

## DCMS Select Committee Written Evidence

### The Players Experiences

We must not underestimate the impact that the collapse of both Wasps and Worcester Warriors has had on the men, women and young academy players, their colleagues at the clubs, and the fans. The whole of the rugby community has been devastated by what has happened at Worcester and Wasps because it has destroyed the very heart of what we all refer to as the “rugby family” and the values we hold dear, values that are central to the game that we all love.

When we listen to the players talk about what has happened to them and how they feel, a number of themes emerge: the lack of communication and transparency, particularly at Worcester, where players were often kept in the dark and the last to know about what was happening, very much on the periphery of the crisis, and often getting their information from social media and/or from the RPA. The lack of transparency and certainty undoubtedly increased the mental strain placed upon players, coaches and staff.

Then as things started to play out it became apparent that some of the agreements, rules and processes within the game placed them at a disadvantage. For example, when the Worcester players were paid late (this occurred for the first time in May and then again in July and August), they were solely reliant upon the protections from their contracts. This involved a 28 day rectification and breach of contract process before they could terminate their contracts and which, in Worcester’s scenario, gave the club too much leeway. Whereas a regulatory system akin to that in football would have seen the club having to self-report late payment and sanctions being automatically imposed by the league - serving also as an early warning mechanism.

Finally, when the worst case scenario, and some would say the inevitable, happened there were insufficient safety nets provided by the game, beyond the considerable support provided by the RPA for its members, that is set out below and in detail at **Appendix A**. For example, the RPA’s charity, Restart, has had to step in and pick up the cost of medical support following the collapse of both clubs, to allow players to maintain fitness and seek new playing contracts.

In the case of Wasps, the sudden redundancies following administration were a complete shock for players and staff that they didn’t anticipate because a rescue package had been expected. Whereas the long and protracted process at Worcester was accentuated by the complete lack of effective communication and broken promises of the owners. Rugby didn’t plan for these risks well enough as a collective, in fact the rugby ecosystem has lived with the knowledge that the Premiership clubs lose money for so long we forgot what a very real risk it was particularly after Covid and lockdown. The players feel let down, the game should have been prepared for this and at least mitigated the risks, and that is a failure of Governance.

There will always be areas where Governance can be improved but it is not just the Governance that mitigates risks it is the good Governance that provides resilience and a solid platform, for the game to build on. Without that good Governance in place it is unlikely any growth will be sustainable.

### RPA Player Support

We are hugely proud of the way that the team at the RPA has worked to support these clubs and all the players, and indeed some of the staff, whether they were members of the RPA or not. In the space of two weeks, 116 RPA members were suddenly without employment. Whilst we are a small organization with limited resources, our colleagues have worked long hours, under significant strain and still are supporting their players but it has also had an impact on us. The legal costs alone, to enable us to provide the best insolvency and employment advice to the players throughout this

crisis, have been substantial and represent a relatively big and unplanned investment for us. This is in addition to the extensive one to one support provided to the players by our RPA Development Managers to assist the players with their job searches, introduction to recruitment agencies, wellbeing, making applications under the National Insurance Fund and transition to new jobs/careers. Out of 116 players made redundant from Wasps and Worcester, at the time of writing, 82% have found alternative employment, whether in rugby or in other industries, with considerable help throughout from the RPA. This has also led to many players having to seek opportunities abroad or short-term playing contracts.

There are a number of other things that the players would want us to say:

1. The first is to counter the accusation that player salaries and, in Worcester's case that reticence to take Covid pay cuts, were part of the issue. This is simply not true. Player salaries are negotiated with the club, it is for the club to manage their budgets accordingly. The players at both clubs took Covid pay cuts (in Wasps' case they were unilaterally imposed). The Salary cap reporting means we know what the distribution of salaries across the Premiership looks like, the average salary often quoted does not represent what most players earn (with two marquee players per club permitted to sit outside the cap inflating average figure), and players earning less than £30k are excluded from the report publicly released. The question we should really be asking ourselves though, is why can't the game afford to reward the players who make it all possible with a fair deal? We say this because everyone would agree that Premiership rugby has never been more entertaining, exciting, skillful and watchable, and we should be able to reward those players that make it so.
2. The second thing they would want to say is when we are planning the future of our game please give us a seat at the table, as PARTNERS, we are a big part of the game and we want to play our role in determining our future and to be part of the solution and not part of the problem, which is how it sometimes comes across and certainly feels like to the players.
3. The third thing is that as players their performance is measured, scrutinized and reported on, including disciplinary measures, in a very public way, both on and off the pitch, they feel that the same level of reporting on the performance of those organisations managing the game is required.

There are many lessons to be learned from this crisis we find ourselves in, we owe it to the players, colleagues and fans of these two clubs to make the changes that need to happen a reality, at pace, and ensure the game is set up to thrive for all parties in the future. At the same time we need to do everything within our power to ensure that something like this never happens again and if it does that the right interventions are in place to support the victims who find themselves in this position through no fault of their own.

We have a real window of opportunity over the next 12 months, the growth of the women's game gives us a real opportunity to set things up for them to be successful. They would expect that. We have the new Professional Game Agreement which will rewrite the rules for the men's game for the next 8 years, and we have the opportunity to ensure the best science, data and objective management information protects the players we all enjoy watching play the game we all love. We do believe we can do this.

## **What is and isn't best practice?**

### **Benchmarking**

The question was asked in the evidence session about the French model, we believe there are good examples in many places and not everyone has got it right on everything, but we would point out that:

- the Benevolent Fund that exists in cricket
- the sanctions that exist in football
- the independent financial oversight that is in place in other geographies; and
- the salary cap model that exists in other sports

are just a few examples of best practice and these have informed our comments many of which were discussed in the Select Committee hearing itself. Many of these models use revenue-based mechanisms which means there is a very clear link to what the game deems fair, reasonable and importantly in this context, can afford. We make this last point as good governance systems and certainty are the basis of longer term planning and any sustainable growth.

Good governance processes ensure that you are constantly looking at how your own operating model, policies and procedures stack up against others in the outside world, looking to find best practice within and across sectors. We have carried out benchmarking across different jurisdictions and different sports and we know what constitutes the “norm”. English rugby has the aspiration to be World Class and so given these benchmarks we know what needs to be done to catch up with the best and future proof it, and then ultimately to be ahead, at the leading edge of the game. On the basis of this benchmarking we are not suggesting anything that does not already exist elsewhere.

### **The Players comments and suggestions**

These suggestions address the Worcester and Wasps learnings as well as the biggest and most material issues for the game and the players within it. Key is how we discharge these accountabilities in the most appropriate, proportionate, cost effective and impactful way with the right levels of independence and transparency and working together.

1. We look forward to the opportunity to work collaboratively with the RFU and PRL through the existing structures, to help define and formally agree the scope of what an enhanced and world class Professional Game Agreement will look like when this comes a reality in 2024.
2. On the revisions to the Standard Contract we are already in conversations with Premiership Rugby on the learnings from the episodes at Worcester and Wasps and what changes need to be made to the Standard Contract as a consequence. Early indications are that this will potentially include as examples:
  - a) Widening of insolvency events definition to allow players to leave their contracts following a range of different insolvency events
  - b) Revision of termination of contract provisions in response to non/late payment to protect players
  - c) Safety net and greater support provisions for those leaving the game
  - d) Academy players – distinct recognition and protection for academy players via specific Academy Player Contract

3. On support for the players, agreed mechanisms to be established that clearly and transparently link “Player Money” (i.e. money paid to players or invested in their welfare) to the revenue generated by the game and hence affordability and long term sustainability:
  - a) Salary Cap levels – transparent mechanism for setting of salary cap levels to be discussed, created and endorsed by Premiership Rugby, RFU and the RPA
  - b) Player minimum wage for the Premiership to be agreed between the RFU, Premiership Rugby and RPA
  - c) Investment in RPA player development and welfare programmes e.g. the RPA Gain Line programme (that delivers education, personal development, welfare and career transition support to players) for the men’s and women’s game
  - d) Game-funded Retired Player support
    - Collective support through the vehicle of RPA Retired Player programme
    - Individual cases through Restart (official charity of the RPA)
    - Enhanced career-ending insurance for players
  
4. On Financial Regulatory matters that we are collectively discussing as rugby stakeholders and through the work that PRL have already begun on the whole area of transparency and disclosure.
  - a) Early warning signals – events that signal financial problems need formal self-reporting process e.g. late payment of players and staff
  - b) Actions as in football – automatic sanctions for late payment and a lack of self-reporting of by clubs e.g. points deduction
  - c) Transparency and Disclosure - all entities in rugby voluntarily have the best standards in disclosure and transparency alongside FTSE 100 companies to reflect the public profile that they enjoy in their communities
  - d) Annual reports - should have consistent year ends to reflect the season structure and enable meaningful comparison between clubs. Annual reports should be submitted within 3 months of year end for all entities in Rugby. This would include the RPA revisiting its own auditing and reporting timetables to align with the sector.

All of the above can be achieved with well informed, and data evidenced based Governance with independent oversight or expert advice and input where needed. We have already shown we can do this in other areas of the game and we should shine a light on where that is happening. For example, ESG reporting showcasing the community and social impacts at club level, the work we are collectively doing on equality, diversity and inclusion, and the development of the women’s game.

Finally, we were asked about our own finances and to provide clarity on that:

## **RPA Finances**

### **1. Background**

The RPA is a Not-for-Profit organisation consisting of three separate entities; The Rugby Players’ Association (Registered Trade Union), RPA Management Ltd (commercial entity whose activities provide financial support to the RPA) and Restart Rugby (Registered Charity).

Internally the RPA team shares the collective vision that we want to be regarded as the most progressive Players Association in the UK and globally.

The RPA has four main areas of activity:

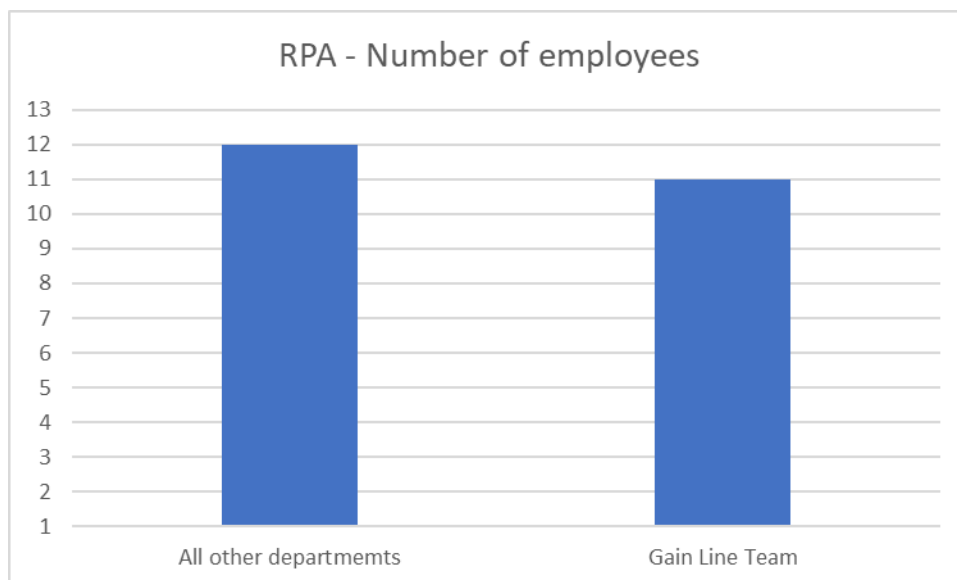
- Player Development and Welfare – to enhance work/life balance, alternative employment and financial and wellbeing prospects during and at the end of professional rugby careers via the RPA team of Development Managers (DMs)
- Player Representation – enhancing employment conditions for its members while playing rugby
- RPA Commercial Programme – organising an annual calendar of events and securing commercial partnerships and supplier deals to help fund the above
- Supporting Restart – the official charity of the Rugby Players Association

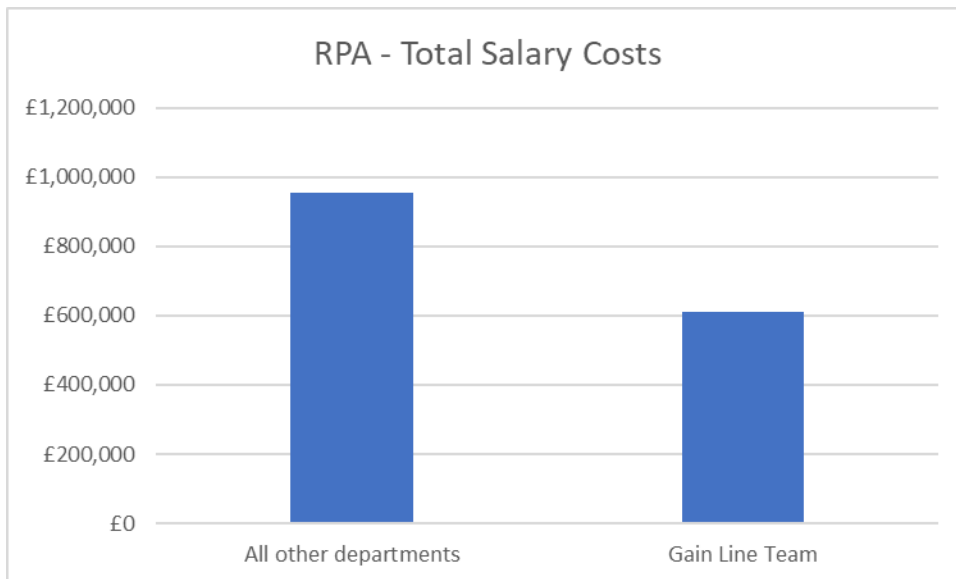
Direct impacts of the RPA carrying out the above are:

- Assisting with the overall growth of English Rugby, from grassroots to elite level
- Attracting and retaining top English professional players, as a result of a defined career pathway and welfare support in the event of premature curtailment of playing careers through injury
- Enhancing the Image of the Game and so bringing more spectator and business partner revenue to both the RFU and Premiership clubs

These activities and outcomes are achieved through the RPA staff and Restart, the costs for both of which are funded by a combination of member subscriptions, RPA managed commercial fund-raising events and securing corporate partners and, most significantly, annual project-based funding from PRL and the RFU.

The RPA has a total income of £3m and employs 23 members of staff. The total wage bill of the RPA is £1.5m, with an average salary of just over £50k. RPA expenditure levels match income, with the RPA achieving a break-even position for its 21/22 year-end. The RPA exists to provide a service to all of its members and fulfils service this through by its employees carrying out a number of key roles.





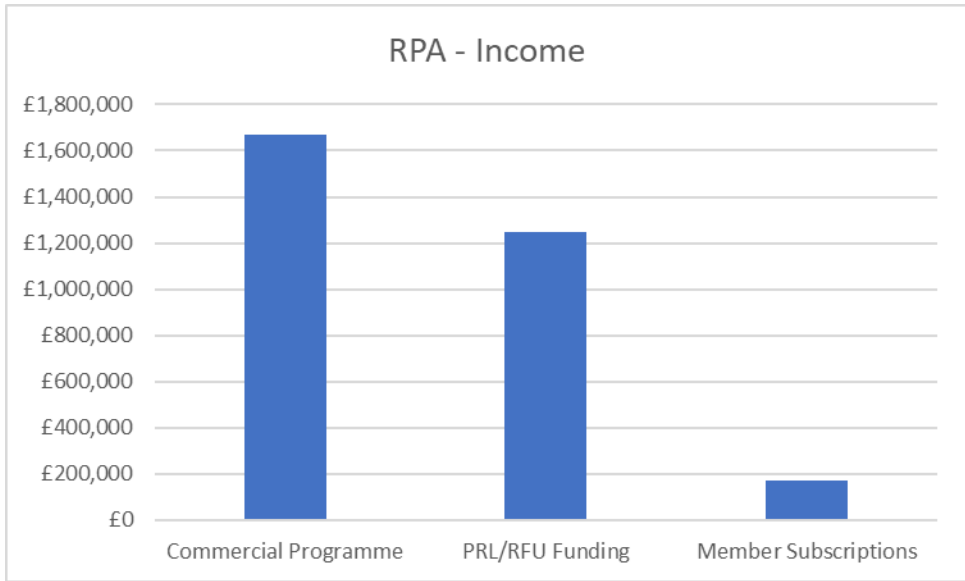
## 2. How the RPA is funded

The RPA commercial programme and member subscriptions fund the RPA's Union activities and administration support to Restart, the official charity of the RPA. These funds make a contribution to the Player Development and Welfare programmes, including the Gain Line, which are largely funded by PRL and RFU through a funding agreement which currently runs from 2021 to 2024 (3 years).

RPA Management Ltd is the commercial arm of the RPA, generating essential revenue through the RPA Commercial Programme, consisting of partnerships, sponsorship, events and corporate hospitality. The commercial programme offers potential partners unprecedented access to elite rugby players to help market their brand as well as leveraging their association within the sport. Crucially, our Business Partners investment has a direct impact on our members and provide essential welfare services and opportunities to them all. In addition, the revenue generated helps grow the future of the game by helping its most valuable assets, and by supporting Restart Rugby – The Players' Charity.

It is also important to note that RPA members continue to contribute to the Association through both their time and their annual Player Subscriptions. The subscription level is currently set at a realistic level, which is comparatively higher than that of Player Associations within both cricket and football.

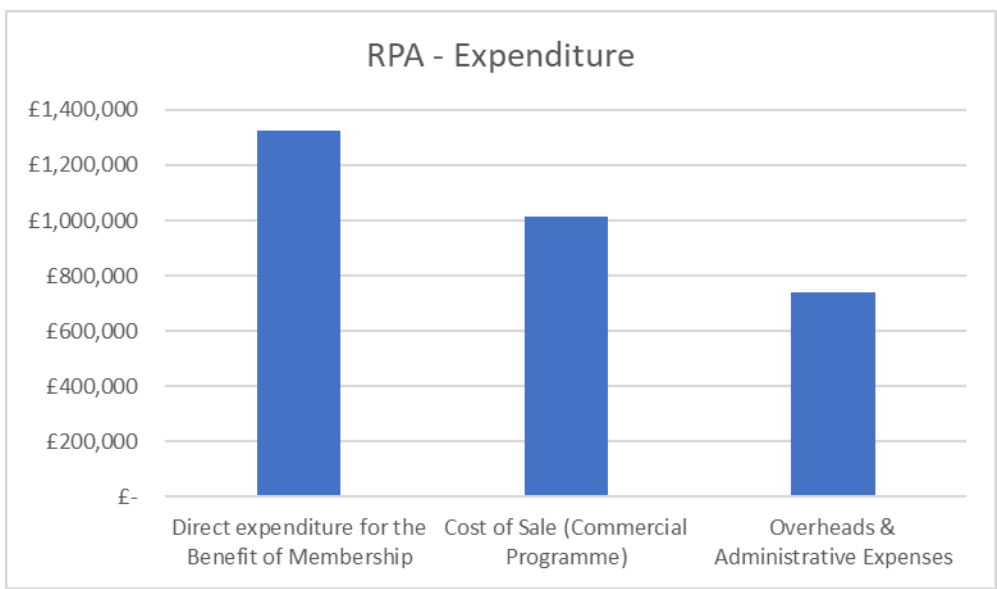
- a) The current combined funding level received from PRL and the RFU (£1.2m for 21/22 season, we believe this funding is <1% of the revenues generated) constrains the provision of services to players in critical areas such as personal development, insurance and minimum standards, which in turn has a direct negative impact on players' welfare, wellbeing and the overall reputation of the professional game. These matters have been previously identified in the recent RFU/PRL Heads of Agreement as critical to the long-term success of the Game.



A significant element of the income received is allocated to the Gain Line and other areas of direct expenditure for the Benefit of Membership, including a contribution to a career ending insurance policy and legal costs attributable to the activities of the trade union on behalf of its members.

The Gain Line programme helps players to be proactive, prepared and committed off the field as well as on it. Through the programme, players are supported with their welfare and off-field personal development, education, and career exploration. It benefits players by encouraging them to pursue a balanced lifestyle and prepare for life after rugby, while enhancing their playing performance.

The Gain Line programme is delivered by a team of eight independent Development Managers (compared with only 1 in 2004) and a full-time Wellbeing & Transition manager, plus the Head of Gain Line, all who are employed by the RPA and supported by one further member of staff. The primary focus of the Development Managers is to provide independent and tailored one-to-one support to players, as recognised by the World Player Association’s Development, Wellbeing, Transition and Retirement Standard.



Whilst the RPA seeks to grow its commercial programme and revenues further, the RPA is currently constrained in this area by the rugby-supporting business sector preferring to contribute more directly to match-based profile heightening campaigns, that is, to the benefit of Premiership Clubs and the RFU.

The RPA has shown over several years that sound financial, operational and risk controls are in place and reviewed on a regular basis through its Board and annual external audit. Since its inception, the RPA has maintained prudent cost controls, and this will continue to be the case going forward. Both the RFU and PRL are given regular updates on the finances of the RPA and there continues to be full transparency around the activities of the RPA.

The reason the RPA exists is to make the world a better place for our members and players more generally, both on and off the pitch. That means making sure the PLAYER'S VOICE is heard, not the RPA's. We are working hard to make that a reality but that can only happen when player's feel comfortable to speak up and when they well informed and up to date.

### **Appendix A – RPA support to Wasps and Worcester players**

#### **What role has the RPA played?**

Since news broke of the winding up petition against Worcester Warriors in August and subsequently that Wasps had entered a notice to appoint an administrator in September, the RPA has worked tirelessly on behalf of players at both clubs, offering advice and support via:

- In-person club visits
- Providing regular communications to players to update them on the unfolding situations at both clubs
- Providing regular and consistent expert legal and regulatory advice and support from RPA lawyers for both playing squads and individual players via meetings, written advice and FAQs focusing on club insolvency, its effect on the players and their employment rights
- Assisting and advising Worcester players on serving notice of breach of contract relating to late payment
- Lobbying/liaising on behalf of the players with the Worcester and Wasps ownership, RFU, Premiership Rugby and DCMS throughout – including arranging meetings for the players with RFU and Premiership Rugby representatives
- Liaising with player agents to assist their support of players
- Providing the RPA 24/7 Confidential Counselling Service (also extended to staff at both clubs)

Following the player redundancies, our focus has been on:

- Providing financial support for players' medical treatment via Restart, following collapse of the clubs
- Successfully lobbying the RFU and PRL to waive the application of the RFU Academy Compensation Regulations to academy players moving from Wasps and Worcester
- Creation of a Free Agents List to circulate details of available players to other clubs domestically and overseas
- 1 to 1 player support from RPA Development Managers e.g. CVs, job search, introduction to recruitment services, education opportunities, facilitating financial advice, personal wellbeing
- Liaising with local gyms and physios to provide free/reduced price access
- Advice on claiming for redundancy, arrears of pay, notice pay and other payments under the National Insurance Fund



- Advice and guidance on claiming a protective award from the Employment Tribunal, due to the lack of consultation on the redundancies
- Advice on accessing state-funded support
- Advice for players on asserting their claims as Rugby Creditors under RFU regulations

**Can you explain the impact this has had on players?**

- Both sets of players were devastated to have had their careers severely impacted and for their employment to disappear
- Some of these players have been with these clubs for their entire careers
- Out of 116 players to have lost their jobs, approximately 82% have found work either in rugby or in new careers
- For both sets of players the experience was different:
  - Worcester's players were put through a torturous 7 week period of:
    - Hopes raised and dashed of rescue by rumours of new ownership
    - Lack of significant communication from the owners and broken promises played out in the media
    - Academy players evicted from their housing
    - Mental strain and anguish of uncertain futures
    - Non-payment for September
    - Expectation of the club entering administration not occurring for WRFC Players Limited, leaving players in limbo
    - Still playing matches faced with uncertainty over futures and prospect of injuries
    - The eventual inevitability of the company's liquidation, once it became clear that a rescue was not going to happen
  - Wasps' players had a shorter timeframe of uncertainty (21 Sept announcement of Notice of Intention – 17 Oct administration and redundancies) but, despite the regular communication from the club's directors, sudden redundancies following administration came as a shock. The effect on the players was devastating.