RFU

October 2009

COUNCIL MEMBER BRIEFING

HAPPY NEW YEAR!

The first Council meeting of the new season was chaired by new President John Owen from Cumbria on 2 October. Although the previous Council meeting was back in July there was plenty of activity for me over the Summer with meetings of the Finance & Funding standing committee, the Clubs & CB Development and Finance Sub-committee and the RugbyFirst Project Board. And since the start of the new season I have been visiting Eastern Counties clubs at the weekends and will continue to do so throughout the season.

OCTOBER COUNCIL MEETING

Notes of the Council meeting are attached but there are a couple of items worthy of further mention:

- After the report of the Constitutional Review Task Group (CRTG) was so disgracefully thrown out last season a group of Council members managed to get it back onto the agenda but this time in four manageable chunks spread over the year. This meeting looked at club membership of the RFU with the main decision being that the playing criterion for a Section One club should be reduced to a minimum of 12 games per season (from 20) or playing in an RFU approved league (including Merit Tables). This means that more of our smaller clubs will become eligible for International Tickets.
- A few days before the meeting Council members were told the cost of the 'Core Values Sculpture' that is to go in front of the newly developed South Stand. We were always aware that there would be a sculpture and had been kept informed as to progress, but few of us were prepared for the cost of £425k. There were a number of e-mails flying around asking all sorts of questions:
    - How we got to this stage without us all being aware of the costs?
    - Should we be spending this kind of money when the RFU is implementing budget cuts and clubs are struggling financially?
    - Can the costs of the sculpture be reduced?
    - Can the project be delayed?

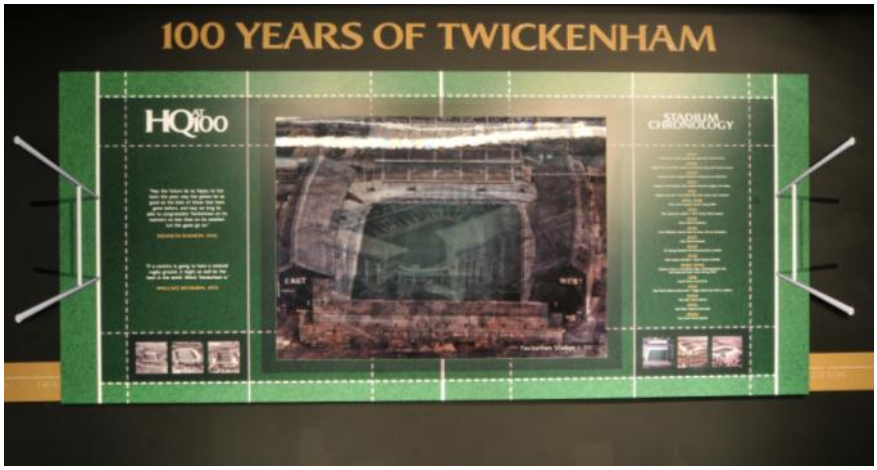
  The day before the Council meeting Francis Baron sent members a six-page memo with answering the questions above and others. In summary:
    - A sculpture was always part of the South Stand Development Project (SSDP), the total cost of which is in the region of £70m.
    - All funding for the SSDP, including the sculpture, was ring-fenced in 2003 so the cost of the sculpture has already been accounted for.
    - Richmond Borough Council usually expect new developments to spend 1%-2% of the total on artistic projects. In the case of the South Stand this would have equated to between £770k and £1.4m. The figure of £425k is well below this but will be accepted by the Borough Council.
    - The sculptor, Gerald Laing who designed the statues on the West Stand 'Lion Gate' (above), has been engaged and he has done a considerable amount of work already, including a clay model. The statues on the Lion Gate cost around £200k in 1993, about £350k at today's prices.
    - A delay would incur a number of costs so proving a false economy

  The sculpture will be discussed again at the next Council meeting in November.

RFU

HQ AT 100

An exhibition celebrating 100 years of Rugby at Twickenham opened on 1st October and I was lucky enough to be invited to a preview evening. If you are at HQ try to go and have a look at some of memorabilia on display in the Rugby Museum.



COMMITTEE MEETINGS

Finance & Funding Standing Committee

One item that might be of interest to clubs is the status of club doctors attending matches. They are not covered by RFU Insurance so before engaging doctors clubs should ask them if they are covered by the Medical Defence Union or some other medical indemnity. It is the doctors responsibility to make sure they have the correct cover.

Club & CB Development and Finance Sub-Committee

It is being proposed that all clubs start the Whole Club Seal of Approval process by 2016 and that all clubs with a Mini & Youth section have M&Y SoA by 2012. I have been asked to chair a Task Group to change the way CBs such as Eastern Counties are funded, 'CB Single Stream Funding', via a single, annual, budgeted work programme used by volunteers and staff. This has been rumbling on for the past five years but I have been given a very short timescale to present something at the CB Treasurers Conference in December with a view to implementation by next season! I'll let you know how I get on.

RugbyFirst

The project board continues to plough through bugs and fixes trying to make it a stable game-wide platform for all to use. It is getting there and the launch of the RFU website which has much better integration with RugbyFirst is a big help.

FACEBOOK

Since becoming a Council member I have tried to keep people informed about what we do as it has appeared to be a rather secretive world of privilege, with lavish entertaining and travel on expenses. I hope this regular bulletin shows that although there are benefits we do a lot of work too!

I have now created a Facebook profile that deals with my Rugby life so you can follow in more detail what I do at Twickenham and at Eastern Counties, and voice your own opinion about subjects like the South Stand statue. If you already belong to Facebook search for '**Andrew Sarek RFU**' and become a friend. If you don't belong why not sign up? Go to Facebook.com and follow the instructions. It is free and you can join a fast growing local rugby community.

The next Council meeting is on 20 November and I have a number of RFU and Eastern Counties meetings between then and now so there should be plenty to report on in my next bulletin. As ever I welcome comments and observations from you and your members and hope to maybe chat to you on Facebook. Most of my Saturdays between now and Christmas are now booked up but if you would like me to visit your club in the New Year please drop me an e-mail.

Andrew

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Middlesex Notes on the
RFU COUNCIL MEETING
Held at Twickenham
2nd October 2009

The meeting was chaired by the President, John Owen.

Before the meeting started Council stood in silence in remembrance of Vaughan Williams, Council Representative of the Students Union, who died in June and Brian Leigh of Lancashire, who died earlier in the week.

1. Chief Executive's Report
(Francis Baron - RFU Chief Executive)

1. **Ken Taylor**

   The Chief Executive paid tribute to Ken Taylor, RFU Safety & Events Manager, who died recently following a short illness.

2. **Economic Situation**

   i. The global economic situation continues to be difficult, but it does appear that some of the developed countries are pulling out of recession.

   ii. The trading pattern for the RFU in the new financial year appears to be following that established at the end of last year. Public sales for the London double header were very strong. Merchandise sales are holding up well compared to budget. Conference & Events sales have also been strong. Corporate hospitality sales continue to be weak.

   iii. Ticket sales for the Autumn internationals have started reasonably well with Argentina (which is on public sale) having reached 50,000. The Australia and New Zealand games are expected to sell out. Twickenham Experience Limited (TEL) hospitality and box sales continue to be slow and there is a lot of work to be done to achieve the budget.

3. **Financial Results – 2008/2009**

   i. The financial results for 2008/2009 are above budget with a profit before tax of approximately £9m.

   ii. The net worth of the Union has increased to £151m.

4. **Image of the game Task Group**

   i. Following the Harlequins "Bloodgate" incident the Management Board approved the establishment of an Image of the Game Task Group on 27th August 2009.

   ii. The Task Group issued its report, which contains 16 recommendations, on 30th September 2009. The report can be downloaded from the RFU website (www.rfu.com).

   iii. The recommendations will be considered at the Management Board meeting on 28th October 2009 and at the Council meeting on 20th November 2009.

5. **The Championship**

   i. There was a media launch for the Championship at Twickenham on 26th August 2009, which was very well attended.

   ii. The Championship Clubs are negotiating an agreement with Premier Rugby Limited (PRL), which will cover, amongst other matters, the financial support to be provided to the Championship by PRL.

6. **Rugby World Cup 2015**

   i. Following the award of the hosting rights for the RWC 2015 and the signing of the Host Union Agreement (HUA), the process of planning for the establishment of the tournament Organising Entity (as defined in the HUA) has commenced.

   ii. The HUA identifies key dates in the build up to the tournament, the first of which is in February 2010 when a proposal on the staffing structures within the Organising Entity have to be submitted to Rugby World Cup Limited (RWCL) for approval.

7. **South Stand Development**

   i. The fit out of the six Marriott Hotel VIP Suites, which overlook the pitch, have been completed.

   ii. The fit out of the Virgin Active health & leisure club has been completed five weeks ahead of schedule and was handed over to Virgin on 7th September 2009.

   iii. The fit out of the RFU offices is on schedule and within budget.

   iv. Planning permission is still awaited for the 114 unit housing scheme for the North Car Park. This scheme, which is a mix of affordable and commercial units, discharges the RFU's obligations under the planning consent for the South Stand, but should also be profitable for the Union.

   v. The outstanding claims against EDF have now been settled and good progress is being made on the other claims concerning the final accounts of the main contractors and sub contractors.

8. **The Core Value Sculpture**

   i. A sculpture has been commissioned, which will stand in front of the South Stand close to the corner of Whitton Road and Rugby Road. The sculptor is Gerald Laing who was responsible for the statues of rugby players on the Lion Gate.

   ii. Subject to planning permission, the statue will be 1.75 times life size and will be approximately 7 metres tall, which will allow visitors to the stadium to walk through it.

   iii. The statue, which will be made of bronze, will depict five players contesting a lineout. At the base will be the core values of the game engraved on granite stones.

   iv. The statue, which will cost £425k, will be unveiled in Autumn 2010.

9. **"Rain Tax"**

   Following representation from the RFU and other bodies the Government has announced that it is going to intervene to stop the "Rain Tax" and introduce a sensible social water charging system. Water companies will now be allowed to offer concessionary rates to charities and sports clubs. Rugby Clubs are expected to benefit by between £3m and £5m per annum.

2. England Under 18 AER Squad

1. Council discussed the problems caused by the disbanding of the England Under 18 AER Squad, which was due to budgetary constraints, the consequential absence of an England team from the AER Under 18 Championship and the negative impact that this will inevitably have on the RFU's relationship with FIRA.

2. Martyn Thomas, Chairman of the Management Board, stated that a task group is to be formed to look at the whole age grade development pathway, including what representative teams there should be. It is likely that Rob Udwin will chair this group.

3. Ticket Allocations – England Rugby Travel
(John Vale – Chairman International Rugby Ticket Sub committee

Council approved an agreed to recommend from the International Rugby Ticket Sub Committee that 500 tickets from the away allocation of Six Nations games (being 10% of the RFU's allocation) be allocated to England Rugby Travel for the 2010/2011 season (this being the same allocation that Council has already approved fro the 2009/2010 season).

4. Community Rugby Report
(Rob Udwin – Chairman Community Game Board)

1. **Community Rugby Board:** Following Council's approval to the setting up of the Community Game Board (CGB), a considerable amount of work has taken place in putting new structures in place and making the necessary appointments to the CGB and the various Sub Committees.

2. **Annual Retreat:** This took place on 4th/5th September 2009 and was attended by all members of the CGB and the members of the executive staff. The objective was to set terms of reference and work plans for each of the sub committees and agree an overall way of working. One of the key messages to come from the retreat is that the Clubs must be **THE** key focus for all community activity.

3. **RWC Cycle:** In the two years leading up to the 2011 RWC the CGB will be focusing on the recruitment and retention of coaches, referees and administrators, and facilities improvement. This campaign will use the game's core values under the strap line "This is Rugby".

4. **RWC 2015:** Planning will start immediately to ensure that the Community Game derives the maximum benefit from RWC 2015 being held in England.

5. **Women's RWC 2010:** This will be held in London in August/September 2010 and will provide excellent opportunities to promote participation in the Women's and Girls' game.

6. **RFU Roadshows:** The RFU Roadshow visited Surrey over the weekend of 25th/27th September 2009. Visits are planned to Gloucestershire (October 2009), East Midlands (January 2010) and Sussex (March 2010).

7. **Community Rugby Department:** The Community Rugby Department continues to run coaching courses, promote student participation, encourage School/Club links, assist Clubs achieve accreditation and help them to improve their facilities.

5. Finance & Funding
(John Vale – Chairman Finance & Funding Committee)

The Funding & Finance Committee has set up a group to look into the subsidising of off-shore travel for the Clubs in the Channel Islands and on the isle of Man and their opponents. At present the subsidy amounts to £250k per annum.

6. Governance
(Peter Baines – Chairman Governance Committee)

1. Following the withdrawal of Mounts Bay from National Two South after the cut-off date for the finalising of the league structure, this league will run with only fifteen teams.

   As a consequence Governance Committee agreed to recommend to Council that for the Season 2009/2010, only two teams will be relegated from National Two South rather than three. Council approved this recommendation.

2. Under the Heads of Agreement between the RFU and PRL, the Professional Rugby Players Association (PRA) has been given the right to nominate one representative to be a co-opted member of the Council in order to improve relationships with the professional players.

   Council therefore approved an agreed to recommend from Governance that a representative of PRA be co-opted onto Council for the 2009/2010 season.

7. iRB & Six Nations Report
(Jonathan Dance – iRB & Six Nations Representative)

1. **Law 3**

   At its meeting on 28th July 2009 the iRB Council approved an amendment to Law 3, which allows Unions to introduce an additional replacement in their domestic competitions.

   In addition Unions may, again in their domestic competitions, require teams to remove a player from the field if they are unable to contest the scrum.

   These amendments may be introduced into cross border competitions, if the Unions involved agree,

2. **Maul Working Group**

   The Maul Working Group established following the Experimental Law Variation Conference in March 2009 has published a short paper noting that the existing Law does not need to be amended, but there is evidence that it is not being consistently refereed. The iRB has accordingly issued guidance to the referees on those matters that need to be addressed.

3. **Law Amendment Process**

   Following difficulties during the trialling and implementation of the recent Law changes the iRB is consulting on a new process to be followed when trialling and introducing new Laws.

   The RFU has made a submission that there should be a clearly defined process and that no new Laws should be introduced in the two years before a Rugby World Cup.

4. **Olympics**

   The Olympic Committee will decide this October whether Rugby Sevens will become an Olympic sport

5. **Eligibility to Play International Rugby**

   The iRB is considering whether a player who has retired from playing international rugby for a Tier 1 Union should be allowed to continue his international playing career by playing for a lower tier Union; providing that he is qualified by birth or residence to do so. The RFU is likely to support this proposal.

6. **International Window**

   The iRB is considering the best structure for the matches, which are played within the June and November windows. The commercial necessities of the game in the Northern and Southern Hemispheres will be taken into account.

7. **FIRA**

   The constitution has now been agreed. The issues previously raised in relation to the Six Nations have been satisfactorily dealt with.

8. Disciplinary Officer's Report
(Jeff Blackett – Disciplinary Officer)

1. 2008/2009 saw a slight rise in the incidence of foul play. The most worrying trend is the increase in the number of incidents involving contact with the eye area. This offence merits severe sanctions as not only is the offending insidious, but there is a risk of significant injury to the eye.

2. Proceedings against four players from Bath for drug related misconduct were brought under RFU Rule 5.12 (conduct prejudicial to the interests of the Union or the Game).

   One player pleaded guilty to charges of ingesting cocaine, making statements about drugs in front of academy players and missing a drugs test. The player resigned from Bath and accepted an eight month suspension.

   The other three all contested charges of failing to take two drug tests, but were all found guilty and given a nine month suspension. Two of the players appealed, but the appeals were rejected.

3. European Rugby Cup (ERC) dealt with the misuse of blood in the matches between Harlequins and Leinster on 12th April 2009 and the surrounding misconduct. The RFU will be taking no further action against either Harlequins or any of those involved.

4. Following the publication of a photograph of a Wasps player jumping in the air and gesticulating with two raised middles fingers to Bath players at the end of a game on 12th September 2009, the player concerned has been warned as to his future conduct.

5. The World Anti-Doping Agency (WADA) code proscribes cocaine in competition, but not out of competition. Thus if a player tests positive after a match he will be suspended for at least two years, but players are not tested at all out of competition.

   The iRB have agreed with the RFU that this is an anomaly and have recommended to WADA that cocaine is tested in and out of competition.

6. Last season's disciplinary conference was cancelled, mainly for budgetary reasons, but it is hoped that a disciplinary conference will be held in early Summer 2010.

9. Constitutional Review Task Group (CRTG)
(Nick Eastwood – Chairman of the CRTG)

1. Nick Eastwood introduced the debate on the Membership and Corporate Governance, Policy Making & Management sections of the CRTG Report.

2. Following debate Council passed one resolution in relation to Membership of the Union (see Appendix 1) and 12 resolutions relating to Corporate Governance, Policy Making and Management (see Appendix 2).

3. Council will debate the other sections of the CRTG Report at future meetings.

4. Once all of the sections of the CRTG Report have been debated the CRTG will prepare the necessary rule changes to be put before Council, which if approved will be put before the game at an Annual General Meeting.

The next Council meeting is on Friday 20th November 2009.

Chris Cuthbertson & Rob Udwin
5th October 2009

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 of the opinions expressed during the debates.

APPENDIX 1

CONSTITUTIONAL REVIEW TASK GROUP

MEMBERSHIP

Resolution 1

Council resolved that the:

1. Criteria for voting membership of the RFU and condition precedent for continued voting membership of the RFU for clubs shall be that the:

    A. Club has a written constitution acceptable to the RFU;

    B. Club is not owned or controlled by another voting member;

    C. Management and ownership of the club is acceptable to the RFU;

    D. Club plays a minimum of 12 adult XV a side matches per season or plays in a RFU league, merit table or other approved competition ('approval' to be defined, unambiguous and easily administered);

    E. Club has participated to the satisfaction of its Constituent Body in the competitions in (D) above for a minimum of one year;

    F. Club has been a member of a Constituent Body for a minimum of one year prior to application for full membership of the RFU;

    G. Club provides the previous year's financial statements, to its Constituent Body (or where requested to the RFU) and they are acceptable to its Constituent Body (or the RFU as appropriate); and

    H. Club's application for membership is supported by its Constituent Body.

2. Constituent Body shall remain as Members.

3. National Representative Bodies (as defined on page 48 of the CRTG Report) shall be admitted as Members.

4. Clubs not meeting the criteria for voting membership of the RFU set out in 1 above, being adult clubs having separate status and identity and in membership and approved by its Constituent Body (e.g. casual clubs, works teams, some student clubs, some services clubs), shall be non-voting Members.

5. Individual schools shall be admitted as non-voting members.

6. Leisure rugby organizations shall be admitted as non-voting Members provided they meet with minimum criteria to be set by Council.

7. England Deaf Rugby Union and Great Britain Wheelchair Rugby Union shall be admitted as non-voting Members.

8. Admission to, suspension of and expulsion from membership shall be within the terms of reference of the Governance Committee (with appeal to the Council in the case of admission or expulsion).

APPENDIX 2

CONSTITUTIONAL REVIEW TASK GROUP

CORPORATE GOVERNANCE, POLICY MAKING AND MANAGEMENT

Resolution 1

The overall corporate governance, policy making and management framework of the RFU should comprise Council, the Board and three standing committees, the Professional Game Board, the Community Game Board and the Governance Committee.

Resolution 2

Council shall adopt the Terms of Reference set out below and a proposed rule change shall be put to the members in general meeting to amend the Powers of Council set out in the Rules of the Union to reflect its new Terms of Reference and such other minor amendments shall be proposed to be made to the Rules of the Union as may be required to reflect such terms of reference:

1. Determine all new or changes to existing Policies in respect of the playing, governance and regulation of the game.

2. Approve periodically the Strategic Plan submitted by the Chief Executive.

3. Approve the annual Business Plan and Budget submitted by the Board.

4. Approve on an annual basis, or as necessary, ticket prices for all matches organised by the RFU, submitted by the Board.

5. Receive periodic reports from the Chairman of the Board, Chief Executive and Finance Director for the purposes of holding the Board to account for the management of the affairs of the Union.

6. Approve for submission to the members, nominations for the posts of President, Senior Vice President, Junior Vice President and Chairman of the Board.

7. Approve the recommendation for the posts of chairmen and membership of standing committees and sub-committees.

8. Appoint two representatives to the iRB on an annual basis in accordance with the Rules.

9. Appoint members to the Board on an annual basis in accordance with the Rules.

10. Approve the formation, terms of reference or dissolution of Standing Committees as recommended by the Board.

11. Approve the borrowing of money in excess of £25m as recommended by the Board.

12. Determine and delegate responsibility for disciplinary matters for those under the jurisdiction of the RFU in accordance with Rules 12.13 and 5.12.

13. Consider and if thought fit recommend amendments to the Rules of the RFU for submission to the members.

14. Consider and if thought fit recommend amendments to the Laws of the Game for submission to the iRB.

15. Periodically review the RFU's corporate governance arrangements and commission any review thereof, as appropriate.

16. Determine the date and location of all general meetings.

APPENDIX 2

CONSTITUTIONAL REVIEW TASK GROUP

CORPORATE GOVERNANCE, POLICY MAKING AND MANAGEMENT (CONTINUED)

Resolution 3

Council shall adopt the Position Specifications relating to Council positions as set out in Appendix 1 of the CRTG Report

Resolution 4

The Terms of Reference of the Audit and Risk Panel set out on page 69 of the CRTG Report and the Position Specifications for the Remuneration Panel set out in Appendix 3 of the CRTG Report shall be adopted.

Resolution 5

The Terms of Reference of the Remuneration Panel set out on page 71 of the CRTG Report and the position specifications for the Remuneration Panel set out in Appendix 3 of the CRTG Report shall be adopted.

Resolution 6

The name of the Management Board shall be changed to the Board of Directors.

Resolution 7

The Board shall consist of:

1. Chairman

   Chief Executive

   Finance Director

   One Executive chosen by the Chief Executive

   Three/two* Game Board/Committee chairs

   Three/four* non-executive Council members

   One iRB Representative

   ** Depends on the identity of the Professional Game Board Chair.*

2. One Independent Non Executive Director

3. The President

Resolution 8

The revised Terms of Reference for the Board as set out on page 75 of the CRTG Report and the Position Specifications for Board members set out in Appendix 4 of the CRTG Report shall be adopted.

APPENDIX 2

CONSTITUTIONAL REVIEW TASK GROUP

CORPORATE GOVERNANCE, POLICY MAKING AND MANAGEMENT (CONTINUED)

Resolution 9

The appointment of the Independent Non Executive Director shall be recommended by the Board and approved by Council.

Resolution 10

The Position Specifications for the Professional Game Board Chairman and RFU Representatives on the PGB set out in Appendix 6 of the report shall be adopted.

Resolution 11

The Position Specifications for the Professional Game Board Chairman and Community Game Board members set out in Appendix 7 of the CRTG Report shall be adopted.

Resolution 12
The Position Specifications for the Chairman and members of the Governance Committee set out in Appendix 8 of the Report shall be adopted.

End