING AND COMMUNICATIONS**

Joanna Manning-Cooper - Digital, Marketing and Communications Director

- 5.1 The Game of Our Lives marketing and brand campaign is being developed, with more activity planned for the Six Nations.
- 5.2 CRM focus is delivering solid results across ticketing, retail, and general engagement. Work is being carried out with ERH to drive new England Rugby Hospitality sales opportunities, and with fundraising opportunities for Try for Change
- 5.3 The Digital team are developing new content partnership proposals with sponsors, and continuing to grow digital reach, with the 'peak traffic' Six Nations period approaching. Mobile video is now the strongest growth area
- 5.4 Both Six Nations matches at Twickenham are sold out. The department is working hard to promote Red Roses and U20s match sales. Work is underway with PRL and RPA on a communications plan for positioning of Professional Rugby Injury Surveillance Project (PRISP) injury report
- 5.5 Fully integrated communications and social media plans are in place for all representative teams in the Six Nations
- 5.6 Marketing and communications planning for the 2019 Rugby World Cup is underway, which includes working with partners on 'hearts and minds' and support campaigns

**6. FINANCE DEPARTMENT REPORT**

Richard Daniel - Group Finance Director

**6.1 Legal Update**

Following the changes to the process for Council elections, a comprehensive guide for CBs both as to the requirements under the Rules, and some best practice has been produced.

**6.2 Safeguarding**

- a. The RFU's internal auditors, RSM, are conducting an assurance project on the monitoring of safeguarding processes in the community game. A questionnaire has recently gone out to CB Safeguarding Managers to gather information as to the level and depth of the monitoring undertaken. RSM are due to report back in February 2018.
- b. The RFU's Referral Management Group is an internal group making recommendations as to clearances and bars, and is made up of members of the Legal, Discipline and Safeguarding teams. The group has appointed an independent member to bring different expertise to the group.

**6.3 Discipline**

The changes to the Law Book (particularly Law 9 - previously Law 10) mid-season have been managed effectively by the Union and the CBs.

**7. STRATEGY AND CORPORATE AFFAIRS**

Ben Calveley - Head of Strategy and Corporate Affairs

**7.1 Policy****a. Local Community Relations**

- i. The Local Council has been informed that there will be a delay to the installation of hostile vehicle mitigation, which was linked to the planning permission application for permanent turnstiles in the West Car Park.
- ii. Meetings have been scheduled with all candidates ahead of local elections in May 2018 to inform them about the work the RFU does in the local community.

**b. Public Affairs**

- i. The Finance Bill received Royal Assent in November 2017, which enables Non-Governmental Bodies (NGBs) and others to secure a corporation tax deduction for investments made into grassroots sport.
- ii. The Competitions & Markets Authority (CMA) has released an interim report into the secondary ticketing market noting non-compliance to the Law by some companies. The RFU is helping the CMA with their investigations in this area.
- iii. General Data Protection Regulations (GDPR) lobbying continues.

**7.2 CSR & Corporate Services**

- a. The England Rugby Sport Relief Ball is being held on 15th February 2018 at the Hilton Park Lane. The executive is working with partners and suppliers to boost table sales.

- b. Support continues for Dominic Proctor in his position as Chair of Try for Change. A Fundraising Board has recently been created.

### 7.3 RFU's 150<sup>th</sup> Anniversary

The President has asked for volunteers from Council to be part of a group looking at plans and preparations for the RFU's 150th anniversary year in 2020/2021.

### 7.4 Corporate Strategy

Various internal meetings have been consolidated into one quarterly Strategic Committee meeting, which will meet to consider the Strategic Plan KPIs, financial position, risk management, contract management and project management.

## 8. COMMERCIAL UPDATE

Simon Massie-Taylor - Commercial Director

### 8.1 Sponsorship

#### a. Quilter

Old Mutual Wealth have announced a rebrand to Quilter alongside their managed separation from their South African parent company. The May test will now be known as the Quilter Cup and the Autumn Internationals will be called the Quilter Internationals. Discussions about a renewal post the 2019/20 season have commenced.

#### b. Renewals

Progress is being made with renewal/extension agreements with several existing commercial partners.

#### c. Pipeline

Despite the continually challenging sponsorship market-place the new business pipeline remains relatively healthy although it is unlikely that any new deals will be in place in time to impact 2017/18 revenue.

### 8.2 Twickenham Experience Limited

#### a. England Rugby Hospitality (ERH)

Sales continue to be ahead of plan, although there is still a long way to go. The focus for the next two months is to ensure the new business pipeline continues through a variety of data acquisition strategies as well as improving ERH's online presence.

#### b. TEL Trading

TEL is performing well largely due to the 2017 Australia test and the U2 concert.

### 8.3 Museum

The World Rugby Museum relocation has been completed on budget and on schedule. The Museum has re-opened to the public.

### 8.4 Non-rugby Events

#### a. NFL

There has been positive feedback from the NFL. The Twickenham fan survey results are significantly improved from the 2016 event and are now on a par with Wembley who have been operating the event for ten years. The NFL are only doing three events in London in 2018 and these are already contractually committed to Wembley and Tottenham Hotspur.

#### b. Summer Concerts

Eminem has confirmed two nights on 14<sup>th</sup> & 15<sup>th</sup> July 2018. Discussions are ongoing with two other events for the third and final day available under the venue license.

### 8.5 Rugby International Marketing (RIM)

Simon Massie-Taylor has replaced Steve Brown as the RFU representative on the RIM board.

### 8.6 Stadium

#### a. Stadium master plan

Back in 2016 the RFU looked to overhaul the Stadium team structure and leadership. Mark Lynch was recruited in April 2017 and his focus for the past year has been a review of major projects (including the East Stand), Health & Safety and the Venue Facilities team and operations.

b. **Health and Safety (H&S)**

- i. In December the RFU commissioned the British Safety Council to conduct a health & safety audit of Twickenham. The audit revealed some long-standing procedural and cultural issues that fall short of the world-class standards. In response, work has commenced on an immediate and long-term plan to rectify these issues alongside some wider changes to the structure of the venue facilities team.
- ii. Given the H&S issue and the ongoing East Stand major project, the improvement of Twickenham Stadium operations is now a major priority.

8.7 **East Stand Development (ESD)**

- a. Works is continuing onsite with over 245,000 man hours completed and no reportable health and safety incidents since the last update.
- b. Considerable progress has been made in the last period.
- c. All the main concrete floors have been completed at all levels.
- d. The focus of the shell and core works is now the cladding installation, building waterproofing works, services installation and block work to stair cores and floor slabs.
- e. Fit out of the press writers' room has now been completed and handed over.
- f. Wilmott Dixon Interiors (WDI), the appointed fit out contractor, started onsite in December 2017.
- g. All procurement relating to the main shell and core works have now been completed with all remaining tenders and contracts close to being finalised.
- h. Steady progress has been made over the last quarter against the Mace recovery programme with the shell and core works on track to enable overall completion prior to a September 2018 test event.
- i. The project has so far committed 65% of the £65.5m budget with £21.0m spent to date and another £21.3m contracted, principally relating to the shell and core works. The majority of remaining spend relates to the fit-out budget. As highlighted previously, emerging fire safety and bomb blast design requirements continue to challenge the budgetary position which is under constant review by the Steering Group.
- j. Given the scale of the East Stand project, the RFU engaged consultants EY in November 2017 to provide programme assurance and to review the project to date. Whilst the EY report gave some assurance over the quality of the Project Team and the overall governance of the project, the next phase in the project contains risk. As a result, the Steering Group has further increased their focus on managing cost, completion timelines and operational readiness whilst ensuring the quality of the product is not compromised.

9. **INTERNATIONAL REPORT**

Steve Brown - Chief Executive & Representative on World Rugby & Six Nations

9.1 **World Rugby – Council Meeting**

- a. As detailed verbally in the last Council meeting, the main item on the agenda was the vote to decide who would host the 2023 Rugby World Cup, which was won by France.
- b. The World Rugby Council also agreed to alter its Bye Laws to allow for greater female representation on Council. Each Union or Regional Association with fewer representatives than votes (the RFU included) will now be able to appoint a female representative. Once appointed, a third of Council will be female.
- c. Council agreed to amendments to Regulation 8 to clear up uncertainty around eligibility if one or both of a player's parents are adopted. On Regulation 20, changes agreed will mean that World Rugby can enforce doping and other bans given by other sports. Regulation 22 amendments were agreed that will give World Rugby powers to check accredited artificial pitches more regularly if problems are identified.
- d. **World Rugby – General Assembly**  
The World Rugby General Assembly happens every two years and is where all 102 members of World Rugby come together to get an update on the state of the global game and the governing body's vision for the future. Sessions included, global financial outlook for World Rugby, sustaining the growth of rugby and accelerating the growth of the global development of the women's game.

## 9.2 Rugby Europe

- a. The main item on the recent Board agenda, of interest to the RFU, was a discussion on qualification for the 2020 Olympics. It has been agreed with the IOC that there will be three routes for teams to qualify: the World Rugby HSBC Sevens Series, a regional qualification event and a global repechage. However, it is left to the Regional Associations to determine what their qualification event will look like.
- b. Another on-going issue is around Gibraltar's application to become a member of Rugby Europe. The initial process saw Rugby Europe vote against their application and resulted in Gibraltar taking Rugby Europe to court. Spain has now taken Rugby Europe to court regarding the proposal to have another vote on Gibraltar's membership.
- c. At the General Assembly the main item on the agenda was the proposed amendments to the Bye-Laws and Internal Regulations. Most of the changes were minor, however, the one that affects the RFU most is the change to the way the annual fee is calculated. The formula to determine the fee is based on the number of clubs each Union has. The basic per-Club fee (now tiered based on the performance level of the Union) will now be determined by the Board.
- d. On other issues; it was noted that there is on-going dialogue with the Six Nations about how the organisations can work more closely together; Rugby Europe will set up a Women in Leadership Forum in 2018; and Angus Bujalski (RFU Legal Director) was appointed onto the Rugby Europe Legal Committee.

## 9.3 Six Nations

- a. The main issue on the recent Six Nations Council and Shareholders meetings was a deliberation on the initial findings of the Strategy and Governance Review.
- b. Also discussed were attempts to reform the disciplinary process and match day appointments. The outcome of this work will be known once World Rugby has heard back from SANZAAR on the proposed centralised appointments process.
- c. Finally, there was an update on the work being done by the Unions to train/play against Romania and Georgia at U20s level. It has been challenging to find opportunities to engage with Romania and Georgia due to the limited window Unions have with U20s players. However, work will continue to support the development of these countries where possible.

## 9.4 European Professional Cup Rugby (EPCR)

There have been no significant meetings since the last report and nothing to note.

## 9.5 British & Irish Lions

The British & Irish Lions Board met on 7<sup>th</sup> February 2018. A full report will be given to the April Council meeting.

## 10. FINANCIAL REPORT - Q2

Richard Daniel - Group Finance Director

- 10.1 Overall performance for Q2 is £0.1m favourable to budget, with a retained profit of £17.7m.
- 10.2 Gross profit at £83.5m, is £0.5m favourable due to strong Old Mutual Wealth Autumn International series, U2 merchandising sales and TEL Conference and Event performance.
- 10.3 Total overheads of £15.3m are £0.2m (<1%) adverse to budget.
- 10.4 Professional rugby investment is £0.7m adverse to budget largely due to unbudgeted Women's Rugby World Cup bonuses and Women's EPS, set up and travel costs for the Tyrrell's Premiership, along with additional medical and restructuring costs.
- 10.5 Development investment is £0.4m (<2%) favourable to budget largely because of Artificial Grass Pitches (AGP) programme delays against budget assumptions and various personnel related costs.
- 10.6 The new funding facility agreements, which had been approved by Council, were signed on the 22nd December 2017.
- 10.7 Capital investment is currently at £20.1m with £19.3m of this spent on the strategic AGP and East Stand Development projects (including museum).

**11. STRATEGIC PLAN REPORTING**

Ben Calveley - Head of Strategy and Corporate Affairs

**11.1 Key Performance Indicators (KPIs) Commentary on the Four Key Areas****a. Protect**

- i. The latest results from the National Rugby Survey (NRS) show a small decrease in the Union's overall Net Promoter Score. This fall was largely due to a fall in the 'Supporters' score. Following analysis, it is believed that this fall is largely due to the timing of the survey.
- ii. Following this review, it has been decided to average two waves of the NRS produce one score for the year.

**b. Engage****i. Fans**

Performing well across digital channels, website traffic and CRM database compared with the same period last year and on track to exceed the 2017/18 target.

**ii. Brand**

The latest wave of the Brand Tracker shows real strength in the brand.

**c. Grow****i. Teams**

287 new teams have started playing and work is underway to convert them to qualifying teams (7 matches per season) and therefore meet the target.

**ii. Matches**

Data for the current season is not yet available. The first set of data will be available in February 2018 and will be included in the Q3 report.

**iii. Players**

This is measured by the Active Lives (Sport England) survey which is due to be published in March 2018.

**d. Win**

- i. Ahead of our win percentage targets for both Men's and Women's XV's.
- ii. Both the Sevens squads are not meeting the Union's positional target, but it is still early in the sevens season.

**12. PAYMENT OF PLAYER REGULATIONS**

Chris Cuthbertson - Chair of Governance Committee

**12.1 Council AGREED:**

- a. That the International Ticket Supplemental Pot payments should be included in the list of entitlements that would be withheld from those Clubs that made payments to players in excess of the thresholds included in the regulations.
- b. The Payment of Player Regulations.
- c. To delegate authority to Governance to finalise the drafting of the regulations.

12.2 With effect from the 2019/20 entitlement to benefits will be removed from those Clubs that either:

- a. Fail to complete the Payment of Players declaration at the end of the 2018/19 season, or
- b. Declare that they paid players in excess of the thresholds in the 2018/19 season.

12.3 All Clubs will be invited to complete the Payment of Players declaration at the end of the current season so that any problems with the process/understanding of the regulations can be ironed out.

12.4 Further work will be done to:

- a. Determine the sanction to be imposed on Clubs and those signing the form for misdeclarations; and
- b. Confirm that any Supplemental Pot monies that are foregone will be distributed amongst the eligible Clubs.

**13. REGULATION 15.6 (OUT OF SEASON ACTIVITY) MID-SEASON AMENDMENT**

Fred Batchelor – Chair of Youth Governance Sub Committee

**13.1 Council AGREED:**

- a. The re-drafted Regulation 15.6 for implementation from Summer 2018; and

- b. To delegate authority to Governance to finalise the drafting of the regulations.
- 13.2 The redrafted regulation partially relaxes the restrictions on rugby that may be played in the off-season by age grade players

#### 14. **NOMINATIONS COMMITTEE REPORT**

Simon Collyer-Bristow - Chair of the Nominations Committee

14.1 Council **APPROVED** the following recommendations included in the report

- a. Presidential Nominations for the 2018/19 season
 

President	<b>Chris KELLY</b>
Senior Vice President	<b>Peter WHEELER</b>
Junior Vice President	<b>Jeff BLACKETT</b>
Past President	<b>John SPENCER</b>
- b. Nominations Standing Committee
 

Independent	<b>Sean O'HARE</b>
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14.2 **World Rugby and Six Nations Representatives**

- a. Following a recent directive from World Rugby that Tier 1 Unions, who currently have three votes and two representatives, may appoint an additional (female) representative a recruitment process has commenced.
- b. Following the resignation of Jonathan Webb as one of the two RFU Representatives to the Six Nations Committee, a recruitment process has commenced for his replacement.

14.3 **Privilege Membership Criteria**

Following the Sport England Governance Code changes and the introduction of term-limits for Council Members the Committee is reviewing the criteria for Privilege Membership. The proposed revised criteria will be circulated to Council for feedback before the final proposed criteria are submitted to Council for approval.

#### 15. **CHAIRMAN'S REPORT**

Andy Cosslett – RFU Chairman of the Board

15.1 **Offsite Strategy Day & Board Meetings**

- a. On 13 December 2017, the Board held its annual off-site strategy day at Hinckley RFC in Leicestershire. The Club kindly hosted a dinner the night before, which was attended both by representatives of the CB, and by a range of local clubs.
- b. The strategy day offered the opportunity to discuss many topics, including long term investment into the stadium, facilities investment strategy in the community game, and the future development of the women's game.
- c. At least one Board meeting plus the Board Strategy Day will be held away from Twickenham each season.

15.2 **Meetings with Stakeholders**

- a. The Chairman continues to meet key stakeholders. A very productive meeting was recently held with the Chairman of the Irish RFU, who reiterated his thanks for RFU's support during the Rugby World Cup 2023 bid.
- b. One-on-one meetings have been held with each of the Board members. Dominic Proctor, in his capacity as the Senior Independent Director, has also obtained feedback as to the operation of the Board from each of the directors.
- c. The Council Elected Directors have been holding sessions with other Council members to discuss the work of the Board. These sessions have been productive, and so we will continue to facilitate them.

15.3 **Diversity and Inclusion (D&I)**

As part of the RFU's work around D&I, Genevieve Glover presented to the Board on the work of the Diversity and Inclusion Working Group. The Board also received presentations from Lucinda Pullinger as to the D&I work ongoing for the staff, from Steve Grainger as to D&I work from a participation perspective, and from Joanna Manning-Cooper regarding D&I work among supporters. This remains a core activity for the Union over the coming years, and the Board reiterated its support for this work.

**15.4 Nominations Committees**

At its meeting on 24 January 2018, the Board received an update from the Council Nominations Committee. The Board Nominations Committee also met with the Council Nominations Committee to discuss long term succession planning. Following the meeting on 24 January 2018, the Board also discussed internal succession planning.

**16. COMMUNITY GAME BOARD (CGB) REPORT**

Rob Briers - Chair of the Community Game Board  
Steve Grainger - Rugby Development Director

**16.1 December Meeting of CGB**

Topics discussed included the X-Rugby implementation plan, RFU Cup competitions, anti-doping education and training, player safety in schools and the headlines from the National Rugby Survey.

**16.2 Business Planning**

The annual CGB business planning session took place on 9<sup>th</sup> January 2018. This was attended by all Council members on the CGB together with executive members. Work priorities were discussed under three key headings – strategic plan priorities, existing commitments and business as usual. Following the discussion, the executive is undertaking follow up work and this will return to CGB at its March meeting.

**16.3 Council member/CB engagement**

- a. Rob Briers and Steve Grainger will meet informally with Council members over three sessions (Saturday 24<sup>th</sup> February in Edinburgh, Saturday 10<sup>th</sup> March in Paris and Sunday 18<sup>th</sup> March at Twickenham).
- b. Planning has commenced for the staging of the annual CB engagement sessions. It is anticipated that eight of these will be held around the country in May/June 2018.

**16.4 4 Nations meeting**

Rob Briers and Steve Grainger attended the annual 4 Nations meeting of Development Directors/Community Game Chairs in Dublin on 16<sup>th</sup> January 2018. This allowed for a very useful exchange of ideas.

**17. CB & CLUB DEVELOPMENT SUB COMMITTEE PRESENTATION**

David Roberts - Chair of the CB & Club Development Sub Committee  
Simon Winman – Head of Club Development

17.1 David Roberts & Simon Winman gave a presentation to Council on the work of the Rugby Growth Sub Committee.

17.2 The key points of the presentation are included in Appendix 1.

**18. RUGBY GROWTH SUB COMMITTEE PRESENTATION**

Stephen Pearson - Chair of the Rugby Growth Sub Committee  
Ben Lowe - Head of Rugby Growth

18.1 Stephen Pearson gave a presentation to Council on the work of the Rugby Growth Sub Committee.

18.2 The key points of the presentation are included in Appendix 2.

**19. YOUNG RUGBY AMBASSADORS (YRA)**

Megan Cliff & Ross Meagher - Young Rugby Ambassadors

19.1 Megan Cliff & Ross Meagher both gave presentations on the YRA scheme and their personal journeys. The presentations were well received by Council.

19.2 The YRA scheme was launched as part of the 2015 Rugby World Cup Lead up and Legacy programme and was rebranded after the tournament.

19.3 The scheme is targeted at 14 to 25-year olds and is aimed to encourage them to become involved in all aspects of Rugby volunteering at all levels of the game.

19.4 The scheme is nationwide.

19.5 There is an online registration system to keep sign-up easy.

19.6 Awards (including stash) are given for volunteering hours logged.

19.7 The YRA are also supported with conferences and events.

19.8 Since the rebranding, over 2,000 volunteers have signed up and over 40,000 volunteer hours have been logged.

19.9 Whilst helping to support the game, the YRAs obtain and develop skills, which will help them throughout their lives. It is also fun to be involved.

**20. INTERNATIONAL TICKETING UPDATE – STRATEGY & PRICING**

Mike Cordell - Chair of the International Ticket Sub Committee

Simon Massie-Taylor - Commercial Director

- 20.1 Mike Cordell explained to Council the reasons for the current ticketing, coming so soon after the Optimal Ticketing Strategy.
- 20.2 Simon Massie-Taylor informed Council that the RFU had engaged a specialist independent pricing consultancy, Simon Kucher & Partners (SKP) to review the current ticketing strategy and make research-based recommendations.
- 20.3 The brief given to SKP was as follows:
  - a. Identify the different groups buying tickets, how big the Twickenham market is and what our fans' route to purchase has been
  - b. Understand the profile and demographics of these different buying groups
  - c. Gauge current value for money across groups
  - d. Establish tolerance to price changes across different games, seat categories and buying groups
- 20.4 SKP conducted an online survey, utilising four contact databases as survey sample sources as well as a nationally representative external panel. The survey comprised a variety of direct and indirect pricing questions. There was an excellent response with just under 3,000 surveys completed.
- 20.5 The key findings from the survey are included in Appendix 3.
- 20.6 Based on the survey results the RFU Commercial team has been working on a new strategy for ticket pricing. The principles on which the strategy is based are included in Appendix 3.
- 20.7 The effect of the new strategy on debenture holders will be closely scrutinised and transitional arrangements adopted if necessary.
- 20.8 The RFU Commercial team have been working with the IRTSC, who are broadly supportive of the direction of travel.
- 20.9 An indicative set of prices was presented to the RFU Board on 24<sup>th</sup> January 2018. The Board were supportive of the overall direction, subject to further IRTSC and Council engagement.
- 20.10 The RFU Commercial Team and the IRTSC are working towards producing the proposed ticket prices, which will be presented to Council at the April Council meeting.
- 20.11 Following the April Council meeting the Board will consider Council's feedback and, if appropriate, approve the prices.
- 20.11 The intention is to announce the prices before the end of April 2018.

**21. DIVERSITY & INCLUSION (D&I) WORKING GROUP PRESENTATION**

Genevieve Glover - Chair of the Diversity & Inclusion Working Group

- 21.1 Genevieve Glover updated Council on the D&I Working Group.
- 21.2 Following the establishment of the D&I Working Group in September 2017, the members of the Working Group have been recruited and appointed.
- 21.3 The terms of reference of the working group are clear in that two members must come from Council one from the National Youth Council, two from the game and two independents.
- 21.4 The composition of the Working Group is shown in Appendix 4.
- 21.5 The first meeting of the Working Group will be held on 12<sup>th</sup> February 2018.
- 21.6 It is anticipated that the Working Group will hold a minimum of a further three meetings in 2018.
- 21.7 It is envisaged that this will be a three-year project.

**22. PROFESSIONAL GAME BOARD (PGB) REPORT**

Jeff Blackett – Chair of the Professional Game Board

**22.1 Background**

Since the last Council meeting a great deal of work has been undertaken by the PGB and its sub committees to address several important issues. The PGB is working well at the moment with all stakeholders keen to reach consensus on several difficult issues.

**22.2 Season structure**

- a. Nigel Melville, Mark McCafferty (PRL) and Damian Hopley (RPA) have met several times to discuss the structured season for the next four years. It is to their great credit that they produced a combined paper that was presented to the PGB alongside an analysis of "player loading" from the Sports Science Advisory Group.

- b. The final proposals are due to be presented to individual stakeholder boards for approval before Easter.

### 22.3 Professional Rugby Injury Surveillance Project (PRISP) Report

PGB received the PRISP report on incidence and levels of injury in the premiership up to the end of last season. The report is comprehensive and provides excellent historical data (up to the end of season 2016/17) from which conclusions may be drawn about pressure on players, causes of injury and measures which may mitigate the risk of injury.

### 22.4 Cup competition for the Championship

The British and Irish cup competition will cease at the end of the current season. It will be replaced by a bespoke cup competition for the 12 Championship clubs played in pools followed by knockout stages. This is an interim solution while further work is undertaken to review the Championship more comprehensively.

### 22.5 Review of 2017 Old Mutual Wealth Autumn International Series and Preview of 2018 Six Nations

The PGB met with Eddie Jones to review the 2017 Old Mutual Wealth Autumn International series, to preview the 2018 Six Nations and to discuss what further support can be provided in the build up to the 2019 Rugby World Cup.

## 23. GOVERNANCE COMMITTEE REPORT

Chris Cuthbertson – Chair of the Governance Committee

### 23.1 RFU Rules

The Financial Conduct Authority (FCA) has ratified the Rules that were approved at the RFU Special General Meeting in November 2017. The Rules are therefore enacted.

### 23.2 RFU Regulations

In addition to its usual annual review of RFU Regulations, Governance is also reviewing the following:

- a. National CB and National Representative Body Criteria
- b. Insolvency Regulations
- c. Payment of Players Regulations

### 23.3 Supplements

Governance is reviewing the RFU's policy on Supplements. The Committee received a presentation from Stephen Watkins (RFU Anti-Doping and Illicit Drugs Programme Manager) at its January 2018 meeting. There will be further discussion at the March 2018 Governance meeting

### 24.4 Laws

- a. The new simplified Law Book came into effect on 1<sup>st</sup> January 2018.
- b. The Laws Sub Committee will at its March 2018 meeting be reviewing the results of the analysis into the effects of the Global Law Trials (GLTs) on the game in England together with the results of surveys that are to be carried out in the professional game and community game with a view to preparing recommendations for the Union's WR reps ahead of WR meetings to consider whether the GLT should be adopted into Law.

### 24.5 Discipline

World Rugby has consulted on a new sanctions table. David Barnes (RFU Discipline Officer) consulted the CBs prior to submitting the RFU's views.

### 24.6 Sub-Committees

A review is currently ongoing as to the work of the Adult Competition Management Subcommittee (which reports to Governance) and the Competition Development Sub-committee (which reports into the CGB) and consideration is being given as to whether the two should remain in their current form.

**The next Council meeting is on 20<sup>th</sup> April 2018 at Twickenham.**

**Chris Cuthbertson & Rob Udwin**

15<sup>th</sup> February 2018

***These notes are our personal recollections of the meeting and include those matters which we believe will be of interest to Middlesex Clubs. No attempt has been made to convey all the opinions expressed during the debates.***

## APPENDIX 1

## CB &amp; CLUB DEVELOPMENT SUB COMMITTEE PRESENTATION

## KEY POINTS

1. **Statement of Intent**

*“Help every rugby Club meet the demands of a new generation”*

2. **Strategies****Protect our Clubs**

- *Support clubs to protect themselves against risks to sustainability in the key areas of Leadership, facilities & finance.*
- *Create a more productive two-way flow of information between Clubs, Constituent Bodies & the RFU.*
- *Support Clubs to meet all their statutory and regulatory obligations.*

**Develop Talent**

- *Engage, utilise and recognise diverse talent across the game with a focus on volunteers in our Constituent Bodies & Clubs.*

**Develop World Class Leaders**

- *Establish World Class leadership behaviours to effectively deliver results and meet targets of this and future strategic plans.*
- *Encourage a role model mindset, leading by example and embracing the game’s values to ensure our positive ambassadors have exemplary standards*

3. **Business Plan Priorities**

- *Recruiting & supporting people from “touchline to boardroom”*
- *Developing well run Clubs & Constituent Bodies*
- *Creating the right environment*

4. **Key Outcomes**

- ✓ *Rugby Clubs are stronger, more sustainable and more self-reliant*
- ✓ *Constituent Bodies are more effective and efficient centres of administration and delivery*
- ✓ *Leadership in rugby is younger, more diverse and more able to adapt to change.*

## APPENDIX 2

## RUGBY GROWTH PRESENTATION

## KEY POINTS

**1. Mission Statement**

*“Make recommendations on the policies and strategies that will develop, and promote, innovative ways and programmes to retain participants in, and attract new participants to, all the variants of the game.”*

**2. Ongoing Schemes**

<i>O2 Touch</i>	<i>25k players</i>
<i>Women and Girls Action Plan</i>	<i>30k players</i>
<i>Secure Trading 24 Sevens</i>	<i>800 teams</i>
<i>National Rugby Survey</i>	<i>14k respondents</i>

**3. Other Projects*****Project Rugby***

*Collaboration with PRL Clubs to deliver the RFU Strategic plan, particularly the transition of players into Clubs.*

***Spirit of Rugby (Completed)***

*Nationwide schemes funded by the Spirit of 2012 aimed at bringing benefits to local communities through rugby.*

**4. X-Rugby**

- *New version of the game developed by World Rugby in conjunction with the RFU.*
- *Best described as cross pitch sevens with law variations (including no posts) to encourage continuity, team work and reduce physicality.*
- *Launched by World Rugby on 1<sup>st</sup> January 2018*
- *Initial launch in England will be aimed at Universities*

**5. Other Ongoing Work**

- *Disability Action Plan*
- *Walking Rugby*
- *Collaboration with England Touch Association*

## APPENDIX 3

**TICKETING UPDATE****SKP FINDINGS**

1. Overall value for money perception is good (c. 50-60% = good vs 10-20% = poor).
2. At today's prices, it is estimated that there is total demand for around 2.5m tickets for the A grade matches.
3. Today's prices are perceived as pushing towards expensive at the top end in almost all cases however there are small segments of the fan base who have considerably higher willingness to pay today's top end prices. For all ticket types there is more upside opportunity in grade A/B/C games than A+ because the ticket price differential is more than the customer expects/needs. There was a perception that there were too many pricing categories for major games.
4. From the ticket selector exercise, it appears that even at a 50% price increase, demand is still marginally inelastic. As such, there is an opportunity to the RFU to increasing prices in certain price categories and matches. These changes would have virtually no impact on total demand.

**RFU DRAFT STRATEGY**

1. Present a two-year narrative building up to 2019 Rugby World Cup (RWC) that builds excitement and value around the RWC warm up games and provides an opportunity for all fans to come to Twickenham at a range of prices.
2. Position the 2018 All Blacks fixture as a "blockbuster" game that is priced as a premium to A+ fixtures
3. Increase (but not maximise) prices and optimise Cat B and C matches based on insight from SKP research
4. Standardise seat price categorisation across all full internationals and reduce price categories from seven to five. This was successfully experimented for 2017 Old Mutual Wealth Autumn International Series Cat B and C games.
5. Maintain a low-price entry point for all fixtures and increase number of kids tickets available.
6. Take into consideration recent legislation changes in credit card fee charges as well as future changes around handling fee charges.
7. Launch Return to Rugby initiative for the annual Barbarians fixtures that targets lapsed players between 16-24.
8. Explore playing England games outside Twickenham to provide accessibility for difference regions to England games

APPENDIX 4

**DIVERSITY & INCLUSION WORKING GROUP**

**COMPOSITION**

Genevieve GLOVER	Chair
Maggie ALPHONSI	RFU Council
Sally BURNS	Yorkshire CB
Peter Howard	RFU Council
Anne MURPHY	Independent
Chris RATCLIFFE	Independent
Cameron TAYLOR	Young Rugby Ambassador
Adam WHITE	Independent

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