

MIDDLESEX NOTES ON THE RFU COUNCIL MEETING

Held at Twickenham Stadium - 24^h February 2020

The meeting was chaired by the President, Peter Wheeler.

1. PRESIDENT'S OPENING REMARKS

Peter Wheeler - President

The President congratulated the England Men's & Women's teams for their victories in the Six Nations competitions over the previous weekend.

2. CHIEF EXECUTIVE'S REPORT

Bill Sweeney - Chief Executive Officer

2.1 Conor O'Shea

Conor O'Shea has joined the Union as Performance Rugby Director. Conor, who will report direct to the CEO, will be responsible for the leadership, management and strategic direction of the professional game in England.

2.2 Project Light

The six Unions have now signed an agreement allowing the Six Nations to sell the combined broadcast rights for the next cycle of Autumn Internationals (as well as the Six Nations) and the UK tender process is taking place over the next month.

2.3 Premiership Salary Cap Regulations – Saracens

The Union is closely monitoring the impact that the relegation of Saracens will have on all stakeholders. Discussions are continuing and the Union is inputting into the independent review of the Salary Cap Regulations that is currently underway.

2.4 Championship Funding

- a. The current three-year funding agreement with the Championship Clubs (Level 2) ends this June.
- b. The Championship has been advised that funding (albeit at a reduced rate) will continue into 2020/21 and 2021/22 season whilst a review is carried out to determine the best structure for the professional game in England.
- c. The Championship is, and will continue to be, part of the player development pathway

2.5 Rugby World Cup 2019 Debrief

Several key areas to support sustainable success for the Senior England Men's team have been identified. These include (1) optimising the PGA; (2) collaborative working between the professional team and wider organisation; (3) appropriate working environment and training facilities for the professional department; (4) use of sports psychology; (5) centralisation of player data. Strategies to address these will commence after the 2020 Six Nations.

2.6 International Report

a. World Rugby

Bill Beaumont is running for a second (and final) term as World Rugby Chairman with French Rugby Federation (FFR) President Bernard Laporte as his Vice-Chairman. The election will take place in May 2020

b. Rugby Europe

- i. Rugby Europe will also hold elections in 2020.
- ii. Rugby Europe has recently completed a governance review focused on streamlining its decision making.

c. **Six Nations**

A separate women's match schedule to avoid clashes with the men's games is being considered by the Six Nation.

3. **COMMUNITY GAME BOARD (CGB) UPDATE**

Rob Briers - Chair of CGB

3.1 The CGB has met on two occasions since the last Council meeting. The focus of both meetings was on aligning future priorities with the ongoing Project Union work ahead of the preparation of the 2020/21 budget.

3.2 **Meeting Outcomes**

- a. The CGB has reached broad agreement on the tasks required to deliver against the Core work identified in Project Union along with those required to deliver against the relevant sub objectives.
- b. Working to what is anticipated to be a relatively flat budget for 2020/21 it is envisaged that the most significant area of increase in investment will be around recruitment and development of volunteers.
- c. Whilst not meeting core work or strategic priorities under Project Union, it is likely that a pragmatic approach to operational funding in relation to competitions (namely travel funding and match official funding) will be sustained during 2020/21 ahead of any wider changes resulting from the work of the adult male Future Competitions Structure Group.
- d. Several areas currently subject to contractual funding have been identified for reduced funding and, whilst this may not be possible in 2020/21, steps will be taken to work towards this in 2021/22 creating headroom for growth in other areas.
- e. The funding of areas that do not align neatly to Core or Sub-Objectives remain unresolved and are the subject of further discussion.
- f. A session was held the evening before the January meeting specifically focused on the adult male competition work. CGB were joined at this by Stephen Pearson and group members Paul Astbury and Terry Burwell. A productive discussion was held, a follow-up communication was issued to the game and this is the subject of a separate agenda item at this Council meeting.

3.3 The CGB has been kept informed of the work being carried out by the Future Competition Structure Review Group and provided input into and approved the direction of travel of the work of the group.

3.4 **Pitch Side Care**

- a. Nigel Orton updated Council on the work that the CGB is doing with respect to strengthening pitch-side care in the game.
- b. The following findings and conclusions arise from the work undertaken so far by the CGB:
 - i. More information is needed about the current provision in the game with more understanding of the constraints;
 - ii. The current minimum operating standards need to be reviewed, but changes need to be evidence based and deliverable by both the RFU and the game.
 - iii. Surveys show that players are concerned about being injured.
 - iv. The game has a higher duty of care in respect of younger (under 18) players
- c. No consultation on current provision has yet been undertaken with clubs or Constituent Bodies.
- d. Any change to mandate clubs to provide a minimum standard of care will require a change to RFU regulations and will need to be considered by Council in due course.

4. **FUTURE COMPETITIONS STRUCTURE WORKING GROUP - UPDATE**

Stephen Pearson - Chair of Working Group

4.1 The adult male Future Competitions Structure working group is making good progress since its establishment last summer. The working group has reviewed data and insights relating to the direct impact the existing structure has on the game and recently made its initial recommendations to the Community Game Board (CGB).

- 4.2 The working group identified the following four principles (which have been approved by the CGB) that must be addressed in any new competition structure, namely (1) travel time/distance; (2) player welfare; (3) quality of player experience/quality of competition; and (4) financial sustainability of clubs.
- 4.3 The work has now entered a period of consultation with the game.
- 4.4 The group has considered many options for a new league structure
- 4.5 Any changes to structures may lead to a change in the principles and methodology of promotion and relegation.
- 4.6 There is a strong desire to bring a degree of stability to structures by reducing the 'churn' of promotion and relegation within leagues and resulting impact on a club's short- and long-term sustainability.
- 4.7 Whilst maintaining geographical balance to the leagues at each level there is a need to encourage meritocracy/ambition where appropriate.
- 4.8 Ideally the new structure will create specific gaps in the season for 'rest' at all levels – and avoid these being 'reserve' weekends
- 4.9 **Survey**
The views of the game (specifically the players) are being sought on:
- a. Possible competition structures
 - b. Promotion/relegation
 - c. Lower XVs in leagues
 - d. Knockout rugby
- 4.10 **Next Steps**
- a. Completion of the survey and analysis of the results
 - b. Determine preferred new competition structure for consultation with the game.
 - c. Regional consultation meetings in March/April. The dates and locations will be released shortly.
 - d. Determine final recommendations to be put to Council for decision.
 - e. Continue work on implementation details
 - f. Implement new structure in 2021/22.
- 4.11 A further update on progress will be made at the April Council meeting.

5. **GOVERNANCE STANDING COMMITTEE REPORT**

Chris Cuthbertson - Chair of Governance

5.1 The Committee last met on 15 January 2020.

5.2 **Insolvency Regulations Review**

Governance continues to review the Union's insolvency regulations. Proposed changes will be brought to Council for consideration later in the season.

5.3 **Pitch-side Medical Care**

Governance considered a proposal from the CGB of introducing mandatory (through regulation) minimum operating standards for pitch-side medical care for all levels of the game and concluded that the best way to achieve a better provision may not be through regulation, but by other means such as club accreditation. The Committee therefore recommended to CGB that the proposals be reframed as a wider strategy, rather than through regulation.

5.4 **RFU Annual General Meeting 2020**

Governance considered the location of the 2020 AGM, following a suggestion that it would be better placed centrally in England. The Committee reaffirmed its view from previous years that a central London location provides easiest access by train for attendees from across the country.

5.5 **Tyrrell's Premier 15s Regulation Changes**

- a. The Committee approved in principle a proposal from the Women's Performance Management Group (WPMG) to agree in principle the proposed regulation changes in respect of the Tyrrell's Premier 15s competition. The key proposed changes are:
 - i. the removal of the second team competition;

- ii. a decrease in registered squad size from 60 to 40; and
 - iii. flexibility for teams to have up to 10 players dual-registered i.e., for a Premier 15s club and Championship club.
- b. The rationale behind these changes was ensuring the sustainability of the league by alleviating the financial burden on clubs in having to field a second team.
 - c. The proposed changes will come back to Council in due course for approval.

5.6 **Salary Cap Regulations**

Following Saracens recent relegation for the Premiership for breaching the Premiership Salary Cap regulations, Governance will be reviewing the regulatory role of the Union in the drafting and enforcing these regulations at its next meeting.

5.7 **Work Programme 2019/20**

Council received an update on the Governance work programme for the remainder of the season; most of which will come to Council in due course. The work programme includes (1) Insolvency regulations review; (2) Payment of players review; (3) Safeguarding audit review; (4) Diversity & Inclusion recommendations implementation roadmap; (5) Annual regulation review; & (6) Annual competition regulation review.

5.8 The next meeting of Governance is on 18th March 2020.

6. **POWERS OF COUNCIL WORKING GROUP – FINAL REPORT**

Nigel Gillingham - Chair of Working Group

- 6.1 Nigel Gillingham presented the final report of the Powers of Council Working Group to Council.
- 6.2 The far-reaching report included recommendations on how Council could and should be holding the Board to account on behalf of the game.
- 6.3 Whilst the report was well received, concern was expressed about the additional executive resource that would be required to implement all the recommendations at a time when budgets are being reduced.
- 6.4 Concern was also expressed that the Board had not had an opportunity to discuss the report ahead of the Council meeting.
- 6.5 Council therefore **AGREED** to defer a decision on the recommendations until the next Council meeting, by which time the Board would have had time to consider the financial and other impacts of the proposals.

7. **COUNCIL NOMINATIONS COMMITTEE (Council Nomco) REPORT**

Mike Waplington - Chair of Council Nomco

- 7.1 Mike Waplington presented the report of the Council Nomco to Council.
- 7.2 **Junior Vice -President 2021/22**
Council **APPROVED** the recommendation of the Council Nomco that **ROB BRIERS** (Lancashire) be proposed to the Annual General Meeting for the role of Junior Vice President in 2020/21.
- 7.3 **Council Nomco- Terms of Reference**
 - a. Following the introduction of term limits for Council members, the Council Nomco proposed the following changes to its terms of reference:
 - i. removal of the requirement for someone to have been on Council for at least two years before appointment to the Committee;
 - ii. retrospective amendment of the normal two-year term to a three-year term while retaining an overall maximum term of six years on the Committee. and
 - iii. removal of the present cooling-off period precluding any serving Committee Member seeking appointment to a Major or Senior Office as defined in Appendix 2 of the ToRs (with an exception relating to the Chair of Council Nominations Standing Committee);
 - b. Council **APPROVED** the proposed changes to the Terms of Reference and **AGREED** that they be implemented with immediate effect.
- 7.4 **Chair of Community Game Board**
 - a. Rob Briers is the current chair of the CGB and completes his maximum term at the end of the season.

- b. As the Chair of CGB is a Board appointment based on a recommendation from the Council Nomco. The Council Nomco have commenced interviewing and a recommendation will be made to the April Board meeting.

7.5 Council Elected Board Directors

- a. There are two Council Elected Board Director roles to consider this season and three applications had been received by the closing date.
- b. Interviews will take place during March and the Committee's recommendation will be put to Council at the April meeting.

7.6 GMS Steering Group

Council members James Cook (Army), Peter Howard (Leicestershire) & Roger Pierson (Eastern Counties) has been appointed to the GMS Steering Group.

7.7 Tyrrells Premiership 15s Selection Panel

Council member Tim Miller (Referees) has been appointed to the panel to serve as a second Council member alongside Terry Burwell (Hampshire)

7.8 Other Work

The Council Nomco is continuing to develop:

- a. A suite of self-development materials to be made available to Council members;
- b. The new Council members induction programme; and
- a. A mentoring programme between Council members and members of the National Youth Council.

8. BOARD NOMINATIONS COMMITTEE (Board Nomco) REPORT

Dominic Proctor - Chair of Board Nomco

8.1 Joint Nomco

- a. A joint Board Nomco/Council Nomco meeting was held to discuss upcoming Board and Council vacancies.
- b. The Committees had a productive discussion on longer-term succession planning and agreed it would be useful to continue to hold biannual joint meetings.

8.2 Chair of the Board

- a. Andy Cosslett is the Chair of the Board. His term ends this season and he is eligible for reappointment for one more year
- b. Board Nomco had previously agreed a process to consider whether to recommend the reappointment of the Chair of the Board. Dominic Proctor collected confidential feedback from all Board members. The results of this consultation showed that the Board supported his reappointment.
- c. The Board Nomco then considered whether to undertake a fuller recruitment process but agreed that this would be disproportionate given that (1) the CEO is newly in place and (2) a Board effectiveness review is currently being conducted, which may change the job specification.
- d. Council **RATIFIED** the re-appointment of **ANDY COSSLETT** as Chair of the Board for one further year. Andy Cosslett's re-appointment will be put to the AGM for final ratification.
- e. The Board Nomco will now undertake a detailed review of the job and person specifications for Chair of the Board with a view to be ready to begin a recruitment process by the end of 2020 for the next Chair of the Board.

8.3 Chair of the Governance Committee

- a. Chris Cuthbertson has completed his three-year first term as Chair of the Governance Committee and is eligible for a further term. He has stated that he would like to serve for a further two-year term.
- b. The Board approved Board Nomco's recommendation that he be re-appointed for two-year term and Council were asked to ratify this.
- c. Council **RATIFIED** the re-appointment of **CHRIS CUTHBERTSON** as Chair of the Governance Committee for a further two-year term.
- d. The appointment will need to be ratified by the AGM.

8.4 International Representation

- a. Council was notified that the Board has appointed Bill Sweeney and Simon Massie-Taylor to act as Six Nations Representatives until the conclusion of Project Light, following which this will be reviewed.
- b. Following Nigel Melville's departure, Bill Sweeney has also been appointed as World Rugby Representative and European Professional Cup Rugby (EPCR) Representative. This means that he currently holds three "Senior Offices", which under Rule 14 requires specific Council approval with a two-thirds majority.
- c. Council **APPROVED** these appointments with the necessary majorities as required under the Rules.
- d. The Board will review these international appointments at the end of the season

8.5 Other Board Appointments

Council were informed that nominations were currently being sought for the following vacancies, which will be reported to the April Council meeting:

- a. Chair of the Community Game Board
- b. Chair of the Professional Game Board
- c. Senior Professional Game Board Representative
- d. Independent Non-Executive Director

8.6 Injured Players Foundation (IPF) – New Trustees

The Board has approved the recommendation of the IPF Trustees that the following be appointed trustees with effect from 20 February 2020:

- a. **ROGER BADMAN**, current IPF Volunteer Liaison Officer, consultant Solicitor and Higher Courts Advocate with Poole Alcock LLP in Crewe; and
- b. **EWEN MURCHISON**, Trustee of the Royal Navy Rugby Union (RNRU) and RNRU Council Rep (until his overseas deployment in May 2020).

9. **COUNCIL MEMBERS TICKET ENTITLEMENT**

Charlie McGinty - International Rugby Ticketing Subcommittee (IRTSC)

9.1 In the light of the increasing pressure on tickets for England home games and the recent change in methodology for the allocation of tickets to the game, the IRTSC advised Council in April 2019 that the ticket entitlements for Council members, Distinguished (previously Privileged members) and Past Presidents would be reviewed.

9.2 Having completed its review the IRTSC made the following recommendations to Council.

- a. **England International Games at Twickenham**
 - i. **Council Members**
2 complimentary tickets plus the right to buy 6 more (reduced from 8)
 - ii. **Distinguished Members**
2 complimentary tickets plus the right to buy 4 more (no change)
 - iii. **Past Presidents**
2 complimentary tickets plus the right to buy 4 more (no change)
- b. **Away Internationals (no change proposed)**
 - i. **Council Members**
2 complimentary tickets plus the right to buy 4 more (no change))
 - ii. **Distinguished Members**
2 complimentary tickets plus the right to buy 2 more (no change)
 - iii. **Past Presidents**
2 complimentary tickets plus the right to buy 2 more (no change)
- c. Complimentary tickets are for personal use only and may not be transferred or sold.
- d. Council **APPROVED** the recommendations without amendment.

10. PROFESSIONAL GAME BOARD (PGB) REPORT

Phil de Glanville - RFU Board Representative on the PGB

10.1 Professional Rugby Injury Surveillance (PRISP) Report

The PGB received a presentation on the 2018/19 PRISP Report and agreed an Action Plan.

10.2 Minimum Operating Standards

There will be a review of the Premiership & Championship Minimum Operating Standards. The review will look at other sports and will be concluded by the end of 2020 with a view to implementation for the 2021/22 season.

10.3 Rugby World Cup 2019 Review

Bill Sweeney presented the review to the PGB.

10.4 Structured Seasons

- a. The structured season for 2020/21 has been approved.
- b. The structured season for 2021/22 cannot yet be approved as the European windows have not yet been confirmed.
- c. The Lions Tour in 2021 means that top players will not be available to play in the Premiership or Europe until after the 2021 Autumn Internationals. A knock-on effect may reduce RWC 2023 preparation time by between two and four weeks.

10.5 Saracens

- a. The £5.4m fine has been paid and distributed amongst the Premiership clubs.
- b. An independent review of the Salary Cap Regulations is currently being undertaken with a view to any recommended changes being implemented in the 202/21 season.

11. PROFESSIONAL RUGBY INJURY SURVEILLANCE REPORT (PRISP)

Dr Simon Kemp - RFU Medical Services Director

11.1 Simon Kemp presented the 2018/19 Season PRISP Report to Council.

11.2 The 2018/19 season PRISP report and draft Injury Action plan was presented to and discussed by the Professional Game Board on 16th January 2020. Following this meeting, it was agreed that further internal discussions and a meeting with World Rugby were needed before the PRISP report and action plan are released jointly by the RFU, PRL and the RPA. This release is scheduled for after the Six Nations.

11.3 The PGB has agreed an action plan for concussion prevention in men's professional rugby.

11.4 The Report and Action Plan are confidential until officially released.

11.5 In addition, a summary of the available injury and concussion data was presented to the Injury Risk Reduction Subcommittee (IRRS) at its first meeting on 6th January 2020.

11.6 The IRRS agreed initially to focus on reduction of concussion risk in Age Group rugby (with a focus on Under 18 male players) and professional men's rugby.

11.7 Based on the data reviewed thus far, the IRRS is meeting on 26th February to consider possible law variations to evaluate/trial and the practicalities of conducting such trials in the 2020/21 season.

12. CHAIRMAN'S REPORT

Andy Cosslett - Chair of the Board

12.1 The last Board meeting was on 29th January 2020; the agenda of which was shared with Council. The main focus topics were (1) Saracens relegation and the procedure & processes embedded in the salary cap monitoring & enforcement process; (2) Player safety and what the Union can do to improve it; (3) Review of the work of the Board Nominations Committee, the Audit & Risk Committee and the Remuneration Committee.

12.2 The Board has commissioned an independent Effectiveness Review, which is being undertaken by Seamus Gillen, who has held one to one sessions with all the directors and attended a Board meeting, a Board Nominations Committee, the Audit & Risk Committee and the Council meeting. The report will be presented to the Board at its March 2020 meeting.

12.3 The next Board meeting is on 25th March 2020.

13. PROJECT UNION UPDATE

Sue Day - Chief Financial Officer

- 13.1 Sue Day update Council on the progress made to date on Project Union.
- 13.2 Project Union began in May 2019 with the objective of focussing the Union's resources and responding to changes in the external environment.
- 13.3 To date the following stages have been completed:
- a. A defined Purpose to explain why we exist;
 - b. A vision which inspires and leads Rugby Union in England;
 - c. A core Mission statement that underpins how we will deliver our Vision;
 - d. A set of key objectives.
- 13.4 Work has now moved onto achieving the following objectives:
- a. Plans that will ultimately deliver the strategy;
 - b. A defined set of KPIs to help measure success;
 - c. Refreshed ways of working, which are fit for purpose, efficient, adaptable and which enable collaboration across the business;
 - d. A redefined organisational culture that empowers our staff and those connected to our organisation
- 13.5 The project is governed by a Steering Committee that is made up of the Executive team supported by an advisory group, which includes representatives from the Board and Council. The project to create the strategy remains on track, with all major milestones achieved to date.
- 13.6 **Strategy Update**
- Three key activities are currently underway to put in place the delivery plan behind the strategy and translate that into a business plan. Those activities are:
- a. Review specific 'core' activity and spending;
 - b. Creating business cases to review sub-objective activity and investment;
 - c. Conduct a review of people to make sure that we have the right capabilities in place to deliver the strategy.
- 13.7 **Culture**
- a. Work on developing the organisation's culture has begun following a two day offsite with the Executive team led by Coaching Impact ("CI").
 - b. Plans are also being formulated to involve members in the culture development. To this end Council received a presentation from Frank Dick, a motivation speaker, who works with the England Men's team.
- 13.8 **Ways of Working**
- a. Changes have already been made to the Executive team's direct reports, which were based on aligning the organisation behind the executive team's accountabilities and the new strategy.
 - b. Work continues on developing a new model for effective and clear decision making throughout the organisation.
- 13.9 Project Union should be concluded by the end of the financial year, when the changes will be communicated to the clubs and Constituent Bodies. This should allow implementation to begin in July 2020.

14. 2020/21 BUDGET & BUSINESS PLAN

Sue Day - Chief Financial Officer

- 14.1 Sue Day reminded Council of the economic background to the 2020/21 budget & business plan. Whilst a large amount of the cost base is fixed, the revenues are variable due to the match schedule and the economic challenges in the sponsorship and broadcasting markets.
- 14.2 Over the last two years the Union has reduced its cost base to ensure financial stability, but there will not be enough financial resource or staff capability to continue supporting all the activities that have been supported in the past.
- 14.3 The Professional Game Agreement with PRL has driven up professional rugby costs by 65% since 2014/15 and this has impacted on funds available to service the core overhead and the community game.

- 14.4 Project Union will ensure that financial resources are focussed on agreed priorities. The refocussing will take time as contractual obligations will have to be honoured.
- 14.5 Financial planning is done over a four-year World Cup cycle. As the England men's games generate 85% of the Union's revenues, the match schedule significantly impacts year on year revenues, which only even out over the four-year cycle.
- 14.6 2019/20 will be loss making as, being a RWC year, there are only two men's internationals at Twickenham (plus the two warm up games).

15. QUARTER 2 FINANCE REPORT

Sue Day - Chief Financial Officer

- 15.1 Council received the Q2 (December 2020) Financial Report.
- 15.2 Overall the Union remains on budget. Unbudgeted RWC bonuses have been offset by higher than anticipated ticket and hospitality revenues.
- 15.3 The aim remains to be debt free by the end of 2022.

16. ANY OTHER BUSINESS

- 16.1 Richard Harris, Head of Ticketing, will be leaving the RFU immediately after the Six Nations.

The next Council meeting is on Friday 24th April 2020 at Twickenham.

Chris Cuthbertson & Rob Udwin

6th March 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.