

## **MIDDLESEX NOTES ON THE RFU COUNCIL MEETING**

### **Held at Twickenham - 23<sup>rd</sup> November 2018**

The meeting was chaired by the President, Chris Kelly.

The meeting commenced with a period of silence in memory of Peter Baines (RFU President in 2016/17 and Council Representative for Hertfordshire from 2002 to 2014) who passed away recently.

#### **1. PRESIDENT'S INTRODUCTION**

Chris Kelly - President

- 1.1 Chris Kelly paid tribute to CEO Stephen Brown who recently announced that he would be leaving the RFU at Christmas after seven-years' service as CFO, CEO of RWC2015 and CEO.
- 1.2 Following Stephen Brown's departure, Nigel Melville will become Interim CEO.
- 1.3 The recruitment process for a new CEO has commenced.

#### **2. FRANCIS BARON & GRAEME CATTERMOLE**

Chris Kelly - President

- 2.1 Council debated the reporting in the press of a report into the RFU's finances that had been written by former RFU CEO Francis Baron.
- 2.2 Andy Cosslett informed the meeting that he and Helen Weir (as Chair of the Audit & Risk Committee) had met Francis Baron on two occasions to discuss his report, advise him of errors in the report and update him on the enhanced financial controls that had been introduced since his tenure as CEO.
- 2.3 Andy Cosslett stated that it was the responsibility of the Independent Non-Executives to make themselves available to stakeholders to consider and address any concerns that they may have, and it was in this context that the meetings with Francis Baron were held.
- 2.4 In spite of these meetings, Francis Baron and former RFU Chairman, Graeme Cattermole (whom Andy Cosslett also met) contacted the media and this resulted in their criticisms of the RFU being widely quoted in the national press.
- 2.5 In the light of their decision to contact the media, resolutions were proposed from the floor of Council to remove Privilege Membership from both Francis Baron and Graeme Cattermole and both resolutions were passed by a large majority.

#### **3. CHAIRMAN'S REPORT**

Andy Cosslett - Chair of the Board

##### **3.1 CEO Recruitment**

- a. Andy Cosslett also paid tribute to Stephen Brown and his accomplishments.
- b. Dominic Proctor, Chair of Board Nominations Committee, will be leading the search for the new CEO.
- c. The recruitment panel has still to be put together but will include Council members.
- d. Andy Cosslett stated that, contrary to rumours that are circulating, he has no interest in becoming the new CEO of the Union.

##### **3.2 2018 Annual Report & Accounts**

- a. The Board last met on Wednesday 7<sup>th</sup> November 2018. A significant item at that meeting was the approval of the annual report and accounts for 2017/18.

- b. The Board benefits from a very strong audit committee, which includes members of the Board and Council, as well as an experienced independent member as chair. The scrutiny that this committee gives the RFU's financial statements assists the Board in fulfilling its fiduciary duties.

### 3.3 Statutory Responsibilities

The Board is putting in place more robust mechanisms to ensure that it discharges its statutory responsibilities, including monitoring health and safety reporting (both relating to the stadium and more widely), and reviewing statements required under the Modern Slavery Act.

### 3.4 Other Board Committees

- a. The other Board committees continue to work to improve the Union's governance.
- b. The Board Recently received a report from the Remuneration Committee which provided a useful insight into the issues faced when engaging senior management and coaching staff.
- c. The Board Nominations Committee is currently planning its work for the season.

### 3.5 Proposed Investment by CVC in Premier Rugby Limited (PRL)

The Union is aware of CVC's interest in investing in PRL and welcomes any investment that helps make the premiership clubs financially more sustainable in the longer term.

### 3.6 Corporate Governance

The implementation of the recent changes to the RFU's governance has gone well, but a review needs to be carried out, not least to ensure that Council is receiving all the information that it requires in a timely fashion so that members are able to hold the Board to account for the running of the Union.

### 3.7 Meetings of the Board

The 2018 Board Strategy Day is scheduled for Wednesday 12<sup>th</sup> December 2018 and the next Board meeting is scheduled for Wednesday 23<sup>rd</sup> January 2019.

## 4. CHIEF EXECUTIVE'S REPORT

Stephen Brown - Chief Executive Officer

- 4.1 Stephen Brown confirmed that he had resigned for personal reasons and would be leaving the Union at the end of December 2018. He emphasised all that had been achieved by the Union since he joined in 2011, including the hosting of the biggest & best Rugby World Cup, the construction of England's world-class training facility at Pennyhill Park and the completion of the world-class East Stand facility on time. Stephen Brown emphasised that the Union is in a good place both on and off the field.
- 4.2 The East Stand facility, despite challenging construction issues, opened on time for the South Africa game and was sold out for the New Zealand game. Whilst the facility was over budget, it will generate income for investment into rugby for many years to come.
- 4.3 With wins against South Africa and Japan and a narrow one-point defeat to New Zealand, the England team has had a good Autumn international series, despite the absence of several capped players due to injury or suspension.
- 4.4 All of the Quilter Autumn Internationals at Twickenham have been sold out.
- 4.5 Over 50 commercial partners attended the recent partners' day, which was very successful and demonstrated the commercial strength of the England Rugby brand.
- 4.6 The 2018 Annual Report will be published shortly and will show that the Union remains in a strong financial position.
- 4.7 Derren Young has joined the Union as HR Director. Derren was Global Vice President Human Resources, Worldwide Studios at Electronic Arts and prior to this spent a decade at Universal Music. Derren replaces Lucinda Pullinger who has left the Union to become Global Head of HR at The Instant Group, where she joins Matt Dawson and Tim Rodber.

## 5. PROFESSIONAL RUGBY DIRECTOR'S REPORT

Nigel Melville - Professional Rugby Director

### 5.1 Domestic Season Structure (2019/20, 2020/21 & 2021/22)

- a. The domestic season for the next three years was announced on 23<sup>rd</sup> October 2018. The structure has been developed around the agreed framework and principles of the San Francisco Global Season agreement.

- b. Under the terms of the Professional Game Agreement (PGA), the Professional Game Board (PGB) agree and maintain a three-year rolling domestic season structure for the professional game. It was also agreed with the Greene King Championship clubs that their structured season would remain in its current window (September to April).
- c. The new domestic season includes several player welfare initiatives including:
  - Reduced number of minutes played (30 x 80 minutes)
  - A new limit on game on game involvements (35 x >20 min appearances)
  - Mandatory 5 weeks off-season breaks
  - 5-7 weeks pre-season
  - In-season rest weeks (2)
  - Rest for RWC Players (July 2020)
  - Agreed rest for returning Lions (2021)
  - New panel to manage the new structure and any exemptions
- d. The development of the season structure has been a collaborative effort between the RFU, PRL and RPA. Having active player involvement during this process has improved relations between the players, their Clubs and the RFU.

#### 5.2. **Championship Cup - Tackle Height Trial**

- a. The RFU/World Rugby tackle height trial in the Championship Cup began on 9<sup>th</sup> November 2018. Players are being penalised for any upright tackle with contact above the armpit.
- b. The following will be analysed during the trial and compared to base data collected during the first nine rounds of this season's Championship:
  - Number of concussions and number of Head Injury Assessment (HIA) events
  - Match injuries that result in >24 hours of time loss from matches and training
  - Number of match events
  - Tackle behaviour / tackle event analysis (e.g., body location of first contact, direction of tackle)
  - The number of penalties awarded, and yellow and red cards given, alongside the match event associated with the sanction
- c. Interim analysis will be carried out after the pool stages (six rounds) and be completed by the end of February 2019.
- d. The Final analysis will be complete by the end of June 2019.

#### 5.3 **Sevens Olympic Qualification/Team GB**

- a. Qualification for the 2020 Olympics will be the greatest challenge for the men's & women's Sevens squads this season. As the nominated qualification teams, the men and women will both seek to secure a top four qualification place via their respective World Series. If this does not happen, they will participate in single European qualification tournament and if still not qualified, progress to a repechage event.
- b. The men's and women's Sevens squads are both now based at the Lensbury Club and will share resources, coaching and knowledge.
- c. It is unfortunate that Scotland and Wales have decided not to work with England and place a Team GB team into the World Series.

#### 5.4 **World Rugby Regulation 23 (Insurance of Players on International Duty)**

- a. The RFU, in support of PRL, wrote to World Rugby (WR) regarding Regulation 23. Players on international duty are insured by their individual Unions. In some cases, the Unions do not have adequate insurance and are slow to compensate Clubs if the players return injured. WR was asked to review both the process and lift the cap on wages.  
WR agreed to raise the cap from £225k to £350k but rejected the request to review the process.
- b. As a result, PRL has stated that they will strictly enforce Regulation 9, and this will have an impact on international teams' preparations for the 2019 Rugby World Cup (RWC). Regulation 9 release for the RWC is 30 days prior to the first game in the tournament. This will not affect England as player release is covered by the Professional Game Agreement between the RFU and PRL.

#### 5.5 **British and Irish Lions**

The Union has facilitated two meetings between the British & Irish Lions and PRL to discuss their proposed tour structure and pre-tour requirements.

### 5.6 Women's Rugby

- a. Twenty-eight full time contracts will be offered to Women's 15s players. The contracts will commence on 1<sup>st</sup> January 2019.
- b. The Union is now discussing with the Clubs how players will be seconded to them and how the England contracted players will be managed during the season.
- c. The quality of the Tyrrell's Premier 15 has shown significant improvement in its second season and there has been an increase fan engagement. 1,500 spectators watched the recent Harlequins v Saracens league game at The Stoop, this was a standalone women's fixture.
- d. Three of the Red Roses squad attended the recent Partners Day at Twickenham to appeal for help promoting their games.

### 5.7 2019/20 Business Planning

The Professional Rugby Department has commenced their business planning process for the 2019/20 season.

## 6. DEVELOPMENT RUGBY DIRECTOR'S REPORT

Steve Grainger - Development Rugby Director

### 6.1 Artificial Grass Pitches (AGPs)

- a. 24 sites are now fully operational with 2 under construction. 12 additional sites are in pre-construction, with work scheduled to start in the spring of 2019.
- b. Pitch usage is being kept under scrutiny with weekly data produced on each site and interventions initiated where necessary.
- c. Including the 24 pitches owned by the RFU, the number of match certified AGPs in England now stands at 133.
- d. The AGP review is underway.

### 6.2 Community Sevens/XRugby

- a. The finals of the 2018 Secure Trading 24/7s series took place at Bath with 22 teams participating and over 2,000 spectators attending. This was the culmination of local and regional events which attracted 790 teams at 33 qualifying events. A full review of the Series is being carried out.
- b. With recent organisational changes and the necessity to do things differently the Union is migrating XRugby from being a dedicated intervention programme to a game format. This will see it feature heavily in the All Schools programme and the work in Colleges and be utilised as a transition vehicle.

### 6.3 Engaging New Communities

- a. Over 150 Inner Warrior events have taken place this season.
- b. A Disability Action plan has been developed with the Activity Alliance (the Sport England recognised national organisation for disability sport) and is due for publication before the end of the year.

### 6.4 Age grade to Adult Transition

- a. 5 new schools have commenced delivery in what is the penultimate entry phase of the CBRE All Schools programme. A key focus is on early engagement of host Clubs to support transition into Club rugby.
- b. The number of university clusters has risen to 15 with a further 5 targeted by the end of the 2018/19 season. With cluster officers appointed/being appointed there is significant focus on retaining age grade players as they transition into universities, ensuring a variety of playing opportunities both in the local institutions and in local Clubs.
- c. 13 additional Focus Colleges have been approved bringing the total to 33. A key focus here is on age grade to adult transition.

### 6.5 Data

#### a. Players

The Union's trend measure on players is the national Sport England Active Lives survey. The most recent data was published on 11<sup>th</sup> October 2018 and shows "no change" for Rugby Union over the previous twelve months. This compares with significant decrease for cricket & football. Overall Team sports are down from 3.4m to 3.1m active participants.

**b. Matches**

- i. The independent calibration exercise (undertaken by Two Circles) on matches played during the 2017/18 season has now been completed. This considers the base information in GMS and Who's the Ref and overlays information from external sources (eg: Pitchero, club websites) to give a consolidated figure.
- ii. The measure looks at 15 a side matches at U14 and above in the male and female club game and for 2017/18 stands at 51,864, 2,641 up on the 2016/17 figure of 49,223. More detailed insight suggests growth in female matches, stability in male RFU leagues and growth in age grade male games.
- iii. It is important, as with many data lines, that this is seen as a trend indicator rather than a definitive figure. Using the same mechanism on a year by year basis is our best available indicator of trends in this area.
- iv. However, played v planned ratios in lower leagues/merit tables has not moved significantly and remains around the 70% mark. This remains a key focus for improvement.
- v. For the first time this season the Union has a strong enough confidence level in the match breakdown to develop a baseline by category. In future years this will enable year on year comparisons.

**c. Teams**

The 2017/18 data shows growth in the number of active 15 a side teams; up from 6,077 to 6,355 at u14 and above. Growth in the 2018/19 season is expected to be slightly more conservative with a focus on sustaining the new teams from 2017/18 however there are encouraging signs in the female game with 40 new teams having entered RFU leagues this season.

**6.6 Business as Usual**

- a. 450 members of the Rugby Education workforce (largely part time sessional tutors) have completed e-learning updates ahead of starting their delivery.
- b. The Community Rugby Injury Surveillance Project (CRISP) will, this season, collect data from 60 Clubs, current AGP sites and 8 BUCS University teams.
- c. 997 Clubs and schools have signed up to the Quilter Kids First pledge (an increase of 58 over the summer). The online Skills Series content has been revised and relaunched, has had over 62,000 views and is averaging 3,000 visits a month (vs. 400 per month in 2017/18).
- d. The Voluntary roll-out of Half Game is underway in the age grade game with strong take up and very few issues to date. Work is underway to embed this in the Regulations from 2019/20.
- e. Membership of the England Rugby Referees Association now stands at 8,935.
- f. O<sub>2</sub> Touch numbers are targeted to increase this season to over 30k. The focus is now on increasing numbers at the existing 465 centres to aid longer term independence and sustainability.
- g. The new team of 4 Competitions Development Officers has now been appointed and will have a strong focus on developing and growing opportunities at second XV and below and in the Women's game.
- h. The wider roll out of Electronic Match Cards (EMCs) has been well received and the completion rate is running at 91%.
- i. The latest National Rugby Survey ran from 2<sup>nd</sup> October 2018 until 5<sup>th</sup> November 2018.
- j. Over 90 Clubs to date have used the online Risk Assessment Tool developed in conjunction with the Union's insurers, resulting in a combined saving on premiums of £71.4k.
- k. Rugby Football Foundation (RFF) loans with a value of £413k have been made this season along with Groundmatch small grants of £198k. A review of the process for small grants is underway with the aim of simplifying and localising decision making.

## 7. **DIGITAL, MARKETING AND COMMUNICATIONS (DMC) DIRECTOR'S REPORT**

Joanna Manning-Cooper - Digital, Marketing and Communications Director

### 7.1 **Digital, Marketing and Communications Update**

- a. **IBM Digital refresh:** Work on the digital refresh of EnglandRugby.com has begun. The main aim is to make EnglandRugby.com a quality user experience for all stakeholders.
- b. **BA Game Day Live:** A new content series BA Game Day Live is being run on match days through the England Rugby Instagram channel. This will take fans behind the scenes and close to the action.
- c. **Community Game:** The Union worked with Sky Sports to promote key community game activity during the Quilter Autumn Internationals.
- d. **Marketing approach:** New team member Sally Sheppard joined in September 2018 and has put more process in place around how campaigns are developed, run and evaluated.
- e. **Red Roses:** A full marketing plan supported the Red Roses games at Allianz Park and Doncaster Knights.
- f. **Live streaming:** 10 matches from the Tyrrells Premier 15s and at least five from the Greene King Championship will be live streamed this season. This is a reduction on last season due to resource prioritisation. Streaming live to Facebook and the relevant websites will continue to raise awareness. Sky Sports are sharing the streams on their Facebook page.

### 7.2 **Brand**

- a. **Stadium Branding:** Stadium branding has been updated and includes the new BA branding (part of stadium partnership) across the site.
- b. **New ticketed Perimeter:** The new turnstile entrance to the West car park and fan village was unveiled at the England v South Africa game and has worked well.
- c. **Updated Brand Architecture:** The marketing team is developing the 'We Play Rugby' participation campaigns.
- d. **Sports and Matchday Presentation:** The RFU's WW1 Commemoration came to an end on 10<sup>th</sup> November 2018 with ceremonies at the England v New Zealand game, which showcased Twickenham and England Rugby at its best.

### 7.3 **Customer Relationship Management (CRM)**

- a. CRM continues to be a key part of the RFU's marketing mix with all RFU departments utilising the system.
- b. Last year, over £4m of revenue and cost savings could be attributed to CRM, through ticket sales, commercial partnership rights and membership amongst the biggest drivers.
- c. The First XV membership programme continues to thrive, with 26k paying members this season (from 24k last season) and a retention rate of 60%. This engaged group have ensured the November internationals sold out, with over 28k tickets (c£2m rev) sold to this group.
- d. Database growth has slowed with the implementation of tighter governance brought about by GDPR. This slower growth rate is a risk, although several low-cost activities have been implemented to ensure that we capture new fans. Open rates of emails continue to be above 30% which is a sign of good overall engagement.
- e. The Union's research capability continues to grow with an in-house expert in this area, ensuring fewer projects are outsourced to agencies. The National Rugby survey and fan post-game surveys are two of the most prominent sources now being managed by the CRM team.

### 7.4 **England Rugby Hospitality (ERH)**

The RFU marketing team has been actively supporting the ERH sales drive by managing the marketing team and budget. The focus is on penetrating the hard to reach the key B2B market, which continues to be challenging in the face of competition from unlicensed operators.

### 7.5 **International**

- a. World Rugby committee meetings took place during September 2018. As a tier 1 Union, the RFU now receives papers for all committee meetings even those that the Union has no direct representation. This provides the Union with the ability to influence more widely.
- b. In the Rugby Committee, a review of the 2018 Sevens World Series showed that the overall injury likelihood is 50% higher than in the Premiership and rising in the men's game. The risk in women's Sevens is also higher than in the 15s version of the game. World Rugby have addressed this by creating a Sevens World Series Risk Action Plan.

- c. The Professional Game Committee also met. This is a newly constituted committee whose purpose is to look at maximising the commercial impact of international matches. The main issue discussed was the proposal to implement a new annual international competition.
- d. The British & Irish Lions Board met, and the main discussion concerned the SANZAAR deal negotiations and planning for the 2021 Tour. Discussions with PRL and other Unions relating to player release ahead of the 2021 tour are also ongoing.

#### 7.6 Public Affairs

- a. A range of high-profile stakeholders were informed of the Union's intention to award contracts to Women 15s players. The Union received a positive response from the Department of Culture Media & Sport, who put out a quote from the Sports Minister enthusiastically welcoming the announcement.
- b. The Secretary of State for Education has announced a new cross-departmental School Sport Action Plan, which will consider ways to ensure that all children have access to quality, protected PE and sport sessions. The RFU has been invited to take part in these discussions. This will be a good opportunity to promote All Schools and shape schools sport in a way that benefits the Game.
- c. The RFU is a signatory to the Sport & Recreation Alliance's Mental Health Charter. As part of the Union's work in this area, there have been internal discussions to look at improving the RFU's mental health resources for the community game.
- d. The Union are working with the All-Party Parliamentary Group (APPG) for Rugby Union to reinvigorate the group. The Union is hoping to encourage them to meet three to four times next year and has suggested themes for the meetings.

#### 7.7 Local Community

The latest issue of the community newsletter, Lineout, has been distributed to local residents and outlines the process for applying for sponsorship for local organisations and events. This money will be allocated to projects which will meet local needs and help improve the standing of the RFU in the community.

#### 7.8 Communications - Rugby World Cup

- a. The official tournament reconnoitre of Japan was completed in October 2018 and included assessing the facilities provided by Japan 2019 for the World Cup. Feedback will be given as part of a wider report on those facilities to enable the tournament team to begin booking space in the hotels for media activity.
- b. In addition, the Union has submitted the first draft of the media schedule to Japan 2019.
- c. England's four warm matches have been announced.
- d. The Union worked with Sky Sports to produce a 30-minute programme covering Eddie Jones in Japan and his thoughts with one year to go. This was broadcast on 31<sup>st</sup> October 2018.

#### 7.9 Representative Teams

- a. The RWC media regulations were implemented during the Quilter Autumn International series as a dry run ahead of Japan 2019. This included increased access to players on training and match days.
- b. Sevens programme - The media management of the men's and women's programme has been merged now that both squads are based at the Lensbury.

### 8. FINANCIAL OFFICER'S REPORT

Sue Day - Chief Financial Officer

#### 8.1 Finance

- a. The focus since the last Council meeting has been on (1) finalising the 2018 Annual Report with the Audit & Risk Committee and (2) the 2019/20 business planning process.
- b. A cross Business Working Group has been established to review the Overhead and Cost of Sale expenditure. The objective of the Group is to ensure the long-term protection of rugby investment by reducing non-essential expenditure.

#### 8.2 Legal

- a. Work continues on the policing of the unofficial hospitality market. Following test purchases, legal proceedings were threatened against certain operators, leading to the Union obtaining binding undertakings to cease selling ticketed hospitality.

- b. The International Rugby Ticket Sub Committee (IRTSC) is discussing a wider restriction on any ticketed hospitality sold by Clubs (including to members and sponsors).

### 8.3 Discipline

Several investigations and prosecutions relating to off-field misconduct are ongoing, including some relating to player poaching, unauthorised agent activity and approaches to minors.

### 8.4 Safeguarding

Vivien Rimmer, the Union's new Head of Safeguarding who started in October 2018, is currently meeting with key internal and external stakeholders and is beginning to develop plans for the community game, as well as considering improvements elsewhere in the game.

### 8.5 Technology

- a. The primary GMS deployments for this season continue to be actively monitored, with the Electronic Match Card, Roles & Permissions and Age Grade registration making good progress. Several items based on feedback from the game have now been addressed. There will now be a regular release schedule every two weeks as work continues to enhance the platform.
- b. GDPR work has sparked several initiatives, one of which is the reduction in the amount of data the Union creates and stores. A recent "data deletion week" was a great success. Other activities designed to embed an improved culture of data practices across the organisation are being introduced.
- c. The recently signed IBM deal has enabled the start of the Digital Refresh and Data Re-Platform projects. The most visible aspect of these is the re-platforming and redesign of Englandrugby.com.

## 9. COMMERCIAL REPORT

Simon Massie-Taylor - Chief Commercial Officer

### 9.1 Commercial Partnerships

- a. **New deals** - All the new sponsorship deals for the 2018/19 season (British Airways, Coco Fuzion, Majestic Wine & Persil) have been signed. Since the 2015 RWC, 10 new partners have been secured generating circa £34m of new revenue.
- b. **Renewals** - All the 2018/19 renewals have been signed (CBRE, Dove Men+Care & IBM).
- c. **Quilter and Canterbury** - Progress continues to be made with 2020/21+ renewal negotiations with the aim of agreement in principle in Q1 next year.

### 9.2 Ticketing and Membership

#### a. Ticket sales

- i. the Quilter Autumn International games at Twickenham have all sold out.
- ii. All Red Roses (Quilter and 6 Nations) and Men's u20 6 Nations games are being sold via the RFU ticketing website for the first time with the aim of driving sales and fan engagement.

#### b. Ticketmaster

- i. This has been a challenging couple of months with technical issues severely affecting the ticketing website. This has mostly impacted 6 Nations sales to Clubs and CBs who have a large ticket buying history. The issue has been escalated to the Executive of Ticketmaster who have apologised and are rectifying the problem, with full resolution expected in December 2018.
- ii. In response, the Ticketing team extended its office hours and have been proactively servicing customers to ensure everyone received access to tickets.

#### c. East Stand Debentures

The Debenture Restaurant sold out for the South Africa, New Zealand and Australia games. Feedback from Debenture holders has been positive

#### d. Metallica

Metallica will play a one-off concert on Thursday 19<sup>th</sup> June 2019.

## 10. Q1 FINANCIAL REPORT

Sue Day - Chief Financial Officer

- 10.1 Sue Day presented the Q1 Financial Report.



- 10.2 The Union is materially on budget and is forecast to meet its annual budget.
- 10.3 The Union remains financially sound.

## 11. 2018 ANNUAL REPORT & ACCOUNTS

Sue Day - Chief Financial Officer

- 11.1 The 2018 Annual Report & Accounts have been approved by the Audit & Risk Committee, the Board and the Auditors, but publication has been delayed by a few days to include reference to Steve Brown's resignation.

**The 2018 Annual Report & Accounts have now been published and are available at:  
<http://www.englandrugbyfiles.com/annualreport/2018/mobile/index.html>**

- 11.2 Sue Day's provided Council with a commentary on the financial statements, included on the 2018 Annual Report & Accounts (Appendix 1).

## 12. GOVERNANCE STANDING COMMITTEE REPORT

Chris Cuthbertson - Chair of the Governance Standing Committee

### 12.1 Agents Review Board

- a. At its last meeting Governance received an update on the work of the Agents Review Board. The Agents Review Board Oversees the regulation of rugby agents.
- b. Governance approved the new declaration that must be completed when a player signs a professional contract with a Premiership club. The new declaration increases transparency, not only by declaring which agent acted, but also clarifies what commission is to be paid and by whom.

### 12.2 Professional Game Education Strategy

- a. The first phase of the strategy has been successfully completed, with 1,917 participants in the professional game successfully completing the online education modules on the key areas namely concussion, anti-doping and anti-corruption/betting.
- b. A review of the process is now underway which will help inform the next stage of the strategy.

### 12.3 Payment of Players

- a. The Committee has reviewed the communications process for the payment of players regulations and will start communicating with the Clubs early in the new year.
- b. As part of the implementation, Governance will be reviewing league registrations to ensure that contracted players are being correctly registered.

### 12.4 Club Audit

The 2018 Club Audit has now been completed. The number of voting member Clubs has remained stable over recent years, but the number of non-voting member Clubs has dropped, although this appears not to be a loss of clubs, but the result of a recent de-duplication exercise carried out to ensure that a Club that is a voting member of one CB but a non-voting member of another (for example university rugby clubs) is not counted twice.

## 13. 2018/19 COUNTY CHAMPIONSHIP REGULATIONS

Chris Cuthbertson - Chair of the Governance Standing Committee

- 13.1 Chris Cuthbertson took Council through the changes to the regulations for the Bill Beaumont & Jason Leonard Cups, the National u20s Competition and the Women's County Championship.
- 13.2 Council **AGREED** to delegate authority to the Governance Standing Committee to approve and finalise drafting of the proposed County Championship Regulations.
- 13.3 The County Championship regulations will be published early in the new year.

## 14. DISCIPLINARY PROCESS FOR PAST PRESIDENTS, PRIVILEGE MEMBERS AND COUNCIL MEMBERS

Chris Kelly - President

- 14.1 Chris Kelly informed the meeting that recent events had shown up the shortcomings in the disciplinary processes applicable to Past Presidents, Privilege Members and Council Members. All that has traditionally been available has been (1) an informal warning from the President (of which no formal record is kept) and (2) a full 5.12 hearing; with nothing in between.

- 14.2 In the light of this, Chris Kelly informed the meeting that he had asked Paul Murphy (Past President) to chair a task group reporting into Governance to consider the matter and make recommendations to Council and that Paul Murphy had accepted.
- 14.3 Paul Murphy will now appoint members to the Task Group and agree Terms of Reference with the Governance Standing Committee.
- 14.4 The Task Group will report progress to the Governance Committee in January 2019 and present draft proposals to Council for discussion at its February 2019 meeting. Final proposals will be submitted to Council at its April 2019 meeting.

**15. 2019 BARBARIANS & RWC GAMES TICKET PRICES UPDATE**

Simon Massie-Taylor - Chief Commercial Officer

- 15.1 Simon Massie-Taylor presented the ticket prices for the 2019 England v Barbarians game and England's RWC warm-up games that were recommended by the International Rugby Ticket Sub Committee (IRTSC) and approved by the Board (Appendix 2).
- 15.2 The tickets will go on sale to Clubs on 4th December 2018 with the remaining tickets going on public sale early in 2019.

**16. TICKET ALLOCATION PROPOSALS**

Charlie McGinty - Chair of the International Rugby Ticket Sub Committee &  
Nigel Gillingham - Member of the International Rugby Ticket Sub Committee

- 16.1 Charlie McGinty & Nigel Gillingham presented the proposals for the allocation of international tickets to the game (Appendix 3).
- 16.2 At the Council meeting on 5<sup>th</sup> October 2018, the IRTSC presented a detailed paper setting out proposals of how International Match tickets should, in future, be allocated to the Game. No counter proposals were received by the IRTSC.
- 16.3 Council **APPROVED** the proposals.
- 16.4 Council was also informed of the timetable for implementation (Appendix 4).

**17. COUNCIL RECOGNITION AND REWARD REVIEW GROUP (CRRRG) UPDATE**

Malcolm Caird - Chair of the CRRRG

- 17.1 Council received an update on the work of the CRRRG and a presentation on their latest proposals to amend entitlements for Council members.
- 17.2 The meeting welcomed the proposals and the associated cost savings.
- 17.3 It is hoped that final proposals will be brought to the February Council meeting for approval.

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

Phil de Glanville - RFU Representative on the PGB

**18.1 Domestic Structured Season 2019/20 to 2021/22**

The details of the season structure for 2019/20 to 2021/22 were jointly released by the RFU, PRL and RPA on 23<sup>rd</sup> October 2018. A summary of the details is included in the Professional Game Report.

**18.2 Worcester Warriors Takeover**

- a. A sub group of the Board is reviewing the takeover of Worcester Warriors as required under the RFU Rules.
- b. This group is in communication with the new owners of Worcester Warriors and is currently awaiting further information from them but is hopeful that a positive recommendation can be made to the Board shortly.

**18.3 Competition overview**

- a. In the Premiership, Saracens and Exeter have already leapt ahead at the top of the league, but it looks like there will be a real competition to avoid the relegation place.
- b. In the Championship, Ealing Trailfinders are giving London Irish stiff competition for promotion and are looking likely to push them all the way during the season.
- c. English clubs have had a varied start in the EPCR Champions Cup and EPCR Challenge Cup, with Newcastle and Saracens standing out at this stage in the Champions Cup, and Worcester and Sale in the Challenge Cup. There is no doubt that the pace, intensity and physicality of the European Champions Cup matches are a step up from the Premiership.

**18.4 Agenda for PGB meeting on 28th November 2018**

A key focus for the next meeting will be to consider and discuss the 2017/18 Professional Rugby Injury Surveillance Report (PRISP), which assess the injury trends captured during the last 10 years, the transition from age grade to professional rugby for contracted academy players, and an update on competition issues so far in the season.

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

Rob Briers - Chair of the CGB &  
Steve Grainger - Rugby Development Director

**19.1 October CGB meeting**

At its October meeting the CGB:

- a. Started considering the 2019/20 business plan.
- b. Received reports from each of its sub-committees.
- c. Decided to agree to recommend a further roll-out of Electronic Match Cards. This will extend to the remaining RFU leagues (Men and Women), National U18 Boys Club Cup and Girls Club Cups. It was also agreed to deepen the level of data inputted at L5/6 of the Men's game, L1/2 of the Women's game and to further explore roll out options in age grade and lower XV rugby.
- d. Received an update on discussions being held in the Player Development Sub-Committee on the male player pathway at U15/16 level. Consultation on this, focused on the CB Representative Rugby/DPP interface, will be broadened over the next few months.
- e. Received reports on GMS, Safeguarding and the work of the Adult Playing Age Task Group.
- f. Discussed the Scottish Exiles and Welsh Lambs programmes and their impact on the community game.

**19.2 Business Planning 2019/20**

- a. Two additional business planning meetings have been added to the calendar this year to accommodate the additional business planning discussions and debate.
- b. Building on the agreed operating framework, the CGB undertook a series of tasks to determine investment priorities. For planning purposes and to establish some parameters against which reductions can be prioritised for 2019/20 and onwards it was agreed to:
  - i. Red circle investment on staff and the Protect Players Fundamental (which includes Insurance, IPF Case Management Framework and PFR investment into safeguarding and discipline).
  - ii. Work to a base allocation of 70% spend against the 4 remaining Fundamentals (Volunteers, Coaches + Referees & Medics, Facilities, Competitions + Playing Opportunities) and 30% against the 3 Critical Tasks (Recruit Player, Retain Players, Re-engage Players).
- c. A staff member and 2 or 3 CGB members were allocated to each Critical task/Fundamental and will undertake a balanced scorecard exercise for each significant investment stream.
- d. The prioritisation exercises outlined above will be used to set an initial budget for 2019/20 and onwards at the CGB Business Planning Session on 8<sup>th</sup> January 2019.

**19.3 Devolving More Decisions to Local Level (CBs)**

- a. Steve Grainger gave a presentation on the proposal to devolve more decisions to local level (Appendix 5).
- b. With fewer staff working at the local level it is important that local volunteer knowledge is harnessed to ensure that programmes are focussed on local Club needs.
- c. Devolution is about staff working with local volunteers to deliver programmes but is not about adding to the volunteer workload.
- d. To assist with this, work is ongoing to simplify the PFR process so that the whole process is easier, there is more focus on outcomes (more depth, less breadth) and simpler reporting.

**19.4 Council Member/CB Engagement**

- a. Following the success of the recent round of CB Executive meetings attended by members of the Executive Team and members of the Board, repeat visits are being planned for March/April 2019. By then it is hoped that the analysis of further expenditure reductions will be shaping up and will be able to be shared.

- b. Rob Briers and Steve Grainger met a total of 25 Council members at meeting on the mornings of 9th and 10th November on the weekend of the New Zealand match.

#### 19.5 National Rugby Survey (NRS)

- a. The NRS closed on 2<sup>nd</sup> November 2018 and the results are now being analysed.
- b. 22k responses were received, which was 10k up on the last NRS (Appendix 6).
- c. Initial results have highlighted those actions that what would encourage current players to play more and recently lapsed players to return (Appendix 6).
- d. A timetable for disseminating insights from the survey have been drawn up (Appendix 7).
- e. The next National Rugby Survey will take place in the Spring/Summer 2019.

### 20. COUNCIL NOMINATIONS STANDING COMMITTEE REPORT

Mike Waplinton - Chair of the Council Nominations Standing Committee

20.1 Council received the report of the Nominations Standing Committee.

20.2 This season Council Nominations will be making recommendations on the following positions:

#### a. Membership of the New Competition Organising Committees

- i. Following approval by Governance earlier in the year the number of Organising Committees (OCs) dealing with matters arising from competitions has been reduced to two, one for Professional Competitions and one for Community Competitions. This is in order to bring about greater speed and consistency of decisions when issues do arise.
- ii. The constitution of each of the two OCs is two Council members (one of whom shall be the Chair) plus 2 members of staff. The Board previously appointed Council members to the various OCs, but this has now been delegated to the Council Nominations Standing Committee.

#### b. Junior Vice President

In the normal course of events the person elected to be Junior Vice President in 2019/20 will be the President in 2021/22.

#### c. Audit Committee Representative

This is a Board appointment, so a recommendation will be made to the Board Nominations Committee.

#### d. Council Elected Board Member

A vacancy will arise at the end of the season as Malcolm Wharton will by then have completed his current term of office on the Board and will have served the maximum nine years on the Board as permitted under the RFU Rules.

### 21. PROPOSALS RE CRITERIA FOR PRIVILEGE MEMBERSHIP

Mike Waplinton - Chair of the Nominations Standing Committee

21.1 Council received and discussed an update of the work of the Council Nominations Standing Committee into their review of the criteria to be applied when considering applications for Privilege Membership of the RFU together with the process for making recommendations to Council, who make the final decision.

21.2 Final proposals will be brought back to the February 2019 Council meeting for approval.

**The next Council meeting is on 8<sup>th</sup> February 2019 at Twickenham**

**Chris Cuthbertson & Rob Udwin**

3<sup>rd</sup> December 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

**2018 FINANCIAL STATEMENTS - COMMENTARY**

- In 2017/18, revenues were £172.4 million and investment in rugby £107.7 million, a year on year increase of 8% in rugby investment.
- An operating loss of £30.9 million is reported in the Profit and Loss account, alongside an exceptional cash gain of £31.6 million recorded in the reserves.
- The £31.6 million is from the restructuring of our Twickenham Experience Limited (TEL) deal and cannot for accounting purposes be registered in the P&L, but instead is recorded in the P&L reserve.
- The increase in rugby investment was made possible by the £31.6m cash gain. So, the P&L shows all our outgoing investment in the game as expenditure, but none of the incoming cash from the TEL deal.
- During the year, we increased our borrowing facility to £100 million which allowed us to complete the work on the development of the East Stand and continue to deliver the AGP programme. At the end of the financial year, £45 million of this loan was drawn down, and on current forecasts will be paid in full by the end of 2023.
- The financial position of the RFU is sound. We have a healthy cash position, robust contracted revenues and a good balance sheet.
- 2017/18 marks a transition point for the Union as we move from a period of high growth and investment in the game to more challenging times, but we have commenced plans to ensure our ability to maximise our investment in the professional and community game will continue for many years to come – and this investment will still be significantly higher than it was eight years ago.

End

## APPENDIX 2

**RWC WARM UP TICKET PRICING 2019****ENGLAND v BARBARIANS**Saturday 2<sup>nd</sup> June 2019

@ Twickenham

CATEGORY	PRICE
Premium	£50
Category 1	£40
Category 2	£20
Junior	£10

**ENGLAND v WALES**Sunday 11<sup>th</sup> August 2019

@ Twickenham

CATEGORY	PRICE
Premium	£90
Category 1	£80
Category 2	£60
Category 3	£45
Category 4	£25
Junior	£15

**ENGLAND v IRELAND**Saturday 24<sup>th</sup> August 2019

@ Twickenham

CATEGORY	PRICE
Premium	£90
Category 1	£80
Category 2	£60
Category 3	£45
Category 4	£25
Junior	£15

**ENGLAND v ITALY**Friday 6<sup>th</sup> September 2019

@ St James' Park, Newcastle

CATEGORY	PRICE
Premium	£90
Category 1	£70
Category 2	£45
Category 3	£25
Junior	£15

## APPENDIX 3

**NEW ALLOCATION OF INTERNATIONAL MATCH TICKETS TO THE GAME****1. TOTAL TICKET ALLOCATION TO EACH GROUP**

- There is no change to the number of tickets that are assigned to the various groups that purchase the Game's initial allocation.

**2. RFU VOTING CLUBS**

Generally those Clubs playing at Level 3 and below but excluding Clubs that are members of any of the Educational and Armed Services CBs).

For each match the allocation will be based on:

- The Club must be a voting member of the RFU.
- Every club receives an initial allocation of 6 tickets.
- Each club with an aggregate total of 30 players or more at U13 and below registered on GMS receive an additional 2 tickets.
- The remainder of tickets being allocated as a percentage of the number of 15-a-side games (adults to U14s <sup>#1</sup>, male to female) played by the club (over a 2-year period) of the national total of such games. The GMS Team Management Tool will be used to collect the number of 15-a-side matches a club plays each season.

<sup>#1</sup> Each age grade team restricted to registering a maximum of 16 matches per season, although a club with enough registered players at a particular age group could record 2 or more teams at that age group with each team registering up to 16 matches per season.

**3. GEOGRAPHIC CBS (The Counties)**

For each match the allocation will be based on:

- Every geographic CB receives an initial allocation of 20 tickets.
- The remainder of tickets being allocated as a percentage of the number of 15-a-side games (adults to U14s, male to female) played by their RFU voting Clubs (over a 2-year period) of the national total of such games.

**4. PREMIERSHIP CLUBS**

- Each Premiership Club is allocated 260 tickets per match.

**5. CHAMPIONSHIP CLUBS.**

- Each Championship Club is allocated 100 tickets per match.

**6. REFEREE SOCIETIES**

For each match the allocation will be based on:

- The society must be a voting member of the RFU.
- Every club receiving an initial allocation of 6 tickets.
- The remainder of tickets being allocated as a percentage of the number of 15-a-side games (adults to U14s, male to female in clubs, schools, colleges and universities) that a society appoints to (over a 2-year period) of the national total of such games. "Who's the Ref" will be used to collect the number of 15-a-side matches a society appoints to each season.

**7. RUGBY FOOTBALL REFEREES UNION (RFRU)**

- For each match the RFRU is allocated 50 tickets.

**8. ARMED SERVICES CBS AND THEIR MEMBER CLUBS**

The allocation for each match will be:

- Army: 225 tickets.
- Royal Navy: 150 tickets.
- RAF: 125 tickets.

**9. UNIVERSITIES & STUDENTS**

- The current allocations to Cambridge University, Oxford University and Students RFU CBs and their Member Clubs remain unchanged, but with intention to use the same methodology proposed for the County CBs and their community club members, once the success of that methodology is assessed.

**10. SCHOOLS AND COLLEGES THAT ARE MEMBERS OF THE ENGLAND RUGBY FOOTBALL SCHOOLS UNION (ERFSU) OR ENGLAND COLLEGES RFU CBs**

- The methodology introduced as part of the Optimal Ticketing and Hospitality Strategy continue, except schools and colleges should demonstrate annually, as determined by the RFU Education & Age Grade Development Staff, proof of rugby activity and that 2 tickets per school / college are used by an individual (and one guests) that contribute to the rugby activity in that school or college.

**11. OFFICERS AND COMMITTEE MEMBERS OF THE ENGLAND RUGBY FOOTBALL SCHOOLS UNION (ERFSU) AND ENGLAND COLLEGES RFU CBs**

- For each match, the maximum number of tickets allocated to the Officers and Committee Members of the ERFSU and England Colleges RFU CBs will be 50 tickets each (taken from the overall allocation to schools and colleges).

**12. TIMING OF INTRODUCTION OF NEW ALLOCATION METHODOLOGIES.**

- The new allocations initially be used for the Autumn Internationals 2020 and, where appropriate, updated every 2 years thereafter.

*End*



## APPENDIX 4

**NEW ALLOCATION OF INTERNATIONAL MATCH TICKETS TO THE GAME - TIMELINE**

DATE / TIME PERIOD	ACTION
23 November 2018	Council <b>APPROVED</b> new allocation method.
November/December 2018	Game advised of revised methodologies, timescales and actions needed.
December 2018 – March 2019	RFU local development staff have campaign to increase use of GMS Team Management Tool to record all 15-a-side match results.
May 2019	Based on results of 2018/19 season, IRTSC give clubs, geographic CBs and referee societies an indication of their
September/November 2019	Communication campaign reminding clubs of importance of recording their 15-a-side results on GMS Team Management Tile.
January/March 2020	Clubs eligible for ticket allocation due to having U13s and below identified and those just above criteria verified.
May 2020	Ticket allocations for 2020/21 and 2021/22 calculated and used for Autumn Internationals 2020.


## APPENDIX 5

**DEVOLVING MORE DECISIONS TO CBs**

SUBTLE SHIFT


**Devolving more decisions about priorities to local (CB) level**

**More local decisions about what actions are needed to deliver better outcomes to sustain and grow rugby**




WHAT IS IT?

- More local decisions about local priorities
- Decisions better informed by data (more Head with some Heart)
- More focussed placement of national resource and programmes
- More reflective of local club need




WHAT ISN'T IT?

- Not adding to volunteer workload & burden
- Not necessarily bigger cheques to CBs
- Not an end to national programmes
- Not about CBs over-riding staff decisions and/or staff over-riding CB decisions



PFR SIMPLIFICATION  
(GEOGRAPHIC CBs)

- Move to outcome measures
- Greater local decision making
- Simple (2 sides) plan
- Lighter touch reporting
- 2 payments per annum



APPENDIX 6

**NATIONAL RUGBY SURVEY**

**NATIONAL RUGBY SURVEY  
RESPONSE SUMMARY**

*Response this year was the highest we've ever had for the National Rugby Survey*


CATEGORY	CURRENT RESPONSE	% OF TOTAL
ADULT PLAYER	4,109	18%
AGE GRADE PLAYER	2,050	9%
Aged 11 and below	583	3%
Aged 12 to 17	1,467	7%
LAPSED PLAYER	6,251	28%
COACH	3,791	17%
MATCH OFFICIAL	1,106	5%
CLUB/CB OFFICIAL	1,685	7%
SUPPORTER	3,560	16%
TOTAL	22,552	100%

20k of those can be tied to a CB, with some CBs over 1,000 responses and all CBs with a minimum of approx 250

North Mids, Yorks, Surrey, Eastern Counties, Lancashire, Gloucestershire all approx 1,000

Almost 10k more than we received last year, exceeding target on almost all categories

Source: NRS data Oct 18CB n = 19179




**ENGAGING CURRENT PLAYERS**

*A quarter of current players wish they could play more than they do currently*

Which of the following would help you to play more often?

1. More social rugby opportunities (37%)
2. Midweek evening kick-offs (33%)
3. More 'no commitment' turn-up-and-play (30%)
4. Friday evening kick-offs (28%)
5. Better communication of available opportunities (24%)
6. Shorter travel to away matches (23%)

Source: NRS data Oct 18. Current players (all formats included, not just primary), 2018. "Are you happy with amount of rugby you play?" n = 4010. "More often" n = 1008




**RE-ENGAGING LAPSED PLAYERS**

*A third of recently lapsed players would consider return to the sport this season*

For all those who were either extremely or somewhat likely to reconsider playing, what changes would improve their willingness to return?

1. More 'no commitment' turn-up-and-play (41%)
2. More social rugby opportunities (27%)
3. Better communication of opportunities (21%)
4. Friday evening kick-offs (18%)
5. Midweek evening kick-offs (15%)
6. Shorter travel to away matches (13%)

Source: NRS data Oct 18. 3 or fewer n = 602, somewhat/extremely likely to return (all lapsed) n = 365



APPENDIX 7

**NATIONAL RUGBY SURVEY - TIMELINE**

