



House of Commons
Digital, Culture, Media and
Sport Committee

**Current issues in rugby
union**

Sixth Report of Session 2022–23

*Report, together with formal minutes relating
to the Report*

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The Digital, Culture, Media and Sport Committee

The Digital, Culture, Media and Sport Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Digital, Culture, Media and Sport and its associated public bodies.

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[Steve Brine MP](#) (*Conservative, Winchester*)

[Clive Efford MP](#) (*Labour, Eltham*)

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[Simon Jupp MP](#) (*Conservative, East Devon*)

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Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publication

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Committee staff

The current staff of the Committee are Rosie Akeroyd (Committee Specialist), Andy Boyd (Committee Operations Manager), Joe Briggs (Committee Specialist), Dr Conor Durham (Committee Specialist), Ollie Florence (Senior Media and Communications Officer), Dr Stephen McGinness (Clerk), Seb Newman (Second Clerk), Billy Roberts (Media & Communications Officer) and Shekera Rowe (Committee Operations Assistant).

Contacts

All correspondence should be addressed to the Clerk of the Digital, Culture, Media and Sport Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 6188; the Committee's email address is dcmscom@parliament.uk.

You can follow the Committee on Twitter using [@CommonsDCMS](https://twitter.com/CommonsDCMS).

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Wasps and Worcester Warriors

1. Professional club rugby in England developed rapidly after the game went open in 1995. Until the current 2022–23 season, the top-tier league, the Gallagher Premiership, consisted of 13 clubs, with a system of relegation and promotion to and from the second-tier Championship. With the current season under way, two clubs were forced from the Premiership due to financial problems. The fixtures they had fulfilled were discarded from the league table, and the size of the Premiership reduced to 11 clubs for the rest of the season.

Rugby Union benefitted from Government support during the COVID pandemic, which adds to the strong public interest in the events which have led to this debacle. This Select Committee therefore decided to take evidence on these matters and write a short report with our conclusions and recommendations.

Governance

2. In the space of just a few weeks, Premiership rugby lost two clubs, Wasps and Worcester Warriors, leaving hundreds of people out of work and thousands of fans without their clubs. At Wasps, a disastrous and ill-thought-through relocation to Coventry, and the debt incurred to fund this, crippled the club financially. At Worcester Warriors, unscrupulous owners mismanaged club finances while attempting to strip the club of its assets.

One of the most striking facets of the problems at Worcester Warriors was the lack of due diligence undertaken regarding its owners, particularly Colin Goldring. In May, Goldring was barred by the Solicitors Disciplinary Tribunal from working for any legal firm without the explicit permission of the Solicitors Regulation Authority, following significant financial irregularities at the legal firm for which he worked. The SDT found that Goldring “failed to act with moral soundness, rectitude, and steady adherence to an ethical code”.¹ This was seemingly not enough for the Rugby Football Union (RFU) to intervene and end Mr Goldring’s ownership of Worcester Warriors. However, the RFU and Premiership Rugby Limited (PRL) in a joint submission to us acknowledged that change is needed, saying “A fuller, new owners’ and directors’ test, based on other best practice, is being drafted and will be in place for next season”.²

3. Furthermore, we heard about the lack of safeguards in place at the highest levels of the game to prevent the kind of issues seen at Wasps and Worcester Warriors from occurring. At Worcester Warriors, accounts had not been filed for more than a year, with reports of player salaries being paid late from May. At Wasps, problems had been mounting for several years, as Bill Sweeney acknowledged:

The trouble was that it went into [the relocation to Coventry] with a £10 million debt and it used £35 million worth of loans to acquire another business that was also losing money.³

1 Solicitors Disciplinary Tribunal, [12263–2021](#), published 7 July 2022

2 SPG0001

3 Q709

While professional rugby clubs are independent businesses that must be allowed to tread their own financial paths, there can be no doubt that the sport's administrators must have a responsibility to safeguard the game.

4. At the time of writing, both clubs are in the process of takeovers, with chances raised of their participation in next year's Championship, one division below the Premiership. This is not the first time a club has put itself in this position. The current Premiership leaders, Saracens, went through a year in the Championship, where they were relegated for breaching financial rules. However, this should not mask the stress, financial loss and, in many cases, continued unemployment imposed on the staff of both clubs, which could have been avoided with better governance structures, financial monitoring and proactive intervention from the RFU and PRL.

5. The RFU and PRL have since announced a raft of changes to governance procedures aimed at avoiding a repeat of the current situation, including early-warning mechanisms and real-time monitoring to spot financial difficulty earlier; improving financial discipline and best practice across the league; and learnings from other cross-league systems that support long-term sustainable growth that can be applied to the Premiership.

6. According to Bill Sweeney, RFU chief executive, annual losses average about £4 million per Premiership club, consolidated at around £50 million in 2018–19, prior to the impact of covid-19. With this viewed as unproblematic by clubs with wealthy benefactors. Mr Sweeney and PRL chief executive Simon Massie-Taylor told us that a further growth in revenues will solve clubs' financial problems. However, despite Mr Massie-Taylor's noting that Premiership rugby revenues have doubled over the last decade or so, all clubs remain in debt, and there is no evidence that further revenue growth would give different results. The PRL and its partners reaffirmed their commitment to the "Game Plan" aimed at growth for the league, centred on:

collaboration with the RFU and other key rugby stakeholders to grow the game through better cost management across the eco-system, creating more efficiencies through collaboration and alignment of strategy.⁴

While collaboration between authorities was sorely lacking in the run up to two Premiership clubs going bust, there is precious little evidence that an increase will significantly increase revenues.

7. The financial situation of Premiership clubs is clearly unsustainable, and we are surprised by the very complacent belief of Bill Sweeney and Simon Massie-Taylor that further growth in club revenues will solve these problems.

8. The demise during the playing season of two Premiership clubs is a stain on the reputation of the RFU and PRL. It is not indicative of a healthy professional setup. We welcome the planned reforms to prevent similar occurrences in the future, but such alarming circumstances should not have been required in order for the RFU and PRL to realise the necessity of these reforms.

Player welfare

9. We are disappointed with the lack of attention paid to the welfare of players throughout this process. As Judith Batchelar OBE of the Rugby Players Association (RPA) noted, “clearly without the players there is not a game of rugby”.⁵ Worcester Warriors players, having been paid late in May, July and August, and not at all in September, deserved greater protection from the sport’s authorities, while academy players were evicted from their accommodation. Similarly, Wasps players were given little notice of the termination of their employment. All players of both clubs became unemployed at a time when most other clubs had finalised their squads for the season, making finding a new team difficult.⁶

10. At the time of writing, 82% of the 116 players made redundant had found alternative employment in rugby or in new careers,⁷ but those not so fortunate have been little supported by the very authorities that share at least some responsibility for their situation. The RPA was able to offer some assistance, meeting the medical bills of 15 players and offering all players legal advice,⁸ but the RFU and PRL were unable to offer any financial assistance. Comparison was made with cricket, in which some county clubs have instituted a benevolent fund for players who fall on hard times.

11. In July 2021, we published our “Concussion in Sport” Report, which looked at the impact of concussion on athletes across a range of sports. We were encouraged by the broad support our recommendations received from the Government and retain an interest in how the situation is changing on the ground. Steps have been taken in recent years, including, but not limited to, the roll-out of instrumental mouthguards to collect more accurate data on head impacts; the salivary test study; and the advanced brain clinic for players aged between 35 and 55. The Professional Game Agreement is currently under negotiation, which will significantly affect players, including in the number of games they play. Judith Batchelar OBE asked for players to become formal signatories to that agreement.

12. **It is vital that player welfare becomes the central concern of the authorities going forward, with the introduction of a form of benevolent fund a pressing need. We support the steps taken on concussion and hope that continues, but we recommend that the RFU adopt measures to give players a stronger say in all matters relating to their welfare.**

RFU finances

13. We continue to have questions about the state of RFU finances. Francis Baron, former chief executive of the RFU, supplied us with information suggesting that the RFU’s finances had in recent years significantly declined, with reserves depleted and losses made. Bill Sweeney told us:

Our annual report will be published fairly soon, at the end of this month. It will show reserves of £126 million; £90 million of that is from the CVC

5 Q720

6 Written evidence ([SPG0002](#))

7 Ibid.

8 Ibid.

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.⁹

14. We await the publication of the RFU annual report. We recommend that when the annual report is published, the RFU writes to us with a detailed commentary of its financial position and what steps it will be taking to prevent further clubs collapsing, with consequent damage done to players, staff and local communities.

Conclusions and recommendations

Governance

1. The financial situation of Premiership clubs is clearly unsustainable, and we are surprised by the very complacent belief of Bill Sweeney and Simon Massie-Taylor that further growth in club revenues will solve these problems. (Paragraph 7)
2. The demise during the playing season of two Premiership clubs is a stain on the reputation of the RFU and PRL. It is not indicative of a healthy professional setup. We welcome the planned reforms to prevent similar occurrences in the future, but such alarming circumstances should not have been required in order for the RFU and PRL to realise the necessity of these reforms. (Paragraph 8)

Player welfare

3. It is vital that player welfare becomes the central concern of the authorities going forward, with the introduction of a form of benevolent fund a pressing need. *We support the steps taken on concussion and hope that continues, but we recommend that the RFU adopt measures to give players a stronger say in all matters relating to their welfare.* (Paragraph 12)

RFU finances

4. *We await the publication of the RFU annual report. We recommend that when the annual report is published, the RFU writes to us with a detailed commentary of its financial position and what steps it will be taking to prevent further clubs collapsing, with consequent damage done to players, staff and local communities.* (Paragraph 14)

Formal minutes

Tuesday 10 January 2023

Members present:

Kevin Brennan

Clive Efford

Julie Elliott

Rt Hon Damian Green

Dr Rupa Huq

Simon Jupp

John Nicolson

Jane Stevenson

Rt Hon Damian Green took the Chair, in accordance with the Resolution of the Committee of 10th January 2023.

Draft Report (*Current issues in rugby union*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 14 read and agreed to.

Resolved, That the Report be the Sixth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No.134.

Adjournment

Adjourned till Tuesday 17 January at 2.00 pm.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Thursday 24 November 2022

Carol Hart, Head, Worcester Warriors community foundation; **Robin Walker MP** [Q607–652](#)

Judith Batchelar OBE, Chair, The Rugby Players Association; **Simon Massie-Taylor**, Chief Executive, Premiership Rugby; **Bill Sweeney**, Chief Executive, Rugby Football Union [Q653–727](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

SPG numbers are generated by the evidence processing system and so may not be complete.

- 1 Premiership Rugby; and Rugby Football Union ([SPG0001](#))
- 2 The Rugby Players Association ([SPG0002](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2022–23

Number	Title	Reference
1st	Amending the Online Safety Bill	HC 271
2nd	Promoting Britain abroad	HC 156
3rd	Reimagining where we live: cultural placemaking and the levelling up agenda	HC 155
4th	What next for the National Lottery?	HC 154
5th	Economics of music streaming: follow-up	HC 874
1st Special	Major cultural and sporting events: Government Response to Committee's Ninth Report of Session 2021–22	HC 452
2nd Special	Influencer Culture: Lights, camera, inaction?: ASA System and CMA Responses to the Committee's Twelfth Report of Session 2021–22	HC 610
3rd Special	Influencer Culture: Lights, camera, inaction?: Government Response to the Committee's Twelfth Report of Session 2021–22	HC 687
4th Special	Rt Hon Nadine Dorries MP	HC 801

Session 2021–22

Number	Title	Reference
1st	The future of UK music festivals	HC 49
2nd	Economics of music streaming	HC 50
3rd	Concussion in sport	HC 46
4th	Sport in our communities	HC 45
5th	Pre-appointment hearing for Information Commissioner	HC 260
6th	Pre-appointment hearing for Chair of the Charity Commission	HC 261
7th	Racism in cricket	HC 1001
8th	The Draft Online Safety Bill and the legal but harmful debate	HC 1039
9th	Major cultural and sporting events	HC 259
10th	Another pre-appointment hearing for Chair of the Charity Commission	HC 1200
11th	Pre-appointment hearing for Chair of Ofcom	HC 48

Number	Title	Reference
12th	Influencer culture: Lights, camera, inaction?	HC 258
1st Special Report	The future of public service broadcasting: Government Response to Committee's Sixth Report of Session 2019–21	HC 273
2nd Special Report	Economics of music streaming: Government and Competition and Markets Authority Responses to Committee's Second Report	HC 719
3rd Special Report	Sport in our communities: Government Response to Committee's Fourth Report	HC 761
4th Special Report	The future of public service broadcasting: Ofcom Response to Committee's Sixth Report of Session 2019–21	HC 832
5th Special	The Draft Online Safety Bill and the legal but harmful debate: Government Response to the Committee's Eighth	HC 1039

Session 2019–21

Number	Title	Reference
1st	The Covid-19 crisis and charities	HC 281
2nd	Misinformation in the COVID-19 Infodemic	HC 234
3rd	Impact of COVID-19 on DCMS sectors: First Report	HC 291
4th	Broadband and the road to 5G	HC 153
5th	Pre-appointment hearing for Chair of the BBC	HC 1119
6th	The future of public service broadcasting	HC 156
1st Special Report	BBC Annual Report and Accounts 2018–19: TV licences for over 75s Government and the BBC's Responses to the Committee's Sixteenth Report of Session 2017–19	HC 98
2nd Special Report	The Covid-19 crisis and charities: Government Response to the Committee's First Report of Session 2019–21	HC 438
3rd Special Report	Impact of Covid-19 on DCMS sectors: First Report: Government Response to Committee's Third Report of Session 2019–21	HC 885
4th Special Report	Misinformation in the COVID-19 Infodemic: Government Response to the Committee's Second Report	HC 894