



Digital, Culture, Media and Sport Committee

Oral evidence: Sports Governance (Rugby Union), HC 812

Thursday 24 November 2022

Ordered by the House of Commons to be published on 24 November 2022.

Watch the meeting

Members present: Julian Knight (Chair); Kevin Brennan; Julie Elliott; Damian Green; Dr Rupa Huq; Jane Stevenson.

Questions 607 - 727

Witnesses

[I](#): Carol Hart, Head, Worcester Warriors Community Foundation; and Mr Robin Walker MP.

[II](#): Judith Batchelar OBE, Chair, Rugby Players Association; Simon Massie-Taylor, Chief Executive, Premiership Rugby; and Bill Sweeney, Rugby Football Union.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]

Examination of witnesses

Witnesses: Carol Hart and Mr Robin Walker.

- Q607 **Chair:** This is the Digital, Culture, Media and Sport Select Committee and this is a special evidence session into the state of rugby union, in particular since the collapse of Worcester and Wasps. This is part of our ongoing inquiry into sports governance in this country. We are joined by two panels today. On our first panel we are joined by Carol Hart, the chief executive of Worcester Warriors Community Foundation, and Robin Walker, the Member of Parliament for Worcester. Carol and Robin, thank you very much for joining us this morning.

Before we begin, I will ask members whether they have any interests. Kevin Brennan.

Kevin Brennan: I am afraid I accepted tickets and hospitality to the Wales vs Georgia rugby match last weekend at the invitation of the Welsh Rugby Union.

Chair: That is fine; our deepest condolences. Is there anyone else? No. We will start with our first question from Julie Elliott.

- Q608 **Julie Elliott:** Good morning, Robin and Carol. Thank you very much for coming in. I am very interested in the impact of the recent troubles on the community because I think sports clubs are often—whether rugby or anything else—undervalued in the community and do a huge amount of work. I am interested to know what the effect of the Worcester Warriors problems has been on the community so far.

Mr Walker: Perhaps if I start on that and then I will hand over to Carol. It is the perfect question on which to start because, as I said in my speech during the Adjournment debate, it is much more than just a professional rugby club. It is something that is valued at every level of the community. Yesterday I had some constituents down for a schools competition supported by Google, as it happened. One of those children was playing in the mini juniors at the Worcester Rugby Club, which is obviously linked to the Warriors' situation.

Part of the problem that we had when this situation started and when we saw that the Warriors were under threat is that everything associated with the club was also under threat at that moment. All the amateur activities that are supported by Worcester Rugby Football Club, which has been around for over 150 years, and the fantastic work of the Community Foundation, which supports thousands of people around not just Worcester, but also Herefordshire and Birmingham as well in terms of that work, all of that was under an unknown level of threat because of the risk that the assets could have been broken up and the land lost.

The professional club, if you like, is at the pinnacle of the mountain and hugely valued, because it had come up through such challenges over the years, rising from the lower Midlands leagues up into the premiership and the whole community enormously valued it, but it is only one part of



what was at risk here. In our schools, you see imagery around the Warriors all the way through from primary to some of the relationships that I know Carol and her team have built with the alternative provision sector at the Aspire Academy. It was something that was deeply felt and it was felt in all parts of the community. There were activities—which, thank goodness, Carol has been able to continue with the Community Foundation—which at the time we didn't know would be able to continue in terms of supporting children with their esteem and in terms of delivering mathematics programmes supported by links to rugby and sport.

I will hand over to Carol on that, but the other thing I would say is there are 400 people directly affected by this in terms of about 200 people working full-time at the club and 200 people working part-time whose livelihoods and whose families have been very directly affected by this and unfortunately a large number of whom have been made redundant. Of course I set out when I addressed the House on this in my Adjournment debate the fact that people had repeatedly been promised that they would be paid and those promises were broken even before the process of administration.

It is worth bearing in mind that those people are all part of our community, they are all people who live in Worcester and the surrounding area who have had their livelihoods put at risk by this, but perhaps on that point I can hand over to Carol, who has been very directly involved with this, both as one of the heads of departments, but also as someone who has been running the Community Foundation alongside the club.

Q609 Julie Elliott: Perhaps, Carol, when you respond you could also say if the foundation was unable to continue what impact that would have as well, please.

Carol Hart: To put the foundation in context, first of all, it is an organisation in its own right. It is a registered charity and has been for 13 years. I have been chief executive of the foundation for 13 years.

In order to maintain the growth of top-flight rugby in this country, it is vital that clubs retain rugby at the core in order to succeed. Sixways Stadium would not survive without top-flight rugby because it is the top-flight rugby that pulls in stakeholders. Surrounding professional rugby we have equal stakeholders, the foundation, the commercial business, events and other economic developments, but without the pull of professional rugby, it would be incredibly difficult to sustain because it is the value of the brand that increases the support of other stakeholders, including the foundation. We are already experiencing this through the foundation. We adapted—

Q610 Julie Elliott: Did you get any warning signs that this was happening?

Carol Hart: Yes, we did. The heads of departments, who I must say have just worked tirelessly, if it wasn't for them, I do not think there would be a club now. The heads of departments have been concerned about



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Worcester Warriors, the club, for well over 12 months, probably two years. We have seen warning signs.

Chair: Sorry, Carol. Heads of departments as in heads of departments within the club?

Carol Hart: Within the club, yes. We have seen the warning signs, the accounts that have not been filed and so on, late paydays for staff and then eventually coming to, "We can only pay you 65%" and then, "We can't pay you anything". We have seen this coming down the line and we are just very disappointed that our governing bodies did not see this coming down the line, or if they did they chose not to do anything about it. We would like to see a lot more transparency in finance. We would like to understand how the due diligence is done to protect the club, but not only protect the club, protect everything that surrounds the club, the things that I have just talked about, the foundation, the commercial business, the events, our community.

When we talk about our community, through the foundation we support over 15,000 people a year, and for a lot of those people we don't just see them once, we see them every single week, for instance, our dementia café, which operates out of Sixways Stadium every week. We see between 30 and 50 people living with dementia who come with their carers and their families because Sixways, to our community, is a safe place. It is where people feel safe.

Over the lifetime of the foundation, we have worked with over 50,000 people and we have improved the lives of every single one of them. Our Project Rugby programme, which is funded by PRL, RFU and Gallagher, would probably cease to exist if we lost the P share, and I know that Robin is going to talk a little bit more about that.

The community is a family to Worcester Warriors. This isn't just about professional rugby, it is about hundreds of thousands of people who come to Sixways because it is a safe place, they feel included, and they watch the rugby.

Q611 **Julie Elliott:** Are you aware of any other clubs and communities who are in a similar position as you have been in the last year or so when these warning signs were starting to rumble? Are you aware of any of that?

Carol Hart: No, I am not.

Julie Elliott: You are not. Okay, thank you.

Q612 **Kevin Brennan:** We have the Rugby Football Union in front of us in the second panel. Do you think it should have acted sooner—I will put to this Carol and then to Robin perhaps—to end the ownership of these two individuals, Whittingham and Goldring, of Worcester Warriors?

Carol Hart: Yes, I do.

Q613 **Kevin Brennan:** Feel free to speak candidly to us today because obviously our proceedings are covered by parliamentary privilege. What is your account of the role of these individuals in this sorry saga?



Carol Hart: I feel they have been absent. We have not seen them at the club since the spring of this year. I do not feel that they have been transparent. They have certainly not thought about the duty of care to staff and players, anybody associated with the club. We all feel incredibly let down.

Q614 **Kevin Brennan:** What do you think their motivation was for getting involved with the club?

Carol Hart: I do not know what their motivation was.

Q615 **Kevin Brennan:** By their actions, is there anything you might be able to speculate with regard to their motivations, in other words, the way that they have handled it? Go on, Robin.

Mr Walker: I am happy to express my opinion on that. What I have heard repeatedly from constituents is the concern that they are more interested in the land around the club than the club itself.

Kevin Brennan: This is not an unfamiliar tale, is it?

Mr Walker: I wanted to give every opportunity for the people running the club to save it and so on and so forth. I set out at some length in my Adjournment debate what we were told by them and the way in which they repeatedly failed to deliver on commitments, both to staff and to the club. Part of my reason for first speaking out about this was the real deep-felt worry that if the land around the club was broken up there would be no future for professional rugby at Sixways and no future for all those huge community benefits that people see from it.

I think we are now in a better place, thanks to the fact that the administration process has taken in all the land and that we now have serious investors working with the administrator hopefully to take things forward and that will mean that all those assets stay together. The very fact that these people operated without a finance director for over two years and failed to file accounts—and I think have been hauled up in the courts now for not having filed their accounts—tells a story. To your point about whether there should have been early intervention, yes, clearly there should have been.

There are also questions about how effective the fit and proper person test was and to what extent was there a proper fit and proper person test.

Q616 **Kevin Brennan:** What ought to be included in that test?

Mr Walker: Part of it is that you need to make sure that there is a proper snapshot at the start of it that looks at people's records and examines them carefully and requires real evidence, rather than perhaps just filling a form out and saying something, because I think there are concerns that at least one of these individuals filled a form out incorrectly when it came to the football club they were involved with and that the reason why they had to sell their football club is that they were subsequently found out to have been disqualified as a solicitor.

Q617 **Kevin Brennan:** Did they lie on the form?

Mr Walker: I think so. That is certainly the assumption. Part of it is about getting that part right, but more important than that, it should be about ongoing monitoring. The history is that these people came on with another investor, a significant investor, who disappeared almost immediately after they had taken over the club, so you went from a situation in which there were a number of responsible directors into a situation in which there were effectively only two. At that point, I think that should have triggered some warning signs.

Q618 **Kevin Brennan:** Looking at it and reading about it, would it be fair to describe the whole business as an abject failure of sports governance by the Rugby Football Union?

Mr Walker: It is hard to describe it as any kind of a success of sports governance. In fairness to the RFU—

Kevin Brennan: But would the words “abject failure” be fair?

Mr Walker: In fairness to the RFU, I think it has stepped up to the plate since in taking a number of activities to secure the academy, to support the women’s team and make sure that that can operate on a separate licence, which is very welcome. I know that it is taking this seriously and I hope it is able to respond to you in a way that shows—

Kevin Brennan: You are being very diplomatic. I am not talking about what is happening now, but what has happened, which has been a disaster, hasn’t it?

Mr Walker: It has been a disaster.

Q619 **Kevin Brennan:** We are just trying to establish why it has happened and where the accountability should lie. Obviously the individuals concerned, we know their role, but what about the governing body of the sport in England, the Rugby Football Union? Is what has happened an abject failure of governance on its part?

Mr Walker: I think it is certainly a failure of governance. I would like to see lessons learned from that so that this does not happen again to any other club. I think what we all want to see is a strong rugby ecosystem and one in which professional rugby can thrive and can deliver all the community benefits that we have been talking about. Clearly at the moment there are a number of clubs under financial pressure. Wasps—I think for very different reasons—has also gone into administration and faced great financial difficulties. Clearly we need to strike the right balance between making the sport more financially sustainable and ensuring that there is transparency in governance. I think this process shows that there has not been enough transparency in governance.

Kevin Brennan: Finally, Carol, do you have anything to add on the role of RFU in all of this?

Carol Hart: I would agree 100% with what Robin has just said, that we have to have transparency with any ownership of a club going forward.



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There has to be good due diligence; ongoing due diligence. Things change, and directors change. We need to make sure that we are never put in this position again.

Q620 **Chair:** Carol, was there any interaction with the RFU in the run-up to the collapse? Did you have any sort of conversations with them or anyone? You talk about the departments and those people within the club. Did any of them go to the RFU and say, "There is something very seriously wrong here"?

Carol Hart: I think some of the heads of departments may have done that, specifically within professional rugby and within the academy. Personally, I have not had any conversations with the governing bodies about the situation regarding the foundation and our community work. I tried to get clarity on what the future could potentially look like and I was just told that there is due process and I have to sit and wait. I can't sit and wait. I have a responsibility to the thousands of people that we work with every day through the foundation.

Chair: Is it the RFU saying about due process and so on?

Carol Hart: Prem Rugby mainly.

Q621 **Chair:** Yes, okay. You said you believe the heads of departments at the academy and professional ranks went to the RFU. Do you know what the response was at all?

Carol Hart: I think they were waiting for process.

Q622 **Chair:** They are still waiting for process. So they went there prior to the collapse and they effectively whistleblow; is that correct?

Carol Hart: I don't know whether they whistleblow, but I know that some heads of departments may have had conversations with the RFU about the situation.

Chair: In the run-up to the collapse?

Carol Hart: Yes.

Q623 **Chair:** Do you have any idea how far in advance those conversations may have taken place?

Carol Hart: Not very far, no.

Q624 **Chair:** We will try to explore that with the RFU later. Thank you for that. Does it surprise you, Carol, that Whittingham and Goldring are yet to be banned from owning a rugby club? Does that surprise you?

Carol Hart: I don't think anything surprises anymore, to be honest. I am disappointed. I am here today speaking on behalf of the entire workforce of Worcester Warriors because they do not have a voice here today. They have not had a voice in any of this, but I think we would be very disappointed that people could walk into a rugby club that somebody like Cecil Duckworth built up over decades and completely decimate it.

Chair: Just asset strippers, basically.

Carol Hart: Absolutely.

Q625 **Chair:** I do want to touch on the point that you just referenced there. Has the RFU met any of the players or staff or offered any sort of financial support to the players and staff at Worcester at all or any sort of help with legal maintenance or any form of welfare support?

Carol Hart: I can't speak on behalf of the professional rugby department because I do not know the answer, but I am not aware of any financial support from RFU or Premiership Rugby, no.

Chair: Right, so they have just let them twist in the wind, basically.

Carol Hart: Yes.

Mr Walker: You mentioned earlier, Carol, that you had been involved in a hardship fund, which is supporting people who are facing real hardship as a result of this process. That is entirely internal.

Q626 **Chair:** Has the RFU shown any interest in that at all? Has the RFU contacted you about that?

Carol Hart: No. If I can tell you what we did, the heads of departments pulled off two miracles and that was the first two matches of this season, against all the odds. We are talking about not just heads of departments, but an entire staff workforce, an unpaid workforce, put on the first two home matches of the season with a frozen bank account, with no ticketing system, no wi-fi, no telephone system and no means to pay anybody. We did it, we pulled it off, with no leadership, no directors and no owners and we did that because of the belief that we have in the club going forward.

Chair: That was to get the two games going at first and obviously the hardship fund is there in order to help.

Carol Hart: Our community came to support us as well, our fan base, because Worcester has the most amazing and committed fan base. They came and supported us by doing bucket collections and we raised nigh on £10,000 over those two matches and that was all put into a fund to help staff. This is a staff who have just been told on a Thursday morning, "You have no job. You may as well go home. There is no job for you". If you think—

Chair: Like P&O, for example. That happened and there was an absolute uproar, but it happens in rugby and it just seems be like, "Tough".

Carol Hart: Yes. What is the difference? If I can put that into context, Worcester Warriors is a family club. We have family relationships within that club, so you may have a husband and wife work in different departments. We have in some instances three members of the same family all lost their jobs. If you put their collective years of service together, you are talking over 50 years of service gone.

Q627 **Chair:** Yes, absolutely outrageous. Thank you. Mr Walker, I wonder if you can walk me through a few things. First of all, you intimated lying on the



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form and you said, "We understand that to be the case". How do you come to understand that to be the case? This is Goldring we are talking about, isn't it?

Mr Walker: Yes. It has been reported that when Morecambe went up for sale, we all thought this might be a good thing. We all thought it might be positive news that they were going to sell this football club and reinvest the money in the Warriors and that this might be a welcome thing. Subsequently it has come to light as a result of, I think, investigative journalism by the BBC that the football authorities had decided that the original application forms for these people to be directors were incorrectly filled out. In particular, it was around the individual, Colin Goldring, being disqualified as a solicitor. We grilled him on this, as the local MPs, when we had our last call with them before the administration process and his explanation was he shouldn't have been disqualified and he was going to appeal it, so therefore he thought it was fine to say on the form that he had not been disqualified.

Q628 **Chair:** That was his excuse. I was in your Adjournment debate. I will talk about something else I did know you went into the Adjournment debate on in a moment. Let's get this straight. Mr Goldring puts his form in and then he gets a call saying, "You have incorrectly filled this form in"?

Mr Walker: I think that was discovered much later. He put the form in; it had been approved. Sometime later it was discovered that the form was incorrectly filled in and that he had been disqualified as a solicitor so he should not have been approved as a director of a football club.

Chair: He was not told, "Do it again", it was just basically the form was incorrectly—

Mr Walker: At that point, that is when they put the football club up for sale because they realised they were not going to be able to continue as directors of that club. Of course none of the proceeds of that sale has gone towards the Warriors at all, so I think it is clear that that was never intended to be something that was going to support the rugby club, but I think the concern is—

Chair: In your very parliamentary way, Mr Walker, are you saying effectively that Mr Goldring lied on his form because he should have declared it and he didn't?

Mr Walker: It is very hard not to reach that conclusion.

Q629 **Chair:** Is that fraud?

Mr Walker: The question for the rugby authorities is: did they run their own separate process or did they just look at the fact that these people had been approved to be directors of a football club and say, "Oh, they must be all right"? That is my concern, that what we want to see is a proper fit and proper person test for rugby.

Chair: I understand that. We are going to touch on that in a moment, but I am just very interested: surely this is a fraud, is it not? If you lie on a form and gain a financial benefit from that lie, you commit fraud. That

is very simple.

Mr Walker: If you fill in a form and gain a financial benefit from it, absolutely, yes.

Q630 **Chair:** He must have gained because he got a wage. What was it, £250,000 a year or something?

Mr Walker: That is what overall they paid themselves, I think, from Worcester.

Chair: That is what I call a financial gain. If he has lied on the form, that should be a police matter.

Mr Walker: It should certainly be investigated. What I have said throughout this is that this whole thing needs to be properly investigated and obviously the administrators will be doing their own investigation as part of their work, but if they come across anything that amounts to fraud, that needs to be looked into as a criminal matter.

Q631 **Chair:** I remember in the Adjournment debate you said that effectively they tried very late in the day to sell the land prior to the administration, get it out the door, basically asset strip the final bit of asset and effectively allow the club to fall into administration. They were in negotiation or trying to attempt to hawk this land around. Is that effectively attempting to trade while insolvent?

Mr Walker: Again, it would appear to be. Of course the fact that there hadn't been accounts filed meant it was very difficult to prove whether or not they were solvent, but I think what has subsequently emerged, the administrator's report talks about £30 million worth of debt. That is not a viable business.

They always claimed to us, when we spoke to them as MPs, that they did not want to separate parts of the land and they only wanted to sell the assets together. However, multiple different sections of land were mortgaged separately. Some of those mortgages were defaulted on and then properties were reclaimed. That was one of the things, that academy players were effectively made homeless as a result of them defaulting on one of those mortgages and certainly—

Q632 **Chair:** They were staying in a property they were given as part of their wage. Presumably the club gained some form of financial benefit from that so that itself could also be considered a fraud, could it not, if effectively you have underpaid someone by offering them a property and then have taken that property away? That is breaking minimum wage rules, is it not?

Mr Walker: I would not claim myself to be qualified either as an accountant or a lawyer to be able to say what does and does not constitute fraud. What I would say is that I think it absolutely merits investigation here as to all the transactions that have been undertaken and whether those had the best interests of the club at heart. It is hard to argue that some of those mortgage arrangements did. I also think that there were offers made, which I think the Committee has been made



aware of, to provide financing to support the staff wages at a low rate of interest, so long as it was secured against the land and so long as there was a way of keeping the land attached to the rugby club. Those were rejected in favour of borrowing money at a much higher rate of interest with no security over the land. That again doesn't imply to me that there was a desire to keep the club and the land assets together.

Q633 **Chair:** Yes. Are you aware of any police involvement at this stage?

Mr Walker: No.

Q634 **Chair:** No. Okay, fine. I would like to think that there may be some after these particular facts have been put out in the public domain to the degree that they are today.

Carol, these were just asset strippers, weren't they, effectively—well, beyond that, asset strippers and potential fraudsters—that ran your rugby club?

Carol Hart: It is hard to see it as anything else, yes.

Q635 **Jane Stevenson:** I just want to go back to your thoughts about the future. We mentioned P shares a few moments ago. With the loss of those, if you were to lose P shares and with the reduction to a 10-team premiership, what do you think the future is? How optimistic are you?

Mr Walker: I am more optimistic now than I was in September, when I had my Adjournment debate because I think there have been a number of steps taken to secure the land to make sure that there is a proper process now, with the administrators talking to a number of parties and there has been one appointed as a preferred bidder. All that is welcome and all of that implies to me there is a future for professional rugby at Sixways, which is great.

We have this question about the P share. If in the normal course of a season a team were to be relegated, it would be able to hold on to its P share. It would be able to have a period in which it would be able to continue to receive that income and support from the P share to allow it to work its way back up. I think it is reasonable in the circumstances, given that what has happened here is no fault of the rugby club or the people at the rugby club, but only of those directors who were there and are no longer there that we should see that same treatment.

I have here—I am very happy to give it to the Committee afterwards—a copy of a letter that has gone to Premier Rugby Limited and the Rugby Football Union signed by all six Worcestershire MPs, five current or former mayors of Worcester, all the heads of departments at the team and a number of the players, which is urging them to allow the club to keep its P share. We recognise, and I absolutely recognise, that PRL does have a pre-emption right and that a team that is relegated as a result of going into administration it has the legal right to pre-empt, but I think in this case there is a very strong moral case to say that the people at Warriors have done everything they possibly can to meet their rugby obligations, those extraordinary efforts that Carol mentioned earlier to put those games on when they had no support for the centre, when the



wi-fi wasn't working and the ludicrous nature of what they were facing, but they managed to do that in the interests of rugby. I think that strengthens the case for saying, "We ought to be allowed to keep those P shares to see us through".

Having spoken to some of the potential investors, they are clear they will try to make this work, with or without the P shares, so they will make sure that there is a team playing in the championship and they will be aspiring to get it back up into the premiership through performance, but obviously that is a much more difficult task if we lose that income that comes with the P share. That is why I take the opportunity again just to urge that there is an excellent case for being able to continue to use that P share in the interests of this.

I also think there are questions—I will be very interested to hear what the PRL and RFU have to say about this—about the future shape of the premiership and the championship and the number of teams in those. Having a broad and strong rugby footprint is very important and I think that we have seen what professional rugby can do for a city like Worcester in becoming a core part of our sporting offer. I think having the breadth of the premiership that we currently have with 14 teams is an advantage. It may be that commercially that has to shrink a bit in order to make it financially sustainable, but I would strongly urge that we keep a very strong championship with a good number of teams in it so that top-flight professional rugby is available in more communities around our country.

How the assets from television rights are shared and spread out is a very important part of that. The P share is the peak of the mountain when it comes to these issues. It is the best way of supporting it. I think there is a very strong case for the Warriors and indeed Wasps to be able to retain their P shares in the way that they would have done if they had been relegated as a result of performance in the league.

Carol Hart: Can I just expand on that? From my perspective, the P share, I have already mentioned Cecil Duckworth CBE, who spent 20 years building financial value into our P share. If we lose the P share, the club will probably not survive under any ownership. That is my personal opinion, but I think we owe it to Cecil's legacy. It is just two years since he passed away, this is his legacy, and I think we owe it to his legacy and the legacy of the Allen family, the former owners before Colin and Jason, to ensure that the P share is protected. If it is not protected, it could potentially put the foundation's work at risk.

Our work across Herefordshire, Worcestershire, Shropshire and Greater Birmingham, as I said, we work with 15,000 people a year. That is 50,000 people over the lifetime of our programmes. Some of these programmes are funded by Project Rugby. If we were to lose the P share, we could potentially lose over £70,000 worth of investment, but it is not just about that investment, it is about the other £70,000 that we can leverage from that investment to support even more people across our community. If we lose the P share, that is at risk.



Q636 Jane Stevenson: As a Wolverhampton Wanderers fan, I am going to confess to being a football girl rather than a rugby girl. We had issues way back in the 1980s with asset stripping, so I absolutely empathise with what is happening.

What is the reaction from other clubs towards this P share issue? Is there anyone champing at the bit to kind of snap them up or are people sympathetic? Do you think there is support for giving you more time?

Carol Hart: Some might say that a 10-club league is a good thing. I don't know whether that is a good thing or not, but what if another two clubs go through the same situation? Is it going to then become an eight-club league? English rugby union is meant to be one of the best leagues in the world. That is all I want to say. We are just letting it down at the moment. The due diligence is wrong; the governance is wrong. We need to protect what is supposed to be the best rugby union league in the world.

Mr Walker: I want to just say in terms of the solidarity that we have seen with other clubs, it has been phenomenal. We have seen a fantastic response from the fans of other clubs and we have seen players being allowed to wear one Warriors sock when they have been playing, we have seen people really cheering on the Warriors. I was very impressed by how many different rugby communities from around the country, and indeed more broadly—we had the Scottish Rugby Union get engaged and a number of international rugby teams expressed their solidarity and support for the Warriors. I do think part of the test for that will be in what the teams decide to do about the PRL pre-emptive right because that is really a decision for the teams themselves. They will be sitting around that board table. It would be good to see the solidarity that has consistently been expressed by the fans also being expressed by the management.

Q637 Jane Stevenson: Is the collapse of teams inevitable if you professionalise a sport or do you think it is the regulatory system that has to catch up as you go along? Is this avoidable in future?

Mr Walker: I think this is avoidable in future. I think it is avoidable with better governance and transparency. Transparency is absolutely key here, but also I think that most of the teams in the premiership have been running at a loss. Rugby needs to be able to make more money. I think the answer to that is to grow the game rather than shrink it and to grow audiences. One of the issues that came up during part of this process is the concern that by trying to protect the links between the land and the rugby club, we could in some way inadvertently kill off potential future income streams. I have been very clear, and the joint statement that I agreed with the councils in Worcestershire was very clear, there is potential for commercial development in and around Sixways. What we want that commercial development to do is support the rugby and support the community activity.

There are all sorts of plans and some of the things that the recently departed owners set out as part of their plans have potential, but what



we all want to ensure is that if they generate income, that income goes back into sport and the community, which is what the development at Sixways was originally approved for, on greenbelt land. It is very important that we have that understanding. They should be able to generate revenue from other facilities on the site. There is no objection to that and I think the council, Wychavon, the planning authority, has been very clear. It sees potential for that type of development, but it can only give it approval and support and work with prospective owners on that if it knows that it is going to be for the benefit of the sporting and community assets at Sixways.

That is a very important point about this. Rugby doesn't need to generate all the revenues itself. There has been a proposal, which I am sure the Committee will be interested in, for there to be a television programme linked to the phoenix from the ashes story here. If that helps to bring money into the club, fantastic, and I will certainly be tuning into that rather than bushtucker trials. I think that we should explore all the avenues for generating revenue, but the important thing is that needs to be reinvested then in the sporting community assets that are part of the rugby set-up.

Jane Stevenson: Thank you. Carol, do you have anything to add to that?

Carol Hart: Not on that subject, no.

Q638 **Chair:** Just to pick up on one point, you had a rueful smile when talking about the fans, but then not the clubs and their support for Worcester and Wasps potentially keeping their part of the P share. Am I correct in thinking that if they don't, the money is then redistributed to the other clubs?

Mr Walker: I think that is right. That is the challenge and of course that also depends on the number of clubs that are going to be in the premiership in the future.

Q639 **Chair:** So effectively what you are asking for is a degree of altruism from the other clubs in order to allow you to keep the P share?

Mr Walker: I think it is not just altruism. It is thinking about the game. What Carol set out in terms of what the unpaid staff and heads of departments at the Warriors did to support rugby and meet their rugby obligations, which people feel very passionately about, I think that does deserve some recognition and the fact that this is now a club in administration. It will be under new ownership. I don't think it is fair to punish those new owners or to punish the staff for the sins of owners who have now gone.

Q640 **Chair:** I have a tweet in front of me from Marcello Cossali-Francis. It goes, "A statement has been given to me from Simon Massie-Taylor, the Chief Executive of Premiership Rugby". They love their double-barrelled names, don't they, at Premiership Rugby, seemingly? "The thoughts of everyone at Premiership Rugby are with the players, staff and fans of the Warriors on what is another distressing day for everyone involved with



the club.” Ted Hill, the captain, states, “Your ‘thoughts’ aren’t what was needed”. Does that adequately, Carol, sum up the sense of powerlessness that people around the club have felt? Frankly, is some of that anger and powerlessness not only towards the RFU but towards Premiership Rugby and the slightly sort of trite “thoughts and prayers”?

Carol Hart: I can tell you how we felt. We felt that our governing bodies were sleepwalking through this entire nightmare and we felt that we had been cut adrift with no support whatsoever. That is how we felt.

Q641 **Chair:** So even after the event, we are talking about the RFU and the Premiership Rugby, you feel as if they themselves have done nothing?

Carol Hart: Still do.

Q642 **Damian Green:** Can I ask one technical question? How does the P share generate revenue? What is the mechanism by which that is turned into revenue?

Mr Walker: The PRL are probably the best people to answer that question for you in detail, but fundamentally it offers a share of the television rights, and the income that comes in from the television rights covering all Premiership Rugby has been redistributed among the clubs. Carol is right to point to the fact that this was something that Cecil Duckworth worked over many years to access because we did not get the P share immediately on promotion; it was something that had to be earned. You had to stay up for a certain period in order to get it. We were relegated, I believe—and I am happy to be corrected on this if I am wrong—but I believe we were relegated once without it and once with the P share under the new system and came back up both times and fought our way back up into the premiership. It is something that has become part of the machinery for distributing that revenue from television rights among the top-flight clubs, but in recent years, over the last few years, it has been the case that if you were relegated at the end of a playing season, you could bring your P share with you. I think it was after two years that you then had to sell it to a club that had been promoted.

Q643 **Damian Green:** It works the other way around as well, so you get promoted and you are now a premiership team, but you don’t get all the privileges of being a premiership team if you do not have the P share; is that the case?

Mr Walker: I believe that is right. As I say, I think the PRL will be best placed to answer that question, but that is my understanding, that is something you have to be up for a certain period of time in order to get.

Damian Green: That does feel like, “We don’t really want you here”.

Mr Walker: I think there is a history there with Worcester when it first came up, that it was certainly very difficult to stay up and to become accepted, but that is ancient history now, I have to say. I think it is something that we have managed to keep our place in the top flight right up until this moment, down to the players and the team and the staff and the fantastic community around the club. That is something that I



couldn't necessarily commentate on, all that history that is in the past, but I think it is very important that there is promotion and relegation in the future. Of course there is not this year, in theory, except for these circumstances affecting the Warriors and the Wasps because, quite rightly, I think, in the aftermath of Covid the sporting organisations took the decision that they should not have relegation for a period of time.

Q644 Damian Green: Looking ahead, you have this preferred bidder or the administrators have a preferred bidder. Is that all progressing smoothly, as far as you can see?

Mr Walker: As far as I am told. We have very little information at this stage. We had the announcement from Begbies that it had appointed a preferred bidder. I have spoken to some of the people involved with that bid, as indeed I did the other bid that was in the running, but there is nothing that I can disclose about that until it comes out with confirmation. I am informed that that is hopefully going to be out there by the end of this month, and I am very hopeful that we will then see much more detail about the bid.

Q645 Damian Green: What is the atmosphere in the community? Do you feel benign about it? Are you confident that these people have the interests of the club at heart?

Carol Hart: This is where we need the due diligence, isn't it? This is where we need to be absolutely 100% sure that we have the right people, the right business heads and the right rugby leaders in place to take this club forward. Like Robin, I know very little about either of the bids that are in place at the moment, so we are poised and waiting and hoping that the right outcome comes to bear.

Q646 Damian Green: But it is the same diligence system, so you will again be reliant on the system that so patently failed so badly. It is the same people running the same rules.

Carol Hart: We are hoping that today we can influence change to make sure. This cannot happen a second time. How would that look to the RFU, Prem Rugby and DCMS? How would it look if they allowed the same thing to happen twice? It can't, it just simply can't. It has to change.

Q647 Damian Green: Stepping back a bit, and from your own experience, is it possible that the attempt to turn club rugby into a professional game in this country ran before it could walk and things got too ambitious and people have spent too much money? Robin, you made the point that most premiership teams are running at a loss. Are we trying to support an infrastructure that there just isn't enough demand for, there is not enough TV revenue, not enough gate revenue, not enough of all the ancillary revenues to support the kind of institutions we have set up?

Carol Hart: This is why Robin talked earlier about a mixed economy. At Worcester we have 50 acres, we have professional land, we have community land, and we have space. By developing part of that space so that there is a mixed economy coming in, it would support professional rugby. Alone, I do not think professional rugby could sustain itself, but it

has to have all these elements working together to make it a viable business opportunity, but that is entirely possible, yes.

Mr Walker: Part of it is that the club, as many others, has relied on the kindness of strangers for some time. Cecil Duckworth came to Worcester rugby with the offer of supporting it, taking the money he had made as a successful entrepreneur and investing that in the club. He invested over the long term. He was there for decades providing that support and investment. Of course that can't necessarily continue forever when you have that relationship with a great benefactor. Sadly, as Carol said, he passed away a couple of years ago, and before that, he had moved on from the role of benefactor and tried to put the club on a more sustainable footing with new ownership.

One of the great ironies of all this and one of the great tragedies is that even after he had done that, he had passed it on as his great legacy, the people who owned the club and were running it went to him for money to bail them out, as it turns out before the Covid pandemic had even begun to affect the club to make payroll. That money, as far as I understand it, is still outstanding and will be part of the administration process. That is an extraordinary thing to have happened and it is one of the things, I have to say, which is most deeply felt in Worcester by people, many of whom will have grown up working in Cecil's business, the biggest private sector employer in my constituency, attending the rugby matches knowing that he had supported this in this way. The fact that they owe money to his family is pretty incredible and pretty inexcusable, in my view, that that was not repaid.

I do think that if we are going to have a successful professional rugby pillar in this country, of course it needs to be able to pay its way and, as you say, a mixed economy is likely to be part of the solution to that. We cannot constantly rely on the generosity of great philanthropists. It is something that is a huge challenge for the piece. Part of the answer to that must be to grow the revenues; it must be to grow the television income. That means generating the interest that comes with having rugby deeply rooted in communities. What we have seen in Worcester is very good attendances year after year after year in a stadium that I remember going to when it only had one stand and now has the capacity for around 12,000. That is something that has been built up over time and obviously has the potential to generate serious revenues.

Dr Huq: Thank you, both of you. Congratulations on your elevation, Robin, since the debate.

Mr Walker: Thank you very much.

Q648 **Dr Huq:** I want to carry on with the theme of sustainability versus benefactors. The name Cecil Duckworth has come up a lot. The prospective owners keep going on about the need for sustainability, but how easy is that in reality? Near my seat, it is not quite within my boundary, we have Ealing Trailfinders and I think it has a mixed model of various local businesses and people, but it has been stymied. It has not been able to progress because earlier on in its career, it did not have a



ground big enough, so it was secretly hoping it did not go up kind of thing.

Mr Walker: We went through the same thing back in the day.

Q649 **Dr Huq:** How important is the role of benefactors? I know you said it should not be that there is a sugar daddy in there, but as you pointed out, Carol, he was there for decades and decades. I think they went up six leagues, and obviously he had good business acumen because the whole Bosch conglomeration swallowed up Worcester Bosch. How important is that need? How do we wean ourselves off this type of sugar daddy?

Carol Hart: Going back to what I said earlier about a mixed economy, having other input to the finances, for instance, Worcester Warriors has our stadium. I don't know if you know Sixways Stadium. It is an iconic stadium. It is not just home to Worcester Rugby Club, it is also home to a very successful events business, which is back up and running, I might add, so it is open for business.

Dr Huq: People are coming out post-Covid, they are happy to do that?

Carol Hart: Yes. We had a fireworks event two weeks ago. We have already had the King's School and Royal Grammar School Modus Cup take place at Sixways Stadium. The events business is open, events and conferencing every day of the week, and this should now be our busiest time of the year. It is probably the events business that brings in more revenue than any other part of the club.

Mr Walker: It is a very good point because one of the awful things that happened in the run-up to this is that there were major events due to happen at Sixways that would have generated serious revenue, but because of all the problems with the way in which things were being run and the fact that it was all being effectively run down, had to be cancelled. The Worcester Festival of Business, a huge gathering of businesses and charities from all over the county, would have brought in lots of revenue for the club, but had to be cancelled. There was a celebration, ironically, of the anniversary of Worcester Bosch, the business that Cecil Duckworth founded, which was due to take place at the club. That had to be cancelled at short notice due to the fact that they were unable to guarantee that the caterers would be there because they had not been paid for the last event. These kinds of things are such a loss of opportunity for the club.

I think if you build these businesses up sustainably you can provide a lot of other revenue streams alongside the rugby that can help with that problem of sustainability, but of course what it requires is competent management who are constantly on these things and people who pay their creditors. Sadly, that is not what we had during this period. That is no fault of the heads of departments because I think they moved heaven and earth to keep everything going, but it was decisions being taken at the top.



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Carol Hart: And continue to move heaven and earth because although all staff lost their jobs, there are people who are going in on an hourly rate, paid for by the administrators, to put these events on.

Q650 **Dr Huq:** If we are doing a post-mortem, it is an overreliance on that family that put so much in for so many decades. People are saying he would be spinning in his grave now if he saw what was going on.

Carol Hart: He would be. I spoke to his widow yesterday and he would be devastated. I am just grateful he is not here to see what is going on today, but if he was here today this would not be happening. We would not be in this situation.

Q651 **Dr Huq:** You mentioned, Carol, the need for due diligence. Do you think there is a need for an independent regulator, as has been recommended in the fan-led football review, a rugby independent regulator who could—

Carol Hart: I think there could be a place for that, yes.

Dr Huq: Any thoughts?

Mr Walker: Obviously football and rugby are very different games with very different cultures around them, but I think we need to make sure that there is an effective regulator and we need to make sure that lessons are learned from what has happened at the Warriors and the Wasps in this circumstance. I would hope that the RFU will be able to reassure you that it is taking steps to make sure that that is the case, but of course if it is not, absolutely an independent regulator would be one of the things that could be considered by the Committee and the Department.

Q652 **Dr Huq:** Should there be a fan-led review of rugby next as well? There has not been one.

Carol Hart: I think fans should have a voice, yes, absolutely. The whole community, staff, community, and fans, are all stakeholders.

Mr Walker: One of the most sad and sorry parts of this whole saga was the bizarre statement that we saw from the owners just before the end, in which they tried to blame fans and indeed players for the situation that the club was in and said that if more fans had turned up they wouldn't be in this financial situation, which if you look at the attendance figures is just straightforwardly wrong. They had had very good attendance figures throughout. To have players who were having to go up and play at risk of their insurance not being paid by the owners and put their bodies on the line in those circumstances, to then turn around and attack the players just seemed utterly inexplicable, I have to say.

Dr Huq: Who had also not been paid.

Mr Walker: That means that the individuals concerned are certainly not welcome back in Worcester anytime soon.

Chair: Thank you. On that note, I think we will draw the first session to an end. We are going to take a short adjournment to set up our second panel. Carol Hart and Robin Walker MP, thank you very much for your

evidence today.

Examination of witnesses

Witnesses: Judith Batchelar, Simon Massie-Taylor and Bill Sweeney.

Q653 **Chair:** This is the Digital, Culture, Media and Sport Select Committee and this is our second panel today in our special session on the collapse of Worcester Warriors and also given the situation at Wasps and more generally as part of our inquiry into sport governance. We are joined for our second panel by Judith Batchelar OBE, who is the chair of the Rugby Players Association; Simon Massie-Taylor, chief executive of Premiership Rugby; and Bill Sweeney, the chief executive of the Rugby Football Union. Bill, Simon and Judith, thank you very much for joining us this morning.

The first question to you, Mr Sweeney. How did you allow a liar and asset stripper to destroy a community club?

Bill Sweeney: The two previous owners went through a fit and proper persons test in 2018. That is comprised of two major components. One is a series of background checks and gauges to determine their suitability and their appropriateness to be owners and directors. That is carried out by an independent specialist organisation that does those background checks. Secondly, there is an element that is more around the formation of the business plans and financial projections to have the wherewithal to manage the club going forward. They passed those tests in 2018, as they did also in football. Subsequently of course their performance has not really lived up to—in any sense of the word—their ability to pass those tests.

Q654 **Chair:** Is there no ongoing monitoring of people's fit and proper ability to run a club?

Bill Sweeney: There isn't. That is one of the major learnings that will come out of this very sorry episode and some of the learnings that we have taken from the FA fan-led review, which is that a binary once-off owners and directors test is not sufficient to prevent future potential bad behaviour, bad management, and having ongoing regular conditional reviews in terms of their performance and their suitability is necessary.

Q655 **Chair:** It seems fairly obvious. Why didn't you do it earlier?

Bill Sweeney: It was not obvious at the time.

Chair: It wasn't obvious at the time? It seems fairly obvious when you had this sort of situation, where you had someone who, frankly, asset-stripped one of your major clubs. We have seen these issues in other sports. Did it not occur to you to do this?

Bill Sweeney: That is one of the major learnings that has come out of this episode.

Q656 **Chair:** Has there ever been any discussion at RFU level about bringing this in as a regular test, yes or no?



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Bill Sweeney: One of the learnings that have come out of this episode is the need to have ongoing regular reviews of that fit and proper test.

Chair: You are not answering the question, Mr Sweeney. With respect, you have not answered the question. I said: was there any discussion at the RFU board about ensuring that the fit and proper persons test was regularly reviewed, yes or no?

Bill Sweeney: Not prior to this incident.

Q657 **Chair:** Okay, so you just all lived in isolation while watching other clubs, for example, in other sports go under due to a similar circumstance that happened to Worcester. You were completely asleep on the job, Mr Sweeney, and so was your board in this instance. Do you accept that?

Bill Sweeney: I don't. I believe there are learnings from this to make sure that we have ongoing tests.

Chair: You have to wait for a club to collapse to make learnings or can you not see it from other sports, Mr Sweeney?

Bill Sweeney: We have taken the learnings that have come from the FA review.

Q658 **Chair:** You have taken the learnings. You are not being paid just to take learnings; you are paid to ensure that your clubs survive. Why have you failed in that?

Bill Sweeney: We didn't have any previous discussions about ongoing owners and directors fit and proper tests.

Q659 **Chair:** Is it correct the RFU was aware of Goldring's sanctions by the SRA, yes or no?

Bill Sweeney: The what, sorry?

Chair: Was the RFU aware of Goldring's sanctions by the Solicitors Regulation Authority?

Bill Sweeney: We found out about the Solicitors Disciplinary Tribunal and we contacted Goldring and said that we would be taking further action upon that. What superseded that were the actions that we were then engaged in in trying to save that club and that took priority.

Q660 **Chair:** When you contacted Mr Goldring, at what stage was the SRA? Had it already issued its sanction or was it in the process of deciding whether or not it would issue a sanction?

Bill Sweeney: I believe it had already issued the sanction.

Q661 **Chair:** You already knew the SRA found him not fit, so why on earth were you just going to say, "We will just wait and see"?

Bill Sweeney: We were not going to wait and see. We said we would take action.

Chair: You would take action, so why didn't you take action?

Bill Sweeney: Because it was superseded.

Q662 **Chair:** Why is he still able to be a director?

Bill Sweeney: Because it was superseded by the primary requirement, which was to work on saving the club. That took priority over the SDT.

Chair: Neither of these two clowns is banned from owning a club by you still.

Bill Sweeney: They certainly would not get through a fit and proper person test now.

Q663 **Chair:** It just looks to me, frankly, as if, first, you seem to be living in isolation in some sort of ivory tower without any form of intimation of what was going on in sports governance. This story is as old as the hills, frankly. We have seen it before. My colleague, Jane Stevenson, referenced it at Wolverhampton Wanderers in 1984. As a Wolves fan myself, I know that for a fact as well. This has happened countless times and there you are, allowing basically someone who you then later discover to have been banned by a major institution such as an SRA to retain ownership of a rugby club and then you are not even banning them after they have driven it into the ground. You can understand the frustration.

We had Carol here and she was very erudite and very calm in what she said, but you could sense the quiet anger there. If you look behind you, you will see people from Worcester and they are furious at your failings. You, frankly, have failed in this instance and so has the RFU. Should you not be looking at your own positions?

Bill Sweeney: We were aware in April that Worcester was looking at refinancing and refunding models for the club. In May it partly missed a payment of salary, which raised questions about what were the issues on cash flow for it. It subsequently paid that salary. When it was contacted again in July, it assured us that new financial measures were being explored and those discussions were ongoing. Then of course the winding-up petition came in in August from HMRC, and then we worked from that period through until the appointment of the administrators on 26 September primarily to save the club. We also share the frustration and somewhat anger at the fact that throughout that process there were numerous missed deadlines, missed promises and guarantees of resolution.

Chair: I do not know why you were taking the word of these people. They are clearly asset strippers.

Bill Sweeney: In a situation like that, your priority then becomes, "What can we do here to save the club?" and that was by far and away the number one priority for our attention.

Q664 **Chair:** On this issue of your activism when it comes to the club and its members, players and its staff, how much financial support has the RFU given to support the players at Worcester, with legal maintenance payments, financial and welfare support?

Bill Sweeney: We do not have a fund to provide financial support in that situation.

Chair: So diddly-squat, basically.

Bill Sweeney: These are independently run financial operations.

Q665 **Chair:** What about Premiership Rugby, Mr Massie-Taylor?

Simon Massie-Taylor: During the stages that all clubs went through throughout the Covid period and coming out of it, a number of clubs were experiencing quite severe liquidity issues due to the slower return back of crowds and the general economy. My responsibility at Premiership Rugby has been to service all the clubs. We don't have a balance sheet, as such, to lend out to individual clubs in distress, but we did a number of measures throughout that period to advance distributions. There has been debt in the centre that we have taken on board. We have tried to help out clubs where we can, but the issue within Worcester was of quite a scale as far as the amount of money that it needed to recover going forward.

Q666 **Chair:** No, this isn't about basically bailing out the club per se, but this is about the support for the players and also the staff members. You tweeted, "The thoughts of everyone at Premiership Rugby are with the players, staff and fans of the Warriors on what is another distressing day for everyone involved with the club". That is your mouth. Where was your money when it comes to this? Where was the help that you, as the governing body in this area, as the people who effectively control the purse strings, where was the money and where was the help? We have heard from Carol that there was absolutely nothing coming from either of you, so where was the help, Mr Massie-Taylor?

Simon Massie-Taylor: As I say, at Premiership Rugby the balance sheet is limited because, essentially, we are a commercial rights vehicle that takes in income from broadcasts and hands it out to respective shareholders. It would have been up to the other respective shareholders who are also going through extreme financial—

Q667 **Chair:** Did you ask them about extending any form of financial help to the players or staff during this period?

Simon Massie-Taylor: No, we weren't in a position to do so.

Q668 **Chair:** You did not bother asking the other stakeholders whether or not they could spare a few coppers from the big scheme of things—that is what it would be—in order that people could keep their houses; is that correct?

Simon Massie-Taylor: We advanced distributions to Worcester, on 16 August, to support the club specifically around their HMRC time-to-pay issues. When it came to the point of administration and when the players and staff were facing the prospect of redundancy due to the scale of that, there was very little we could do.

Chair: I will be honest with you; I have dealt with football. I thought that



was bad but I think I have barely ever come across something as shambolic as this, with a lack of care and lack of thought towards people within their own game, in my entire time as a Select Committee member since 2016. I have seen nothing like this from either of you, so I think you need to take that away at this point in time.

Our next questions will come from Damian Green.

Q669 **Damian Green:** What is going to change? You say you are taking lessons from it. How are you changing the owners and directors test?

Bill Sweeney: Along the lines of what we have already said. There are probably three areas that we need to look at and change. One is something that we were working on previously anyway, which is the overall structure of the professional game, in terms of the Premiership but also the championship and how it links together so that we have a more compelling league structure that will help us to drive additional revenues and additional benefits into the game. PRL can talk in more detail about that maybe later. That is the first thing.

Secondly, clearly coming out of this and from what we have looked at in terms of the FA review and conversations we have had with it and also the conversations with DCMS, there needs to be a look at governance reform of how it can be determined if new owners coming into the game are suitable to do that. Regular ongoing checks and conditionality would be part of that, along with governance structures in terms of appropriate structures, boards, independent directors and so on. There is a governance piece that needs to be strengthened coming out of this experience.

The final one I would say would be more financial transparency and more real-time financial monitoring, to enable us to engage with these clubs or a situation like this should it ever—and hopefully never—occur again. where we can go in and take proactive action.

Q670 **Damian Green:** Are you confident that none of the other Premiership clubs are being run in the way that we will all be back here in one or two years' time with a similar disaster?

Simon Massie-Taylor: It is worth a bit of perspective here when it comes to other Premiership clubs. There are some fantastic businesses that are operating within the Premiership, which have coped with a huge amount over the last few years, through the Covid crisis and equally through the economic situation at the moment.

On the whole, we have some very well-run clubs but it is fair to say that I think all clubs have experienced some severe financial situations through Covid. If it wasn't for DCMS' sport survival fund, which was provided from September 2020 to March this year, we would face even more severe financial situations.

Q671 **Damian Green:** How many Premiership clubs are running at a profit at the moment?



Simon Massie-Taylor: Prior to Covid, the collective losses across clubs were around £40 million, based on turnover of around £220 million. Some clubs break even but the majority are loss-making. Clearly, that is suboptimal but all clubs were investing for long-term growth and still believe in the long-term growth potential, but you were in a position where, yes, clubs are loss-making at the moment and reliant on investors.

Q672 **Damian Green:** If most clubs are running at a loss that just does not feel sustainable.

Simon Massie-Taylor: It is not uncommon in sport. If you look at football and, equally, in the French system, the majority of clubs are also loss-making. My job is to get the clubs into a situation where we are on a much more sustainable footing.

Mr Walker talked earlier about the growth and the growth potential of rugby—and specifically club rugby—in this country, which we firmly believe in and we have a plan in. Also, working with the governing body, my responsibility is to set a much more stable governance and financial framework that attracts future investors and gets us to a more stable footing.

Q673 **Damian Green:** If you are an outside investor, I can see why a benefactor might want to come in or a huge rugby fan who happens to be very rich. Given everything that has happened, it is hard to say if you are an international sports investor—the sort we have seen in the Premier League for good and ill but, nevertheless, people like that would surely take a look at English rugby and think, “No thanks. This looks like a snake pit that is badly regulated and allows teams to collapse in the middle of a season”, and all of that is as bad as it gets for sport.

Simon Massie-Taylor: The existing investor group very much call themselves investors. This isn’t philanthropy at all. They are passionate about their clubs. They take a long-term view but, as you say, my responsibility is to ensure that it attracts the next generation of investors. To do that, strong central governance is important. It has evolved and improved over the period but, as Bill mentions, there are a number of measures that we take this opportunity to do.

For me, probably the most important thing is the establishment of an independently chaired financial monitoring panel, which would have independent experts on it and would be accountable, not only to the board of Premiership Rugby but also to the RFU. We also think DCMS is an important stakeholder here because it does have a very large loan book from the sport survival fund to the clubs.

Q674 **Damian Green:** Do you have the legal powers to look into an individual club’s accounts?

Simon Massie-Taylor: As part of this, we have endorsement from all clubs that we have much greater financial transparency of club financials. At the moment, that does not exist and so that has been a major change that we have put in place. It is fair to say that, even if we had 20:20



financial vision on both Wasps and Worcester, there would perhaps have been very little that we could have done centrally around this.

I would say that we would have managed the situation better because what we had here was two clubs going bust in the middle of the season, which was incredibly disruptive in terms of players because they were made unemployed halfway through a season with limited ability to get re-employed elsewhere. Clearly, it had a devastating effect on the communities as well.

Q675 Damian Green: I would have thought that when accounts are not filed that would send up an early flag. Some of this was clearly happening behind the scenes and if you did not have the power to look into that, that is one thing but when one of your clubs are not filing accounts that—

Simon Massie-Taylor: Yes, and we need all those types of measures. Late payments to players was mentioned earlier as well. There is a system in French rugby where it has some of these tight regulations and penalties for late payment to players. Equally, you also need security for clubs, as they enter into a season, to know that they are able to make it through and pay their players and do everything they participate in the league. We intend to have those types of features. We are about to embark on an independent review to design a system that is right for us and that also gets us to a point that is much more sustainable.

Q676 Damian Green: Are you going to deprive Wasps and Warriors of their P shares?

Simon Massie-Taylor: There is a lot talked about the P share and can I give you a bit of a background as to how the P share works?

When you participate in the Premiership there are distributions from Premiership Rugby—which equate to around £2.5 million at the moment—and also through the professional game agreement, which we have with the RFU, which is based around academies, the England system. There is also a similar amount that goes into participating clubs.

From the Premiership Rugby distributions, around half of that is the P share and another half are the A and B shares. Regardless of whether you own a P share you get those distributions.

Q677 Damian Green: You get your full TV rights? That contradicts what we heard from the previous panel.

Simon Massie-Taylor: Yes, I would like to correct that. You get distribution from TV rights.

Damian Green: All of it? On the same thing?

Simon Massie-Taylor: Half of it, and then the P share is the other distribution. Robin Walker is correct in the fact that you have the ability to acquire a P share and get that additional income that comes through. Equally, P shares are not a perpetual right. When you get relegated and you—

Damian Green: That is what it stands for, isn't it?



Simon Massie-Taylor: Premiership. When you get relegated and you fail to come up after a second year, those P shares can be acquired from you. All clubs, as part of their shareholder agreement, sign up to pre-emption rights where, if a club goes into administration, the P shares can be acquired from you by the other clubs. Therefore, Wasps and Worcester have signed up to this.

While I completely understand the emphasis that some potential bidders, and this is where it really started, wanted to retain that asset within the administration process, while getting rid of as many liabilities as possible—debts, which incidentally includes government debt as well—I do not think that is a particularly strong message to send to the rest of our clubs. That you can go into administration and retain assets while getting rid of liabilities, so I would just like to make that point.

I would also like to make a point around materiality, which is a P share is less than 10% of an average club's income for the Premiership, so it is not as material as that. Equally, I would like to make a point about the community programmes. I have a huge amount of sympathy for the impact that this has had on Carol's foundation programme.

Our programmes, which are principally run for Premiership clubs, are not about the P share, per se. We have supported the funding of Project Rugby up until the end of the season. Off the back of this, I am going to take back to the funders of our community programmes and explore what we can do, certainly in the medium term, around supporting the good work that the Worcester foundation does.

Q678 **Damian Green:** You say it is only 10%, but if most of your clubs are running at a loss saying, "We are taking 10% of the income away" would be quite material, it seems to me. I take it that your answer to my question, "Are they going to be stripped of their P shares?" is yes. That will be a decision that makes it less likely that somebody will come in and rescue them, which is condemning fans, players, community workers to more uncertainty.

Is there not a case for enlightened self-interest from the other Premiership clubs to say, "Okay, we are in a catastrophic situation. Let's actually think slightly outside the box and be generous to these two clubs whose players, fans and communities are in mourning at the moment"?

Simon Massie-Taylor: I have spent some time in engaging with potential bidders specifically around Worcester on this subject, and I take great comfort in the fact that they are preparing a long-term business model that does not demand a quick rush back into the Premiership. They are looking at a three to five-year horizon to build the resources within the club, to be able to sustainably get promoted back into the Premiership.

Therefore, that income will only be a short-term fix because they are building a much more sustainable business model off the back of the property and the assets around it to come back up. I think it is an



important point to make that they will still have the ability to acquire a P share and come back into the Premiership when it is right for them.

Q679 Damian Green: I would have thought—I will hand over then, Chair—that now is not the time to be legalistic with people. I am glad to hear that they have a long-term sustainable plan. I am sure that is better for everyone, but saying, “Oh, by the way, this thing nets 10% of your income. You are not having that”, feels to me like not the time for Premiership Rugby to be behaving like that and it should actually say, “We are going to be generous here”.

I appreciate it is a decision for the other clubs but, frankly, for the long-term future of the professional club game in this country, I would have thought now is not the time to be legalistic. Now is the time to be quite generous.

Simon Massie-Taylor: I take your point but, equally, there needs to be consistency and we need to think of Wasps as well. We also need to think of the sustainability of the other Premiership clubs who have played against two fewer teams this year, which in itself is probably a net £750,000 impact on an average club that hasn't been able to play Wasps and Worcester this year, so you have to take it in the round.

Chair: Thank you. Judith Batchelar, I know that you are keen to come in.

Judith Batchelar: Thank you very much, Chair. I want to say I am very pleased to be here because I am here to represent the players from the Rugby Players Association. I thought it might be interesting to share their lived experience through this.

I know it has been said before, but we should not underestimate what a massive impact this has had, not just on the men but the women at these clubs and the young academy players. We have already heard about some of the impacts on those young academy players losing their housing, for example. What happened as this all played out across the months that we have been talking about, is that things became very obvious as they unfolded. It started with that complete lack of communication, particularly at Worcester. There was zero transparency with players very much kept in the dark about what was going on at their own club, including whether they would be playing on a Saturday, and having these discussions on a Wednesday, and if they were going to be paid or not. They were very much kept at the periphery of this and I think that is something to bear in mind.

As it played out, what became obvious was that some of the structures, rules, and processes in place placed them at a disadvantage. For example, in the standard contract, when there is a breach of contract—which of course when you do not get paid, that is a breach of contract—there was a 14-day period before you could then issue your notice and extract yourself from that contract. Simon has already talked about when this happened in the time of the season, most players had found clubs. That 28-day period where they could not do anything effectively was really critical in their finding future employment.



When this all played out as it did—and some would say it was inevitable that it was going to play out the way it did—there was no safety net for them. Normally when you are made redundant, you have a consultation period, and you have outplacement support to support you with CV writing and looking at your skills and what could be transferable. You get legal support to help with your legal fees, and when it comes to the crunch, you get a redundancy payment. For our players, none of that happened. None of those things was in place and there was no safety net for those things.

In other sports, there would be benevolent funds that could pick up. Cricket is a good example of that, where 3% of the county's salaries go into a benevolent fund. That means if the worst case happens—and I think that we forget all of that. In the instance of Wasps, I do not think any of us saw that coming because we had lived through the Worcester example of false start after false start, false hope after false hope. When those Wasps players went in on that Monday morning and in a very short brief were told that they no longer had a job, they were shocked. I think we were too because they had no time to acclimatise to that at all.

There are lessons to be learnt from this, particularly from a governance point of view. If I think about what is on our risk registers from a governance point of view, I think we have lived with the risk of Premiership clubs not making money for so long, that we forgot it was a real risk. There is a lesson for all of us in what our collective risk registers should look like, for example, and all the things that go with that.

Q680 **Chair:** Judith, that is a really good explanation of the lived experience of your members, which is very beneficial and is something that this Committee is mindful of, and was so in the first session. I think I made the analogy with P&O, and basically there was a public outcry about that—

Judith Batchelar: Absolutely.

Chair: What has happened here is in many cases worse than that instance. Did the two people that are next to you fail the players?

Judith Batchelar: It is interesting when asked what you did to support the players because the RPA—I will just give a bit of background about us. We are a small organisation with £3 million turnover. Just under half of that comes from support from the RFU and Premiership Rugby. So between them they will—

Chair: Is part of that through a benevolent fund? You mentioned earlier a benevolent—

Judith Batchelar: No, this is money that is pretty well restricted to the support that we give players at club level, through the player development managers, but those are people so—

Chair: I am sorry to cut across you, so do apologise for that. Effectively that money is there in order to give people guidance in the workplace rather than in an acute situation like this.



Judith Batchelar: Yes.

Chair: Should this change? Should effectively some of the money—and admittedly the game is not wealthy and we do understand that we could have a whole debate on the economics of it—should that change in order to establish a benevolent fund for a situation such as this, as players not just lose their jobs but also lose their homes on the same day, as happened at Worcester and also has probably happened at Wasps?

Judith Batchelar: I will explain that we also have a charity called Restart Rugby, but that charity has quite meagre resources. I think our reserves at last look were at about £115,000. We have used some of that money to support the players. There were 15 players who when they were made redundant still had medical bills to be paid. Restart has picked up that. The RPA side of it, which is the players' trade union, has £3 million turnover. £1.5 million of that is our people costs, and essentially those were the individuals going out and supporting the players both at a collective team level, and also as individuals—whatever those individual needs might be. Essentially, it does not provide financial support.

Chair: Julie, would you like to come in on this?

Q681 **Julie Elliott:** Are you saying that about £1.5 million is purely paid on salaries?

Judith Batchelar: There are 24 people at the RPA that we employ, so you can work out—

Julie Elliott: Is that £1.5 million, because you said something there that made it sound like £1.5 million is spent of a £3 million turnover on salaries.

Judith Batchelar: Every club under the—

Julie Elliott: Is that true?

Judith Batchelar: Yes.

Julie Elliott: That is a huge amount of money paid on salaries.

Judith Batchelar: It means that every club has its own personal development manager to look after the players. There was a representative for Worcester, there is a representative for Wasps, and so on and so forth.

Julie Elliott: So really the funding for your organisation—if I am understanding what you are saying—that the part of the funding for the part of your organisation that would actually be watching alert to support is actually £1.5 million, not £3 million.

Judith Batchelar: Yes. So the—

Julie Elliott: Which is tiny. The other thing that I wanted to come back to on what you said, is that in a normal workplace and a normal redundancy situation, there is a consultation period and so on. There is not when a company just goes under. That is not the normal situation. So



what the players experienced at that point, and in fact everybody in the club we have heard so much about, in any situation where a company goes under, —through bad management or anything else, and it is often when bad employers offshore accounts and do all sorts of strange things—that is the same in any situation. What has happened here is not an unknown or sadly unusual situation in the workplace. So the consultation thing is irrelevant because it would never happen in any workplace in that situation.

What I am concerned about if the Rugby Players Association is there as a trade union to look after—and I say this as a former trade union official and so it is something very close to my heart, that I understand inside out. It sounds very strange to not have any kind of support mechanism there in your organisation, it sounds as if you are not really doing the job that you are supposed to be doing.

Judith Batchelar: We do three things. We do the trade union role and we have just rewritten our constitution and we are just about to elect a new general secretary. That will happen in the middle of January. We have then got the bulk of our people employed in providing mandatory training for the game, and the personal development of those players at the clubs, which includes everything from diversity and inclusion, training, anti-doping, gambling, safeguarding, that kind of thing.

Julie Elliott: But if you are there to support the welfare of players, surely there is something glaringly missing here in what you are doing to support players in a situation like this. There is something missing. Unless I am misunderstanding what you are saying, there does not seem to be anything there that, in a crisis situation can support players, whether it is a club going under or any other circumstances.

Judith Batchelar: Financially we would have supported them through the charity side of the business with the payments for medical services, with legal advice, and that has probably been our biggest expense throughout all of this, providing legal advice.

Q682 **Julie Elliott:** Are you as an organisation, as a result of what has happened this year with Worcester and Wasps, relooking at what your remit is and what you are doing? It sounds to me as if you have not really been quite fit for purpose in this situation.

Judith Batchelar: That is the bit that I described in terms of separating out what we do to support players, personal development and all of the mandatory training that they need to have. That would include things around the development of the women's game, providing that service for the women's game, as well as for the men. It also includes the work we do for retired players, academy players. The union is a very separate entity.

Q683 **Julie Elliott:** You have mentioned the women's game and this is something that I wanted to ask about. I am very concerned that the Wasps women's rugby team are basically going to be going to the wall if a new investor is not found. What are you doing to support women



players in this situation?

Judith Batchelar: Many of the players at Wasps and Worcester are members of the England squad, so we actually support and represent the Red Roses. What we have done at both of those clubs is that we have made no distinction between people who are members of our union and members of the RPA, and those who are not. We have helped everybody at those clubs and supported them with all of that advice. That includes looking for new roles, it includes the legal and medical support that we have given and the personal one-to-one counselling, and we also offer a counselling service through that.

We literally last night talked to all of the captains of the Premiership fifteens about the future of the women's game. What we have here is the opportunity to learn from what has happened with the men's game, to ensure that when that new women's league starts—and we do not know who is going to be in that league yet because the tender process is still out there—but when that starts next season, that it is set up learning all of the lessons here to be successful. I think we owe it to the women's game and we have got that opportunity in the next 12 months, with what is relatively a blank sheet of paper, to do that. That is last night what we shared with those players and clearly we are waiting for their response on that, but we have big ambitions for the women.

Q684 **Julie Elliott:** Good, and I think that we need to place on record, I know that they did not win, but they did very well.

Judith Batchelar: They did very well and we are very proud of them.

Julie Elliott: We should place that on record in this Committee. Bill, what is the point of the Club Financial Viability Group if it was unable to prevent such a catastrophic failure of club finances?

Bill Sweeney: The Club Financial Viability Group cannot come into existence until an insolvency event takes place, whether that is liquidation, administration or CVA. Once that event has taken place, then that group—which is comprised of RFU personnel, PRL personnel, championship, national league, legal and governance employees, finance employees, plus an insolvency expert—comes in to access additional information, in terms of what is the real current state of that club. Now, the question could be, does it require an insolvency event before that Club Financial Viability Group can come into action? Simon has talked about one of the major changes that we will put in place, that financial management panel.

Q685 **Julie Elliott:** Going back to something that Simon said earlier, and if we are looking at all of the clubs not really being in a very good financial position, long term no sport can survive with every club having a financial deficit. It is not possible; it is not, and no business could. Long term, what are you doing to actually make that better?

Bill Sweeney: I will start off and then perhaps Simon can come on to that. It has been recorded for quite some time now about the losses that are made within the Premiership. It averages at about £4 million per



club. In 2017-18, it was consolidated at £45 million or so, and I think the following year it went up to about £50 million. For some clubs, that was almost a sustainable model depending on the wealth of the investors involved, but they all had plans in place in order to get to break even or profitability. That goes to the generation of additional revenue streams over and above the rugby club itself, whether it is conferencing, whether it is hotels or whatever. Clubs like Exeter, Bristol, Harlequins, and Gloucester, have very solid business plans in place to get to a sustainable path.

We were headed in that direction and then frankly, we then had two catastrophic events back to back. Clearly there was the pandemic, and we all suffered from that. When you consider that the majority of the revenue coming into the clubs is match day revenue, and all of a sudden having no fans turning up and playing behind closed doors, that in itself was extremely difficult to deal with.

Right on the back of that, now of course, we are heading into the longest possible recession on record and so there are additional costs. In Twickenham's case, our utilities bill has gone from £2.2 million to £7.5 million. So there are additional pressures on clubs, and pressure on financial markets to access more capital. We have had that double whammy, if you like, in a short period. So that has set us back.

Having said that, coming out of it now, these plans are in place to then get the game back to some degree of profitability. Is it acceptable? No. Is it the most sustainable model you would want? Definitely not. It is not unusual. People talked about the French model a lot. Of those top 14 clubs, there are only two clubs in that top 14—which is their version of the Premiership—that actually do not make a loss. But they do have the financial transparency and the regulatory processes in place to ensure that those clubs are being managed in the correct way in order to sustain that.

Q686 Julie Elliott: As Damian Green said earlier, unless you have somebody who is a very wealthy rugby fan, it is not sustainable in the long term. We have to get to a point where these clubs are making a profit.

Bill Sweeney: That is growth.

Simon Massie-Taylor: That is growth, and that is the thing that we are big believers in. The problem with the rugby environment, which is not uncommon again to other sports, is that it has been fragmented and it has been quite devolved. The big theme that has come out of Covid is that it has brought a number of sports organisations together, and that has definitely happened within rugby.

The growth plan is the thing that we are excited about. There are 10 million people who identify themselves as rugby fans in the UK; 9 million of those are England fans. You will see that when people tune in to watch the Six Nations on free-to-air TV. We have a fraction of that at the moment but our potential market there could at least double. It requires a collaborative effort to get there and investment as well. We have



investors there to support us. Our core product is strong. We have probably the most competitive rugby competition in the world and the most exciting one when you look at the number of tries. I am not sure if any—

Q687 Julie Elliott: At the moment that does not seem to be translating into profitability. What I am sitting here listening to is we have had hundreds of people's lives devastated by what has happened in these two clubs. Carol's evidence was quite compelling, the wider effect on people. I am hearing lots of warm words about things moving forward and sustainability. What I am not hearing is I am not getting the confidence that what you are saying is going to work. I think that we need to hear something more substantial because saying that things need to be made sustainable and growth, absolutely, but what concretely is going to change to make this happen? When we look at the lists of debt for all the clubs, what is going to stop this happening again? What is going to be the game changer to bring in more money to support clubs, not just players but all the other people employed by rugby clubs in this country?

Simon Massie-Taylor: I will go back to the commercial potential. Just to give you some background, Premiership Rugby revenue had doubled over a 10-year period, so we have proven that there is a growth trajectory there and that will continue. There is that element, but also at a local level as well in just maxing out their stadiums and selling tickets and all the other commercial initiatives that happen locally, which again each individual club has a plan for. I will give you Gloucester as a good example, where it is starting to break records with its own attendances and if it was not for the loss at Wasps and Worcester would have got close to an operating breakeven point there. That is not in a particularly affluent area, by the way, the Gloucester fans and Gloucester city centre.

Those models are there. It requires good governance. It requires a good plan. It requires collaboration. That is the focus. Clearly, at the moment, we are riding out a storm and that is being driven partly by the Covid period and the economy at the moment. Some clubs are naturally having challenges with liquidity because debt is not there, and that was the case for both Wasps and Worcester in the fact that they were negotiating debt agreements but they were timed out with the HMRC business.

Q688 Julie Elliott: I asked Judith a similar question about the women's game. Women's rugby is on a high. Women's sport is on a high. If you have seen the growth in football, it has just gone in a year or two from being almost a niche sport to being mainstream, with huge numbers of people watching it. I think that women's rugby has the same potential. What are you doing to ensure that Wasps women's rugby team are not a casualty if there is a financial agreement made and the club comes back--but not just Wasps, in general--what are you doing to make sure that women's rugby is not a casualty or an acceptable loss in the situation that these clubs have found themselves in? I would be interested to know from both of you.



Bill Sweeney: I can say my bit and then PRL can say its bit as well. The women's game is a major priority for us. You have seen the growth in women's sport generally. You have seen the growth in women's rugby. Women's participation at the grassroots level is progressing at a great rate; it is in the 30% type range. We are in the process of relaunching the AP15 women's league and we have now received bids from various different clubs that want to be part of that league. We think that will be either an eight or 10-team league. The RFU is investing £220 million along with PRL over the next 10-year period to promote and drive that league further.

Even in its current format, I would say that it is very much almost the envy of the rest of the game globally in terms of where we are heading with women's rugby. We have our professional contracts on the women's international game. We are working to develop those personalities as icons to drive inspiration further and we will continue to invest in women's rugby, at both the elite level and the professional club level, along with PRL.

Women's rugby benefits from not having to deal with probably the mistakes of the past. We are starting very much with a blank sheet. We have not really spoken to you at length, but in terms of how the calendar works and how the season works, that has been one of the problems with the men's game. It is a very confusing calendar. There are overlaps between the international game and the club game and the regional European competition does not really function that well. The women's game is different because we are starting fresh, so we can map out, "That is your window for the domestic league, that is your window for international competition", and a further international competition that comes in, and that enables you to commercialise it to a much greater extent.

We are now also seeing serious interest from broadcasters and from commercial partners who are specifically focused on the women's game. A good example for you will be that at the end of March/April next year in the Six Nations when we play France at Twickenham, that will be the first stand-alone women's match that has been played at Twickenham. We have done it previously because of the lack of attendance, but we have already sold over 20,000 tickets for that. We think that we may even touch 40,000. To get a 50% full Twickenham for England-France in the women's game and what that will do in terms of driving commercial growth is very promising.

Judith Batchelar: To add to that, we are very excited about the women's game but, of course, that means having the right player representation to be part of those conversations so that the women can have that influence over what the future of their game looks like.

From a broader governance point of view, part of good governance is having the very best advice and having a diversity of thinking around that very best advice. One area we are particularly interested in is player welfare, of course. A lot of the science and evidence around player



welfare is all based on the men's sport and clearly women are very different to men physically. Therefore, one of the things that we are looking at and we have talked to DCMS about is the investment from the UK research point of view—we are good at this area of sports science more generally for women—and where the evidence base is to make sure that we can protect those women in the way that we are beginning to protect the men and, from a grassroots point of view, to give parents confidence that their girls can play rugby in a safe environment.

The other part of that, then, is the safeguarding piece around it. One of the things that were recommended back in Tanni Grey-Thompson's report on the duty of care was the setting up of an independent whistleblower line. That was something else that we would strongly recommend.

Bill Sweeney: Can I add one really important point as well? The growth of the women's game is important for the overall sustainability of the total game. If you are a club owner, say, in Exeter, if you can get 5,000 or 6,000 fans to come in for a women's match, that means your stadium is being used on successive weekends. Currently, you have your home game and then you go and play away. Under this format, you will have your men's game one weekend and you will have your women's game the following weekend. That is addressing a lot of the issues that are faced in terms of covering the costs of the stadia and overheads.

Q689 **Chair:** To pick up a couple of points there in your exchange with Julie, it was very interesting but, Mr Massie-Taylor, as I understand it six Members of Parliament wrote suggesting that Worcester should have been taken into administration before the season started. Ms Batchelar's evidence was pretty clear there that if that had happened it would have meant that many of the players would have been able to get other employment and they did not as a result. Why did you accept the assurances from the owners that they would keep making payroll, which, of course, they did not?

Simon Massie-Taylor: If I go back to that moment in mid-August when the winding up petition came in, that set a timeline up until I think 5 October when the winding up notice was going to be issued and then administration would naturally follow after that. In the absence of any commercial solution being found for the club during that period, yes, you would have had the situation that we experience now.

The other key party within this was DCMS. You will be aware, obviously, of the loan book that it has with all clubs and specifically with Worcester Warriors. It was between the RFU, PRL and DCMS where we had to make the call as to whether there was the ability to put the club into administration at that point and equally whether that was the best option. In hindsight, clearly, a commercial solution was not found and equally a solution within the administration process to get the team re-entered into the league.

Chair: So in hindsight it means you made the wrong call?



Simon Massie-Taylor: It would have put taxpayers' money at risk, but equally we were in the situation that we are in now so there would be no difference.

Chair: The difference has been that the players would have been able to potentially find other employment but they were not able to do so.

Simon Massie-Taylor: That is correct. Going back to the financial monitoring and having discipline in the process, you would anticipate that you have a system there and sanctions and regulations in place where you can make that call earlier. That can be a brutal call and could send the company into administration quicker, but you need to have that discipline in the system if you are going to avoid these types of situations going forward.

Q690 **Chair:** You would have been able to make that call then, wouldn't you? Is that correct or not? Would you have been able to make the call to say, effectively, you are going to force the administration by saying, for example, "We are not going to put an extra tranche of money there"?

Simon Massie-Taylor: From a regulations point of view, it was deemed to be legally contestable.

Chair: Okay, that basically you could then have faced action that it was you who prompted the administration?

Simon Massie-Taylor: Yes.

Q691 **Chair:** Yes, so it is that reason why you chose not to act in that instance. Is that the sole reason why or was it because the owners also assured you that they would be making payroll? Why is it that you agreed that that was a good idea?

Simon Massie-Taylor: The RFU put in certain stipulations about making payroll for that month. If you remember, that payroll was paid but it was late and the employees were only paid 65%. It was a totally unsatisfactory outcome but that was one of the conditions of allowing them to enter into the league. Yes, you are right there.

Q692 **Chair:** I just want to check on one other point as well. We have heard a lot about growth and growth plans. It is something that we are quite familiar with recently in politics as well. How does potentially reducing the number of clubs in the premiership lead to more growth?

Simon Massie-Taylor: It is worth giving a bit of context here. The other thing that is timely is the fact that we are in the process of settling on our professional game agreement, which is an agreement between Premiership Rugby and the RFU that basically sets out the foundations for the whole professional game, for the academies, the system that goes into them, the England set-up, and the construct of professional rugby in England.

As part of that, we are considering what the structure is of the premiership and equally what the structure is of the championship. One of the major themes here is that we need to have much better alignment



between the first and the second tier in how it is managed, how it is marketed, and how the flow of teams comes from one to the other. There is a strong argument around a tighter first division at premiership. Bill has mentioned the fact that we have a large amount of calendar congestion and an overlap. Equally, we have to consider player welfare here. There is a general theme and belief that players are playing a lot of rugby at the moment. Therefore, a decongested, tighter calendar will assist that. There is also a general theme around better quality of games would equal better commercial revenue in the long term for the clubs.

Q693 **Chair:** If you are willing to reduce the number of games, it does give a little bit of a lie perhaps to what you stated earlier that one of the reasons why you could not redistribute the P share is because they had too few games, but you are now opting to do fewer games as a result.

Simon Massie-Taylor: Yes, there is a balance between—

Chair: The answer that you gave to Mr Green before was the fact that basically this was compensation for the fewer games, but if you are now designing a system that has fewer games, then this gives a nonsense to what you said earlier.

Simon Massie-Taylor: No, there is a balance between the essential income and what they generate locally. In the current situation, teams have budgeted for games in the season where they were going to play Wasps and Worcester. That in the short term does not get compensated for by the redistribution of the shares of the clubs, but going forward, if the P shares were to be distributed among a smaller number of teams, there is an equilibrium factor. Then you believe in the growth piece that we just talked about.

I would just reiterate the point that the ability of Wasps, Worcester and, frankly, any other rugby team in the country to come and play top-flight rugby is a key theme when we design the system going forward.

Q694 **Chair:** I am just going to check a few things with you, Judith, first of all. Twenty-four people employed, £1.5 million. Are these people employed full-time?

Judith Batchelar: Yes, mainly, with one or two part-timers three days a week, four days a week.

Chair: Okay, fine, so job share. That is effectively £62,500 per income salary?

Judith Batchelar: That is the total cost to employ.

Q695 **Chair:** Fine, okay. We heard in our first session from Carol that there were warnings given from the academy and the professional ranks to the RFU in advance of the collapse of Worcester and you yourself stated in your evidence, "We could see this coming".

Judith Batchelar: Yes.

Chair: Are you aware of these warnings?



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Judith Batchelar: I was aware at the first instance when the salaries were not paid and at that point we alerted Premiership Rugby.

Chair: It is a fairly big red flag, isn't it?

Judith Batchelar: Yes.

Q696 **Chair:** Were you aware of any warnings at all prior to that from any other members?

Judith Batchelar: No, but when I looked back after that—I looked on Companies House and I looked at what had happened over the failed reporting and on-time accounts being submitted—it became apparent that there were other challenges there, definitely, but I was not aware of that before the salary. That was a very loud warning bell.

Q697 **Chair:** Yes, of course. Mr Sweeney, were there warnings given from members of the Department, the academy and the professional ranks from Worcester about the viability of Worcester?

Bill Sweeney: No, I am not aware of any warnings that came through, whether through whistleblowing or warnings from the academy side or professional side.

Q698 **Chair:** Have you made any investigation of any such warnings?

Bill Sweeney: No, because this is the first time today that I have heard that that was an issue.

Chair: Will you look into this and write to the Committee, please, with details about whether there were any emails and so on, any communication at all from members of—

Bill Sweeney: I would be very interested to talk to Carol and find out where those warnings came from.

Chair: Thank you very much, brilliant.

Q699 **Kevin Brennan:** There is, as the Chair pointed out, something a bit eerily familiar about the growth mantra you have been talking about in relation to this. If I might say, there is a little whiff of Kwasi Kwarteng economics, talking about growth while not addressing the underlying financial issues that are facing the game and have been facing the game since long before Covid or long before Russia invaded Ukraine.

Mr Sweeney, one of your predecessors has been highly critical of your handling of the finances of the Rugby Football Union. Francis Baron, I am sure you are aware, has pointed out that you have gone from being the strongest union in the world a decade ago to one of the weakest by 2019. Cumulative losses have been £73 million, reserves have fallen from £62 million to a negative £24 million, with total net debt risen to £265 million. Is his criticism of your handling of the finances of the game justified or not? If not, what is your response?

Bill Sweeney: No, and I do not understand where he gets those numbers from. Our annual report will be published fairly soon, at the end



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of this month. It will show reserves of £126 million; £90 million of that is from the CVC private equity deal, but that gives you a figure of £36 million. Ten years ago that figure was £14 million, so from a reserves point of view, we are in a pretty good state.

Q700 Kevin Brennan: At RFU level rugby's finances in England are in rude health?

Bill Sweeney: We are okay. Again, I am not sure where that £73 million comes from. The only number I could get that was similar to that £73 million was profit to reserves over that period of time and there are a lot of accounting transactions and extraordinary items involved in that. If you look at our operating profit over the last 10 years, our accumulated losses are £4 million. Over that 10-year period, our revenues have been £839 million and we have spent £843 million on the game, both the professional game and the community game.

Perhaps an even more important message to get across is if you take a snapshot now of where we are financially, given what we have gone through in Covid where we lost £150 million worth of revenues over the two disrupted season period, that £150 million loss of revenues resulted in £20 million lost profit due to cost mitigation and various other things we did. As we sit here today, we are completely debt free. We have a £75 million facility with the bank. We have paid all that down. We have no debt there. The only debt we have is the debenture programme, which is £200 million, which is payable in 60 years so it has a net present value of £40 million. This year our operating profit will be roughly about break-even.

It is important to state also, though, that we are not out of the woods because for this particular year in a four-year cycle we would expect to make £8 million profit this year based on our three matches at home, at Twickenham and in the Six Nations, but we are going to be making break-even this year as opposed to—

Q701 Kevin Brennan: Why would a former chief executive, one of your predecessors, make up these figures?

Bill Sweeney: I don't know. You will have access to our annual report coming out at the end of this month. If you also want us to send the Committee a report on our financial situation we are very happy to do that in addition. From a financial perspective, coming out of Covid, we would say that it is an incredibly strong financial performance that has been recorded.

Q702 Kevin Brennan: Before I bring in Mr Massie-Taylor and Ms Batchelar—

Bill Sweeney: And we did not take any Government loans.

Kevin Brennan: —what you are telling the Committee is that rugby at RFU level, at the international level, is a healthy hand on the end of a diseased arm. Is that a fair picture of what is going on in the game?

Bill Sweeney: The international game is strong. We are in the middle of the Autumn Nations Series. Demand for matches is good. We have a



consolidated approach to broadcast and central commercial revenues with Six Nations as a group.

Q703 **Kevin Brennan:** You are, I think, confirming my analogy of a healthy hand. I suppose what I am saying is that I do not get the sense that you are here as a team—

Bill Sweeney: You don't?

Kevin Brennan: —in the interests of the game along with the premiership. I get the sense that you are competitors rather than collaborators in the way you present this.

Bill Sweeney: I would totally—

Kevin Brennan: Why then is the professional game at club level, which has been confirmed to us, a perennial loss-maker?

Bill Sweeney: I would totally—

Kevin Brennan: —and has got to the stage where 16.66% recurring of the clubs in the top professional league have gone bust, started a season and been unable to finish a season, which is a shocking state of affairs for anybody who loves the game of rugby and is a fan or a player or anyone involved in it. How is that allowed to happen? How can that possibly be allowed to happen if you are all working together in the interests of the game? I do not mind who wants to have a go at that.

Simon Massie-Taylor: Let me give it a go. I think that what is essential is that there is a partnership between the union and the league and the various leagues as well. I would say that that partnership has never been stronger. There is some history to it previously, but I think that—

Kevin Brennan: But you just dropped two clubs. How can you make that assertion?

Simon Massie-Taylor: Through extreme economic circumstances.

Q704 **Chair:** It has not happened in other sport. It has not happened in the Premier League, for instance, or even the championship, which is a complete basket case. If this had happened in the Premier League that would be four clubs going under and, if that happened, the head of the Premier League would resign on the spot. I do not know how you can come to this Committee and say what you have just said to Mr Brennan with a straight face, frankly.

Simon Massie-Taylor: That there is a strong partnership between the premiership and the RFU?

Q705 **Kevin Brennan:** Well, look, my analogy was a healthy hand on the end of a withered arm. You are trying to convince us that your growth plans are the solution and that this whole situation has only arisen because of Covid, and obviously the UK Government gave considerable assistance to the game to get through that problem. You are trying to convince us that that is the case and that there is nothing to see here and that you would have preferred to have had 10 clubs all along. Is that right?



Simon Massie-Taylor: No. We have been through an extreme situation here, clearly. In reference to growth, if we have a premiership economy that is turning over £220 million collectively and say it is losing £40 million, then you just need 25% or 30% growth to drop down to the bottom line to be able to get there, and clearly it is not as simple as that.

Q706 **Kevin Brennan:** You have described a situation where you have had growth but you have never got anywhere near what looks like financial sustainability for the clubs in the league.

Simon Massie-Taylor: We are jumping around a bit but that is when financial monitoring and financial discipline come in. With that essential oversight and control, then you can set cost bases to what they are, create synergies and manage things better through a central unit.

Q707 **Kevin Brennan:** Do you think, Mr Sweeney, that the French style—I think that you were slightly critical of it earlier on—of financial transparency and regulation is the answer here?

Bill Sweeney: We have had conversations with the French. We have had conversations with some clubs in France as well in terms of how that operates. It is certainly a more robust way of approaching this because a club has to receive a licence before the season starts.

Q708 **Kevin Brennan:** Why has that never happened previously?

Bill Sweeney: I don't know why it has never happened previously.

Q709 **Kevin Brennan:** Did you ever have discussions about it?

Bill Sweeney: I think there have been conversations about how sustainable it is for clubs to continually make losses. What you have also seen currently here is that when you do have those back-to-back, very difficult situations to manage, it puts the stressors on flawed business plans. I remember that in 2015 people were talking about Wasps as being the future direction of all clubs and it was going to be one of the wealthiest clubs in the world. It negotiated a retail bond in order to go and purchase a stadium with a casino, hotel and whatever. The trouble was that it went into that with a £10 million debt and it used £35 million worth of loans to acquire another business that was also losing money. Putting two losing—

Kevin Brennan: Kwasi Kwarteng economics again, isn't it?

Bill Sweeney: So it did not work.

Kevin Brennan: Relying on mythical, magic beans.

Bill Sweeney: It did not work and it was a flawed business model. What you are seeing in Wasps is a flawed business model and we are seeing the repercussions of that now. What we saw with Worcester and the learnings are that we clearly have some reprehensible characters running a rugby club.

Q710 **Kevin Brennan:** I have read Chris Wright's autobiography and Wasps went professional originally because of this sugar daddy approach to



rugby, the hobbyist, admirable in many ways being genuine fans of the game and interested and wanting to put their fortune into it. That is not really a sustainable or healthy way for a game that has always been built from the community up, rugby union. That is what is different about it, isn't it, to others? It is about the community. It is about the rugby club. It has a very different history from a lot of other sports.

Bill Sweeney: You are absolutely right and there is a massive difference between working in sport and working in business. When you work in sport, there are generations of emotion. There are generations of passion that have passed down from father to son and so on. We pride ourselves in saying in rugby—maybe more so than other sports because most of our clubs own the assets—that rugby clubs are at the hub of the community.

Kevin Brennan: You just let two of them go bust.

Bill Sweeney: Which is why it is so distressing when you see two go bust now and why we want to make sure that these things do not happen going forward.

Q711 **Kevin Brennan:** Judith, what about player involvement in this and in trying to get the governance right? What do you think should happen?

Judith Batchelar: I am glad you asked that question because it is something that the rugby players have been asking for for a while now. There is a thing called the professional game agreement, which Simon has just talked about. That is a formal agreement between RFU and Premiership Rugby.

Q712 **Kevin Brennan:** Is that good enough or do we need more?

Judith Batchelar: We need the players to be formal signatories to that agreement because there is one thing being part of a conversation and there is another thing having a seat—

Q713 **Kevin Brennan:** Would that be your main demand of the rugby authorities?

Judith Batchelar: Yes, it would.

Q714 **Kevin Brennan:** Is that something that you, Mr Sweeney and Mr Massie-Taylor, would be willing to agree to?

Bill Sweeney: We have the players involved already as co-signatories in a number of things.

Kevin Brennan: But the specific request just made by Ms Batchelar?

Bill Sweeney: We would have to discuss it with Judith outside of this.

Kevin Brennan: You are not ruling it out, is that what you are saying to me?

Simon Massie-Taylor: For me, everything is on the table because, as I say, now is the time when we are sorting out what that professional game agreement needs to look like, the foundations of the sport. That is



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governed by the Professional Game Board, which the RPA has a seat on, but I think that Judith—

Kevin Brennan: I am not going to tell you how to do your job but I think that you should strike while the iron is hot on that particular—

Judith Batchelar: Absolutely, and there is having a seat at the board, there is then having voting rights and there is then being a formal signatory.

Q715 **Kevin Brennan:** Okay. I apologise for detaining you a little bit more, but before my colleagues come in there is this business about having a 10-team premiership. I do watch the premiership and it is a tremendous product, I agree with you. The quality of the games in recent years is enhanced hugely, a very entertaining league. Is there any truth in the accusation that first you wanted to expand the league, and now you want to shrink it? What are we, rugby fans, supposed to make of that as to what the real intention is over the future of the league?

Simon Massie-Taylor: The decision that was made a few years ago was to try to protect the teams that were participating in the league and—

Q716 **Kevin Brennan:** A self-perpetuating oligarchy really, wasn't it? It was that model?

Simon Massie-Taylor: I think that it was in an attempt to try to preserve those clubs. Clearly, that has not worked so we go back to deciding and making the right decisions around what the future structure of the league is. That is where we are now. Whether it is 10, whether it is 12, whatever the number is, that is the work that is going on at the moment.

Q717 **Kevin Brennan:** Are central contracts, Mr Sweeney, any part of the future of the game in England? They have been used elsewhere.

Bill Sweeney: It could be a conversation to be had. Whether it is called that particular phrase or not is something else. The idea of the core group of international players coming under more control, if you like, or oversight from the union is something that we could discuss. We have not taken that to any length at this stage. There may be ways around that that also help to mitigate costs for clubs where they are dealing with the salaries of international players.

Q718 **Kevin Brennan:** Can I ask one final question, perhaps to both Mr Sweeney and Mr Massie-Taylor? Every so often the old chestnut of an Anglo-Welsh league appears in the sports pages, and inevitably with the demise of two clubs from the premiership this has emerged again, the idea being, as you well know, that the professionalism ended a century-old tradition of cross-border rivalries between clubs in south and west Wales and clubs particularly in the west of England but also across England. Do you see any future in that proposal that we see emerging from time to time?

Bill Sweeney: I have heard it and I have seen it referenced. There have not been any real active conversations about an Anglo-Welsh league.

There have been conversations around Anglo-Welsh cross-border Scottish competition.

Kevin Brennan: There have been competitions, haven't there, of this sort?

Bill Sweeney: There have in the past. They did not work previously for whatever reason. It does not mean to say they cannot work again, but they have not worked in the past. We have had those conversations also around the championship, the second tier, because one of the challenges we face is how you make the championship a more compelling product, given the gap that has emerged between the championship and the premiership. We have had conversations around that.

I would also keep this in the context of player welfare. Under the current situation, if you have a 13-team premiership, that is 26 matches when you have your semi and your final in the league. You then have a premiership cup; that is another seven. You are up to 33 matches. If you go a full round in Europe, that is eight. That is 41 matches. If you play your international matches of 11 or 12, you are up to more weeks than there are in the year.

Whatever the solution is, it needs to bear in mind that player welfare is an ever-increasing concern, which is the need to drive more value from a smaller number of matches but also the very clear story for the fans that that is your domestic league, that is your regional competition, and that is your international window.

Simon Massie-Taylor: On the Anglo-Welsh, it is not a current serious consideration.

Kevin Brennan: It is not something that we are going to see in the next decade you would not have thought?

Simon Massie-Taylor: No, I don't think so.

Q719 **Kevin Brennan:** Finally, Ms Batchelar, Mr Sweeney just mentioned player welfare. How many games per year should a professional rugby player be expected to play?

Judith Batchelar: We have just produced a report on that with Bath University that talks about the number of match events, which is 30. That has been the guidance for some time, but again, if you come back to what good governance looks like, the point that I would make is that we have a sports science advisory group and we have some of the best brains, but there are two elements to sports science and what you do with that information and advice. One is a duty of care, pre-competitive. It is nothing to do with performance and competition. It is about safeguarding players and our duty of care as a collective. The decision-making around that needs to be very separate from the decision-making of performance and winning matches. Sometimes, and it is a governance point, the individuals who are making decisions around what happens in competition are also the same individuals who are making—

Kevin Brennan: That should not be happening?



Judith Batchelar: Those two things should be separated out.

Kevin Brennan: Players need to be protected from themselves sometimes, don't they?

Judith Batchelar: Yes. I am not suggesting for a minute that those people do not care about player welfare, but the external lens on that is not a good one.

Kevin Brennan: Okay, so 30 is still the number, though, currently, is it?

Judith Batchelar: Yes.

Q720 **Dr Huq:** I wanted to ask some questions about the premiership and RFU's plans for reform to avoid the sad case study of Worcester Warriors, which we know is not unique. They will probably both be textbook examples forever of how not to do it. Kevin Brennan did the comparison with France. Domestic French rugby is much more commercially successful than we have here. I think that they have two 14-team divisions at the top of the pyramid, and the way it works is they have squad size caps and that means they claim there is lower quality down the divisions and there are certain things they have to have. They have to have a training academy. They have to have a proper gym on site. The pitches are better quality. Do you think that we could emulate that here?

Simon Massie-Taylor: To pick up on a few of those things, yes, the French club market is bigger in France.

Dr Huq: Everything is on TV, I think. It is all televised.

Simon Massie-Taylor: Yes. They have a strong second tier and they have strong regional presence in a number of rugby heartland towns. They also have a significant amount of government support through municipal stadiums and equally through certain tax concessions around players. There is that, but then you talk about strong academies, and we are very proud of our academy structure in England. How that could extend to the second tier is a question. Then, furthermore, you talk about standards and we have rigid minimum standards when it comes to everything from performance to welfare and just generally to sporting standards across the league. We have a lot of these features.

The thing that we are trying to emulate specifically from the French league is the DNCG, essentially audit oversight and financial monitoring system. We think there is a lot of merit in that. We do not think that it is a copy and paste of what they have over into our system. Our action right now is to appoint someone independently to run a review and to put in recommendations that are specific to our system that will make us more financially sustainable going forward.

Dr Huq: A French comparison anyone else? The academy thing I think drives through talent.

Bill Sweeney: We also have a pathway and an academy structure in England. I think that the depth of the French game goes more than us. It



is something to do with the size of the game in France. You go to many areas of France and rugby is the number one sport in that country, whereas we tend to compete with a very dominant football sport in England, so we have that situation.

Simon has talked about the different structures in terms of government support. If you run a club in Brive or in Montpellier or whatever, your stadium is provided free by the local municipality. They are seen very much as being the hubs of those cities and towns and, therefore, that is quite a significant financial benefit. If a player is injured they go on to the French national health beneficiary scheme until they are fully recovered and come back. There are a lot of things in the French system that we would love to have but we cannot just automatically bring it across. They do have a certain degree of increased depth.

Dr Huq: From the player perspective?

Judith Batchelar: The way we look at this, and it is around all parts of what the future of our game looks like—because clearly without the players there is not a game of rugby—one of the things that we are doing in the way we approach our thinking is to say that we want to be world class at what we do. We need to have a world-class system, so where are those things? It may be France, it may be Ireland, it may be New Zealand. Where do we benchmark best in class? If you take the central contracts question, central contracts come in all shapes and sizes. Some have good aspects to them, some haven't. The devil is in the detail in this. Benchmark collectively what we think best in class looks like. Going back to the professional game agreement, that lasts eight years so it needs to be future proofed. You say, "Yes, here is what best in class looks like in 2022; what is best in class going to look like and be future proofed in 2032?" That is the challenge.

Laying out that road map and that process to define what we want the future of our game to look like is the important thing. It is easy to look at elements of what other people have and think, "I would like that" but be careful what you wish for. For me, the process by which we define the future of our game is the important thing.

Bill Sweeney: France is probably the only country where their international players play more matches per season than we do. In New Zealand an average international player will probably play about 23 matches a year. In England it averages about 25. In France it would be 28.

Q721 **Dr Huq:** The state funding point is interesting. Do you think that funding of the championship is at an appropriate level right now?

Bill Sweeney: Funding of the championship?

Dr Huq: Yes.

Bill Sweeney: There is no state funding, obviously, but there is the RFU fund. We cut that quite dramatically in 2019. The problem we have there is that the amount of funding we would need to put into the



championship for the championship to be on a competitive level with the premiership, we just cannot afford to do that. We face a similar challenge with the championship in terms of how you get sustainable growth where it can stand on its own two feet. The average attendance at the championship game is 1,200. You were talking about the French model. The average attendance at a Pro D2, which is the second tier of the French league, is about 5,500, so significantly more. It is very difficult to sell a broadcast deal or a central sponsorship deal around the championship.

The conversations we have had here today about how you restructure the premiership but combine it with the championship so you take a fully integrated approach we think is the best way to enable us to have a better product for the premiership but also bring the championship along with it.

Simon Massie-Taylor: I agree with that. Growth in the championship is about alignment and, as you say, getting it on TV. It is about creating more of a meaningful product. Having inter-league competitions could be one of the features going forward, which again would bring additional revenue to the championship teams.

Judith Batchelar: We are already thinking about what we do because at the moment our remit is premiership players and the women's game, whatever that might look like in the future. We do not currently represent players in the championship, but two things are happening as a consequence of the Wasps and Worcester piece. A lot more players are moving between the premiership and the championship so that they cannot fall outside of our net just because through no fault of their own they suddenly end up in the championship.

Of course, of all the players that have found playing roles out of the 64, 30 of them have gone overseas. Where is the link from an RPA point of view with what is going on from a world rugby point of view in creating consistent minimum standards wherever our players may be playing? They may go overseas. They may come back. They may go into the championship. They may come back to the premiership. Wherever they are in the rugby ecosystem, our job is to look after them equally well and make sure that they are protected and get a fair deal. We have aspirations to make sure that we cover all those points.

Q722 **Dr Huq:** My last question is a very player welfare one. It is about concussion in rugby. It is more than a year since this Committee did its report with its recommendations to have a national framework for reporting sporting injuries of all sports, a single research fund for these things from government, and a protocol for reporting these things. Yesterday there was something on *The Times* website that 225 former rugby union players are taking a case to the RFU because there was failure to protect them from repetitive injury or even educate them on the dangers of impairment permanently. What is being done about implementing these recommendations? It is more than a year on; it was early 2021.

Bill Sweeney: On the case you referenced, I think that the first letter before action was in December of 2020.

Dr Huq: But the report; let's talk about that mainly.

Bill Sweeney: I am not sure about the centralised government body to report on that, but there is a—

Dr Huq: Is that something you do not agree with?

Bill Sweeney: No, I don't disagree with it. We do have representation. We have our chief medical officers represented on the panels that were set up by the DCMS and we are looking at those aspects of how you manage concussion information and management going forward. It is a massive area for us. In the last couple of days there have been meetings in London with world rugby around approaches to player welfare and how we are moving in that direction. We have a number of initiatives in place. I can reel them off for you now if you like; probably not, but there are a number of initiatives in place in terms of how we manage the issue of player welfare, specifically concussion, going forward. The case that you are referencing now is a live legal case and goes back to when the game went professional in 1995.

Q723 **Dr Huq:** Yes, it is a range of players from their 20s to their 60s who are part of this joint action. Why is progress so painfully slow on all this?

Simon Massie-Taylor: There is a huge amount of investment that is going into various different initiatives to support player welfare. One example is that this year we have rolled out instrumented mouth guards to all the premiership teams.

Dr Huq: Specifically on concussion, though, because that is—

Simon Massie-Taylor: Yes, it is concussion surveillance. Basically, from the data that you can get from the mouth guards, you can better understand player loading, how it impacts during training, how it impacts during the game and, therefore, how best to manage individual players as they play the game to be more safe.

Bill Sweeney: There are studies going on. There is a thing called miRNA, which is a salivary test. You deposit your own saliva. You can then go to a chemist and put that in. If you feel that you may have been concussed, you can do that. That is very important in terms of the community game where they do not have the same medical staff around the pitch. Simon has talked about that. We have set up a thing called an advanced brain clinic for players between the ages of 35 and 55 should they want to go and have an independent diagnosis of any symptoms. That is in place as well. There are a lot of initiatives happening around this space.

Judith Batchelar: I will go back to the point I made earlier. There are a number of elements to this. One is making sure that you have the best scientific data digitally evidenced that you have so that you can make objective decisions. I talk about individual players because every player is different. Every player's load and every player's contact in a game will be



different. We now have with these instrumented mouth guards and saliva tests and various scans, so all the different elements of surveillance of player welfare that can be put together to create an individual picture for an individual player. We need to pursue that as quickly as possible.

The second thing is once you have all that evidence, what are the decision-making bodies that then say what is good, what is permissible and what is not? Our aim from a player's point of view is to make sure that those decisions are as objective as they can be and as transparent as they can be. There will be instances where some of these things end up in the governance structure to individuals or groups of individuals that are, therefore, single decision-making points and they become single points of failure. In the good governance structure we would put in place the things that stop that happening, which is why the difference between the precompetitive space and what is in the interests of welfare is very different from whether someone should play for England on Saturday, because that is a competitive issue.

Q724 Dr Huq: On the proposed UK protocol for concussion among all sport, do we know if there have been any discussions with government or progress on that?

Bill Sweeney: I am not sure where we are on the cross-sport. I can find out. I cannot give you a definitive answer on that.

Simon Massie-Taylor: We will write back.

Judith Batchelar: I had a conversation with DCMS last week. There are UK Research and Innovation NetworkPlus grants that create platforms for multiple researchers to come together and share their work. Lots of people are doing things on this, not just in the UK but globally, and we do not have good visibility of where the good work is happening. That grant also provides certain moneys to fill in the gaps, and one of the gaps would be women. We do not have enough data and evidence from the women's game point of view that enables you to do the research to fill those gaps in that network. We are setting up that meeting with the RPA and anyone else who is interested from the stakeholder point of view with DCMS and UKRI's Innovate UK knowledge transfer network. There is good funding available for that so I am optimistic.

Q725 Dr Huq: Lastly, to what extent has awareness of the whole concussion-related problems increased among clubs? Sometimes it can be a high-profile player—I think that there is a Welsh one—and that puts it in the news.

Simon Massie-Taylor: I think that it has changed the culture across the whole game, whether that is the community level or the professional game. There was an old culture in rugby of just carrying on and not reporting, and that is changing. People are taking more individual responsibility, and equally within the whole structure people are looking out for this thing much more. That has been a long change as far as surveillance, but the mindset of individual players has definitely changed.



Bill Sweeney: I think that the awareness has always been high. Is it higher now? Probably, because of the profile of a lot of the coverage at the moment. Phrases like, "When in doubt, sit it out" have been around for a long time. We introduced a thing called HEADCASE, which is about concussion measurement, management and identification and then how you manage that situation. That has been in place for quite some considerable time. That protocol was adopted by the English school system in terms of managing head injury and concussion in schools. I think there has always been a high degree of awareness that it is a contact sport and, therefore, it needs to be taken very seriously.

Judith Batchelar: It is not just the concussion that everyone gets excited about. The real thing is what everyone now calls head acceleration events. This is just the contact that is subconcussive but goes over a long period of time. Again, that science starts to emerge on what we need to be doing to protect players, which is again why things like data are so important.

The biggest thing that we have seen from a player point of view is players thinking about what their workload looks like, not just in the games themselves but in training, and what we might put in place from a training point of view in order to protect them.

The other thing is what that means for the pipeline of young players whose parents are reticent for them to take part in contact sport. One of the things that we are very conscious about is getting the balance right between wanting young people to take part in active sport but to be able to do that safely because that creates the pipeline for elite sport over the long term. We know that we want our young people to be more active, so how do we make sure that they can do that safely? The elite players have a big role to play in all that, definitely.

Chair: Kevin Brennan has a quick final question.

Q726 **Kevin Brennan:** Just on the issue of concussion, I think that it is true, Mr Sweeney, that certainly in our lifetime rugby has gone from being a contact sport to being an impact sport. The sheer level of force involved in challenges between players in tackling and so on has enormously changed since the game when I grew up playing in school. Yet after all this publicity, after our report, after all the action being brought by Progressive Rugby and others in relation to this and player backed—there is a story in today's *WalesOnline* about a former Welsh player called Paul Pook who has been left jobless, homeless and penniless as a result of the impact of the game on his health. These are historic things but we have to make sure that it is not happening now. Why are players still being allowed to come back on to the field after clearly sustaining some sort of brain injury, as happened recently to one of the Australian players? Why is the return to play protocol still so pitifully short? Shouldn't players be being sat out for longer periods when they have sustained a concussion?

Bill Sweeney: It is obviously not the intent for players who have suffered an injury of that nature to come back on to the field of play.



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There are independent medical advisers pitch side. There is a pitch-side doctor.

Kevin Brennan: In that instance, as you know, he was cleared to return to play, despite clearly being dazed and on the point of collapsing.

Bill Sweeney: It should not happen.

Kevin Brennan: He should not have gone through the protocol at all, should he? He should have been substituted?

Bill Sweeney: He should have been taken off and there are videos pitch side that you can look at for immediate playback to see the incident.

Q727 **Kevin Brennan:** Why is that still happening?

Bill Sweeney: I don't know why that would happen. It should not happen. There is an independent medical team at the side. There is a pitch-side doctor. There is access to video footage. In a situation like that, a player should not return to play.

The head injury assessment protocol has changed. If you have a concussion, then for the professional game you do not return for 12 days. It was shorter than that previously. It is a 12-day period and that is only if you are symptom free and you have passed all the necessary tests in terms of your recovery. Those protocols have improved or become more stringent recently, but certainly there should not be an incident where a concussed player returns to the field of play.

Kevin Brennan: I would suggest that what Ms Batchelar said about the future pipeline of the game is absolutely dependent on this issue being resolved.

Bill Sweeney: Yes, I agree with you.

Kevin Brennan: It is a dangerous game but the risks minimised to—

Bill Sweeney: Particularly when at the international level the professional league game is the shop window. That is not the game that you see played at the community level but that delivers the message in terms of safety and how it is played.

Judith Batchelar: The whole point around the protocol is that it is about reported symptoms. You ask someone a question and they report their symptoms. We have to measure these things and they have to be objective and quantifiable and then we can set the rules. That can happen at an individual player level but then there is no room for subjective—

Kevin Brennan: The precautionary principle should apply, shouldn't it?

Judith Batchelar: Yes.

Chair: Thank you very much for your evidence today. I was just going to say that there are a couple of things that will flow from this. First of all, I am going to write to the Serious Fraud Office concerning Mr Goldring's



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activities over the SRA and his declaration given to the RFU. It appears to my non-legal eye that he has made a financial gain from having told a lie, which is prima facie fraud. I will be referring that. I will also write to John Campion, who is the West Mercia Police and Crime Commissioner, on that particular issue.

When it comes to the game more generally, we will be issuing a special report on our lessons from today. That will probably focus on areas such as—frankly, if it was not so tragic it would be laughable—the fit and proper persons test, the lack of corrective care and a failure of will. I think that this Committee could agree on that. Something we have seen in cricket as well, the huge power imbalance between the players union and the administrators in this instance, has been exposed today. I would also say the lack of co-operation and communication. All in all, it adds up to a failure on an epic scale of the game and it is the reason why you have two clubs that have gone under. That concludes this session.