

MIDDLESEX NOTES ON THE RFU COUNCIL MEETING

Teleconference - 24th April 2020

The meeting was chaired by the President, Peter Wheeler.

1. **PRESIDENT'S OPENING REMARKS**

Peter Wheeler - President

The President welcomed Council to the first Council meeting held by teleconference.

2. **DECISIONS MADE SINCE LAST COUNCIL MEETING BY EMAIL**

Angus Bujalski – Governance & Legal Director

2.1 Since the last Council meeting, Council approved by email the following recommendations from the Governance Standing Committee

- a. For season 2019/20, for the Adult Male game at Level 3 and below, the league tables and play-off process will be determined according to Appendix 1.
- b. For season 2019/20, for the Adult Female game at Level 2 and below, the league tables and play-off process will be determined according to Appendix 1.
- c. The remaining fixtures in the 2019/20 County Championship are cancelled.
- d. The 2019/20 Adult Male and Female RFU Cup Competitions will not be completed in the 2019/20 season.
- e. For season 2019/20, for the Greene King IPA Championship, the league table will be determined in the same way as set out in Appendix 1.
- f. For season 2019/20, in the Tyrrells Premier 15s and Development Competition, the league will be declared null and void and there will be no champions.

2.2 Council also approved a recommendation from the Governance Standing Committee that the current insolvency regulations be relaxed to allow discretion to waive or reduce points deductions where an Insolvency Event has happened as a direct result of the Covid-19 outbreak.

2.3 Council delegated the drafting of the necessary regulation changes to Chris Cuthbertson (Chair of the Governance Standing Committee) and Angus Bujalski.

3. **CHIEF EXECUTIVE'S REPORT**

Bill Sweeney – Chief Executive

3.1 **Coronavirus Contingency Planning**

- a. The focus has been on ensuring the wellbeing of all those involved in the game and dealing with the impact and implications of Coronavirus on the Union and the clubs.
- b. In line with Government advice, the stadium was closed on 3rd March 2020 and all rugby activity in England was suspended from 17th March 2020.
- c. Council was provided with an update on 7th April 2020 on the progress taken to support the game.
- d. Details of the £7m support package for the community game were announced on 25th March 2020.
- e. 305 employees (60% of the staff) have been furloughed
- f. All the staff who earn above £30k per annum have agreed to a 10% salary reduction (no reduction was proposed for staff earning less than £30k per annum), with the senior executives agreeing to an average 25% reduction.

- g. The Union is liaising regularly with Government to ensure that the RFU complies with government advice, its policy on hosting large spectator events and the delivery of community sport to ensure compliance in the interests of our employees and the game.
- h. The Union is in regular contact with its key stakeholders and counterparts including World Rugby, Six Nations, SANZAAR, PRL and the RPA.

3.2 Six Nations

- a. Eddie Jones and his management team recently undertook a review of the 2020 Six Nations tournament. Overall, the review was positive with a clear focus on better aligning and supplementing the medical and conditioning programmes of the EPS squad to their club programmes.
- b. The Six Nations are in the process of identifying new dates for the postponed 6 Nations games.

3.3 Summer & Autumn Internationals

- a. England's Summer tour to Japan is highly unlikely to take place. Discussions are taking place with World Rugby and Japan as to whether this tour can be postponed to the early Autumn.
- b. Contingency plans are being discussed in case the planned Autumn International games cannot take place. These include playing an additional round of Six Nations matches.

3.4 Eddie Jones

Eddie Jones's contract as Head Coach has been extended until the end of the 2023 Rugby World Cup in France.

3.5 Project Light

- a. Due to the Covid-19 crisis, the Six Nations has paused the UK broadcast tender process
- b. The Six Nations has also paused the CVC equity deal negotiations. CVC has indicated an intention and desire to carry on with the process.

3.6 Project Union

- a. While good progress has been made with Project Union, the project has been paused.
- b. The work done to date has been invaluable in helping to understand the Union's cost structure and game priorities during the current crisis.

3.7 International Update

- a. The World Rugby Professional Game Committee is meeting on a regular basis to consider the global economic impact of Covid-19. In addition to discussing the financial impact, this group is meeting with leagues and International Rugby Players' Association (IRPA) representatives to agree principles around international fixture scheduling/rescheduling once return to play is permitted.
- b. The Union is in discussion with Australia, New Zealand and South Africa to find common ground on the North and South's vision for the future of the Global Game.
- c. Bill Beaumont and Gus Pichot are contesting the election to be Chair of World Rugby for the next four years. The outcome of the election will be announced at the World Rugby Council meeting on 12th May 2020.

[Post meeting note: Bill Beaumont was re-elected by 28 votes to 23]

3.8 Communications Director

Kathryn Williamson joined the RFU on 9th March 2020 as Communications Director.

3.9 Twickenham Covid-19 Testing Centre

The North Car Park has been made available to the NHS to use as a Covid-19 Testing Centre. This is now fully operational and can handle up to 1000 tests per day.

4. COMMUNITY GAME BOARD (CGB) UPDATE

Rob Briers – Chair of the CGB

4.1 The CGB met virtually on 9th April 2020.

4.2 At that meeting the CGB agreed to:

- a. recommend to the Council that minimum standards for Pitch-side Care in the Age Grade game be introduced and made mandatory from season 2021/22. This will be considered at the June Council meeting.
- b. Close the existing Age Grade 2019/20 competitions for 2019/20 season.

- c. Cancel the 2020 RFU Sevens Series
 - d. Permanently suspend the 10 Artificial Grass Pitch (AGPs) projects currently on hold following the 2018 Build Break.
- 4.3 Phil Attwell (Students RFU) will be chairing a Task Group to consider the impact of Covid-19 crisis on the 2020/21 RFU Age Grade competitions with a view to making recommendations to the CGB and Governance as to how to mitigate the effect.
- 4.4 The CGB will also be setting up a group to review the Payment of Players thresholds. As these are included in Regulations, any change will have to be approved by Council. Any recommendations arising from this work will be presented to the June Council meeting.
- 4.5 CGB agreed to meet virtually every three weeks during the current Covid-19 crisis.

5. **SUPPORT FOR THE COMMUNITY GAME**

Steve Grainger – Director of Rugby Development

5.1 **Introduction**

As a result of Covid-19 and the early termination of rugby in the 2019/20 season, significant work is taking place to ensure appropriate and timely support to the community game.

5.2 **Impact Assessment**

Staff are in weekly contact with CBs to monitor the overall mood in the game (as assessed locally by CBs) and log and track clubs deemed to be at risk or experiencing challenging circumstances. At present 16 clubs have been identified as being at real risk with a further 27 being closely monitored. This is a reassuringly small number showing that, in the short term at least, clubs are coping well.

5.3 **Staffing**

Most rugby development staff have been furloughed until at least 31st May 2020. 44 staff remain at work comprising the senior management team, 6 Area Managers, 6 Area Facility Managers, 12 Rugby Development Officers, 2 Competitions staff, 2 AGP staff, 8 technical leads (coaching, match officials, age grade/education, facilities, club development, rugby growth) and 4 operational support staff.

5.4 **Immediate focus**

- a. The priority has been to communicate with and support the clubs.
- b. The Community game update is now a twice-weekly bulletin containing updates on RFU support, government/other support and examples of clubs doing great things. Council was asked for support in promoting this as the core line of proactive crisis communication during this period.
- c. A dedicated section of the RFU website, www.englandrugby.com/coronavirus, is now live and is the primary point of contact for information for clubs. This hosts a series of FAQs along with a club support hub, which should be the first line of support for clubs wanting RFU support during a period where the Union's field staff are heavily depleted.
- d. Supplemental Pot payments were paid to eligible clubs 10 weeks earlier than planned to aid club cashflows.
- e. Planned RFU funded activity in CB plans has been suspended with the £600k of funding being released for CBs to utilise as an immediate support fund. An additional £400k funding was added to this for geographic CBs on a proportionate basis subject to them matching this from their own reserves. All 28 CBs agreed to this and hence an overall fund of £1.4m was created.
- f. All RFU loan repayments due from clubs due in March 2020 were not taken and the position on June 2020 repayments is under review.
- g. An emergency loans fund of £5m is now live. Online applications are being received and assessed and the first monies will have been paid to clubs. To date 43 applications have been received of which 21 have been approved – the aim is to make decisions and transfer the funds within six days.
- h. The Union has been in close communication with Sport England following launch of their £20m emergency funding and has been promoting this to clubs and supporting them with applications.
- i. Close monitoring of government support continues with a focus on business rate holidays and small business grants of £10k and £25k which are now flowing to clubs via local authorities. Some are going automatically, and others are having to apply, and this is being tracked carefully. Other advice on VAT deferral, HMRC Time to Pay and Job Retention Scheme has

been included in a guide for clubs that has been made available via the website and Community Game Update.

- j. A Club support pack containing advice on club closure, grounds maintenance, finances, communication etc. has been produced and is available on the England Rugby website.
- k. Support to Coaches and Match officials is now available online and via regular programmed webinars. Week one of the webinar saw 767 registrations and this is expected to grow rapidly. National Team coaches and professional match officials have committed support to this. In addition, a series of free online courses have been sourced and promoted.

5.5 Future priorities

Going into what will undoubtedly be a challenging period for the game, the Union and the clubs, work in the 2020/21 season will look quite different and require a focus on a smaller number of critical areas. There are many unknowns around timelines, season start date, how restrictions will be lifted, available budgets etc., and hence our current planning for support is focused around the clear intent of “Getting rugby played in our member clubs as quickly as possible once restrictions have been lifted”. To achieve this, we are planning in three key workstreams:

- a. **Playing opportunities and competitions** - restart of rugby; timing of this is dependent on contact restrictions and people’s appetite for contact. This also includes the need for effort to stimulate players to return in what could be a very crowded market with potential spill over from delayed summer sports.
- b. **Coaches & Match officials** - retaining their engagement in the down period, ensuring their return and supporting them to play their role in rebooting rugby
- c. **Club support** - ensuring that the Union does all it can to help clubs restart their business, remodelling where necessary, ensuring they have the volunteers they need, that pitches and clubhouses are reopened and that they become sustainable and vibrant again as soon as possible.

6. FUTURE COMPETITIONS STRUCTURE UPDATE

Stephen Pearson - Chair of the Future Competitions Structure Group

- 6.1 As announced in the Community Game Update on 18th March 2020, the Future Competition Structure consultation sessions due to take place at over 20 locations across England in March and April 2020 were cancelled. This is to allow clubs, CBs and the RFU to focus on the immediate priorities and challenges caused by Covid-19.
- 6.2 The Group still believes that the previously communicated timeline for implementation of a new structure in season 2021/22 is very much possible, however no change will be agreed or implemented without consultation with the game and RFU Council.
- 6.3 The group believes that socialising some of the work and thinking that has been done to date online/via webinar+ would be beneficial, however there is a need to be flexible and sensitive as to the best time to do this. The intention is however to do this aspect of the consultation prior to the June Council meeting, to update Council at the June meeting and to undertake consultation with the game on the recommendations before returning to Council for approval in the Autumn with a view to implementing the new structure in 2021/22.

Council **APPROVED** this approach.

7. GOVERNANCE STANDING COMMITTEE REPORT

Chris Cuthbertson - Chair of Governance Standing Committee

7.1 Insolvency Regulations

Governance has approved in principle the recommendation of a mandatory penalty of relegation, subject to the inclusion of a “no fault clause”, and that the work should now proceed to drafting the regulations. The new regulation will then be brought to the June Council meeting for approval.

7.2 Payment of Players

- a. The 2020 Payment of Players Declaration is now open and will remain so until 30th June 2020.
- b. This year, all approvals are actioned through GMS, which removes the need to print the declaration and have it signed.

- c. To date, out of 1,281 clubs, 216 (17%) have fully completed the process; 243 (19%) have submitted the electronic version and are awaiting approval; 63 (5%) have started, but 759 (59%) have yet to start
- d. Council members were asked to assist in ensuring that as many clubs as possible fully completed the process and thus retained their eligibility for RFU funding. As was done last year, CBs will be sent details of those clubs that have not yet completed the declaration so that they can be chased up.

7.3 Regulation Review

Governance is continuing with its normal annual regulation review. Changes to the regulations will be considered at the April Governance meeting. These changes will be brought before the June Council meeting for approval.

7.4 Adult Competition Advisory Group

- a. At its April meeting, Governance will discuss the setting up of an Adult Competition Advisory Group to make recommendations to both Governance and the CGB should any RFU adult competitions not commence as scheduled or be interrupted due to the Covid-19 crisis.
- b. The Group will work closely with the Future Competitions Group to ensure continuity.

7.5 The next Governance meeting will be on Wednesday 29th April 2020 and will be online.

8. COUNCIL NOMINATIONS COMMITTEE REPORTS

Mike Waplinton - Chair of the Council Nominations Standing Committee

8.1 Council **APPROVED** the recommendation of Council Nominations that the following be appointed Council Elected Directors from 1st August 2020:

- a. **STEPHEN PEARSON** (Oxford University)
- b. **PAULA CARTER** (Surrey)

These appointments will now be put to the AGM for ratification.

8.2 Council **APPROVED** revised Terms of Reference of the Council Nominations Standing Committee.

9. BOARD NOMINATIONS COMMITTEE REPORTS

Dominic Proctor - Chair of the Board Nominations Standing Committee

9.1 Council **APPROVED** the following appointments that had been recommended by the Board Nominations Committee from 1st August 2020:

- a. **DAVID ROBERTS** as Chair of the Community Game Board
- b. **PHIL de GLANVILLE** as Senior Professional Game Board Representative on the Board
- c. **GENEVIEVE SHORE** as an Independent Non-Executive Director (INED)

These appointments will now be put to the AGM for ratification.

9.2 The Board Nominations Committee has started considering the recruitment process for the Chair of the Board and one of the Independent Non-executive Director posts to succeed Andy Cosslett and Helen Weir respectively when their terms end in July 2021.

10. RFU ANNUAL GENERAL MEETING

Angus Bujalski - Governance & Legal Director

10.1 Due to the Covid-19 crisis, it is proposed that this year the AGM will be held virtually at 5.00pm on Friday 12th June 2020.

10.2 Following the successful introduction of electronic communications for AGM documentation in 2018 and 2019, which represented a significant cost saving, it has been decided to permanently adopt this process for future AGMs.

10.3 Presidential Elections

The election of the following to the Presidential Team for the 2020/21 season will be put to the Members in accordance with Rule 8.2(i):

- a. **HHJ JEFF BLACKETT** as President
- b. **NIGEL GILLINGHAM** as Senior Vice- President
- c. **ROB BRIERS** as Junior Vice-President

10.4 Board Appointments

The following appointments will be put to Members for ratification in accordance with the Rue 12.3:

- a. **ANDY COSSLETT** as Chair of the Board for one final year until 31st July 2021;
- b. **CHRIS CUTHBERTSON** as Chair of the Governance Standing Committee for two final years until 31 July 2022;

[Note: These two appointments were approved by Council at its February meeting]

- c. **GENEVIEVE SHORE** as an Independent Non-executive Director for a second three-year term until 31 July 2023;
- d. **PHIL de GLANVILLE** as Senior Professional Game Board Representative on Board for a second two-year term until 31 July 2022;
- e. **DAVID ROBERTS** as Chair of the Community Game Board for an initial three-year term until 31 July 2023;
- f. **STEPHEN PEARSON** as a Council Elected Director for a second three-year term until 31 July 2023; and
- g. **PAULA CARTER** as a Council Elected Director for an initial three-year term until 31 July 2023.

10.4 RFU Rule Changes

a Borrowings

- i. Under Rule 4.2(b), the Union may not borrow more than £100 million without the approval of the members.
- ii. In order to ensure flexibility during an unprecedented period of uncertainty, Council **AGREED** to recommend to the members that the limit be increased from £100m to £150m.
- iii. Even if members agree to increase the limit, Board and Council approval will still be required to increase the borrowing above the current level.

- b. No other Rule changes are proposed

11. DIVERSITY & INCLUSIVITY (D&I) ACTION PLANS UPDATE

Genevieve Glover - Chair of the D&I Working Group

- 11.1 In November 2019, Council approved several outline recommendations around improving D&I within the governance structures of the RFU.
- 11.2 The original D&I Working Group was charged with developing the recommendations. This group was largely external. Now that the recommendations have been accepted, it is proposed that implementation requires a greater level of connection with the existing governance structures within the game. As such, a different sort of group will need to be constituted to oversee this.
- 11.3 Terms of reference for and the proposed composition of this group will be presented to the June Council meeting for approval.

12. PROFESSIONAL GAME BOARD REPORT

Phil de Glanville - RFU Board Representative on the PGB

- 12.1 Phil de Glanville updated Council on the work of the PGB.
- 12.2 PRL's position remains to try and finish the season, but this is fully dependent on the government deeming that it is safe to play contact sport and their advice around keeping spectators safe.
- 12.3 European Professional Cup Rugby (EPCR) are also keen to finish the currently suspended European cup competitions.
- 12.4 The PGB also received a report on player reconditioning that will be required prior to professional games recommencing.
- 12.5 The complexity of player contracts was also discussed if the competitions are not completed by the end of June 2020 as this is when most contracts end.
- 12.6 Due to the difficulties of carrying out the Minimum Standards Criteria audit on Newcastle during the current Covid-19 crisis, the PGB approved a recommendation from the MSC Task Group, that reliance be placed on Newcastle's 2019 MSC audit, which had been satisfactory.
- 12.7 Conor O'Shea (RFU Director of Performance Rugby) advised the PGB that the academies are in a good position with every Academy rated GREEN. Although it will not be possible for the Academies to meet the necessary criteria over the coming months, the RFU will continue to make payments.

- 12.8 The PGB received a presentation from Simon Kemp (RFU Medical Services Director) on the Player Mental Health report. Whilst this work was initiated before the current Covid-19 crisis, it did involve extensive consultation both within the game and with external experts in other sports. The PGB agreed that the recommendations will be taken forward.

13. CHAIRMAN'S REPORT

Andy Cosslett - Chair of the Board of Directors

- 13.1 The Board continues to meet weekly to consider how to mitigate the effects of the Covid-19 crisis on the Union and the game. The financial impact is likely to be significant, and not short-lived.
- 13.2 The weekly Board meetings are focused on the work undertaken to deal with the crisis, both in terms of assistance for the game, and in the RFU's own financial planning. Aside from the finances, the Board is also discussing how the current crisis will shape the future of the game both at domestic and international level.
- 13.3 The Board was due to have its May meeting in Bristol, and combine this with meetings with local clubs, a format which has previously proved successful. Given the social distancing requirements, this will not now be possible, but it is hoped that the visit to Bristol can be made next season.

13.4 150th Anniversary

A working group had previously been established to develop a programme for the celebration of the Union's 150th anniversary. Given the other immediate priorities, the 150th Anniversary Working Group has been disbanded and the work of the group thus far has been passed to the Executive to combine with the work being done to reboot the game following the Covid-19 crisis. The Presidential team will remain involved as this develops.

13.5 Board Effectiveness Review

The Board is undergoing an external Board Effectiveness Review. Part of good corporate governance is a regular external review of the effectiveness of the Board of Directors. In line with general practice, and expectations from Sport England, the Board aims to do this every three-years. This is almost complete, but the social distancing restrictions have meant that the meeting to discuss that report has had to be postponed. It is likely that this will be delivered by videoconference, so that the key findings, and any Board responses to it, can be presented to the June Council meeting.

13.6 Board Meetings

a. 2019/20 Season

As set out above, currently the Board is meeting weekly. The dates and locations of the remaining previously scheduled Board meetings are as follows:

13 th May 2020	Likely to be by videoconference
22 nd July 2020	Twickenham

b. 2020/21 Season

The dates and locations of the Board meetings have been agreed as follows:

9 th September 2020	Twickenham
4 th November 2020	Offsite [TBC]
9 th December 2020	Twickenham or offsite [TBC]
20 th January 2021	Twickenham
17 th March 2021	Offsite [TBC]
12 th May 2021	Twickenham
21 st July 2021:	Twickenham

14. FINANCIAL REPORT

Sue Day - Chief Financial Officer

14.1 Month 8 – February 2020 Report

- a. The financial results for February 2020 showed the Union's finances to be on budget.
- b. The financial forecast for the year remains uncertain due to the Covid-19 crisis but will be adverse to budget due to the loss of budgeted events and the uncertainty caused by the 2020 Six Nations being interrupted.

14.2 Covid-19 Update

- a. Budgeting for 2020/21 has commenced but is difficult to finalise due to the current uncertainties caused by the Covid-19 crisis and the lack of clarity as to when the stadium can be reopened, and international games recommenced.

- b. At present the working assumption is that the outstanding 2020 Six Nations games will be played (including England's game away in Italy) early in the new season and the Autumn Internationals will go ahead (albeit probably with restrictions on spectators attending).
- c. It is anticipated that there will be long term effects on the Union's revenues, which will mean that the cost base will need to be reduced in all areas for the foreseeable future.

15. ANY OTHER BUSINESS

Jeff Blackett (Senior Vice President) advised Council that the Presidential team was working with the executive to identify savings that could be made to the Council budget for 202/21. All Council members are currently being consulted on this and proposals will be presented to the June Council meeting for approval.

The next Council meeting will be on Friday 12th June 2020 and will be held by teleconference.

Chris Cuthbertson & Rob Udwin

6th May 2020

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

APPENDIX 1

Adult Community Competitions 2019/20

The Task Group recommended that promotion and relegation are retained, and this follows the principles of the existing Regulations. It is recommended that the most equitable way to establish final league positions was to allocate outstanding match points in line with the principles of 'Best Playing Record' with separate averages being established for a clubs Home and Away records.

The process for determining how end of season league tables will be calculated is as follows:

- Average number of points (including Bonus Points) gained for all 'Home' games played up to 16th March.
- This amount will be added to the Club's points total for each outstanding 'Home' game.
- Average number of points (including Bonus Points) gained for all 'Away' games played up to 16th March.
- This amount will be further added to the Club's points total for each outstanding 'Away' game.
- If two or more clubs have the same number of points, final league positions shall be determined firstly by the number of wins achieved, then draws, each as a percentage of the number of games actually played, and then on the basis of match points difference as a percentage of the number of matches actually played.
- Appendix A also provides a worked example of this process for illustrative purposes.

At Levels 3 & below, where two Leagues support one League, the top club in each of the supporting Leagues shall be promoted to the higher League (or Level). Additionally, at Levels 4 and below, the second placed club with the 'Best Playing Record' as determined above, shall be promoted to the higher Level.

At Levels 4 & below, where one league supports one league the top two clubs from the lower League shall be promoted to the higher league (or Level).

Relegation shall follow the existing principles in the Regulations.