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To Chairs, Honorary Secretaries and Honorary Treasurers of Constituent Bodies and Clubs

2019-20 Business Planning Communication

As you may be aware, the RFU is currently dealing with a challenging financial period and is having to make some reductions in investment across the professional game, in general overheads/cost of sales and in community rugby. While the community game investment for 2019-20 remains significant at close to £30m, the Community Game Board (CGB) has had to make some difficult decisions about where to invest.

In making these decisions the CGB has sought to minimise material impact on the majority of clubs. Frontline support has been prioritised and we have, wherever possible, suspended investment streams that can, where appropriate, be re-introduced easily at a later stage. We are confident that the impact of these reductions on the majority of our 1,250 member clubs are as minimal as possible with the overall investment continuing to offer significant support in sustaining and growing our game.

The RFU Board of Directors will formally sign off the 2019-20 Business Plan in May. The Board has considered the CGB proposals, which will form part of the business plan and has accepted the CGB recommendations. Recognising the importance of early communication to enable clubs, CBs and others to plan accordingly for next season, we wanted to alert clubs and CBs now to some changes in order to give as much early warning as possible.

Inevitably, there are many differing views across the game about which interventions, funding and programmes make the biggest difference - and most of these views are right and relevant in different areas. In addition, many of our current investment areas are tied to revenue streams (eg with commercial partners or from government sources) and so these are restricted funds which cannot easily be reduced. Following reductions in staffing last year, the decision has been made to sustain staffing at its current level and also to make no changes to club and catastrophic injury insurance.

The key reductions affecting clubs and CBs in 2019-20 are summarised as:

1. PFR funding to CBs. This will be reduced overall by c 10%. The seven highest funded CBs: Essex, Gloucestershire, Kent, Lancashire, North Midlands, Surrey and Yorkshire will be subject to an 18% reduction. The next three (East Midlands, Middlesex and Notts, Lincs and Derbys) are capped at £80k, the next three (Cheshire, Eastern Counties & Somerset) are capped at £75k, with other geographic CBs remaining static. In addition, there will be an 18% reduction for all National CBs, except ERFUSU (Schools) and RFRU (Referees), which will remain static.
2. Investment in facilities. The large grant Facilities Fund (currently £1m pa) will be suspended for 2019-20 and the small grants fund (currently distributed via the

Rugby Football Foundation) will be reduced by 50% from £500,000 to £250,000 for 2019/20.

3. Match officials at Level 3-5. The total funding available to support officiating at these levels will be reduced by c 35%. This will require changes to how match officials are recruited, developed, appointed and will necessitate increased charges to teams/clubs at these levels. More information on this will follow to affected clubs.
4. Travel funding. Total travel and accommodation funding for onshore and offshore league and cup travel for adult male and female teams will be reduced by c 33% (from £1.55m to £1.05m). CGB prioritised the preservation of current onshore travel funding levels to male clubs teams at Level 7 and below, and female teams at National Challenge 1 and below. Preservation of current funding levels to onshore clubs who travel to the Channel Islands, Isle of Man and Isle of Wight for offshore matches, is also prioritised with some increased contributions required from offshore clubs. This means that the bulk of the reductions will be felt by men's teams in Levels 3-6. More information on this will follow to affected clubs.
5. Community Game competition finals held at Twickenham. These will be reduced for next season. In season 2018-19, 15 finals across clubs, CBs, schools and students were held at the stadium. Rising costs of staging these events and a reduction in subsidy of c 66% mean that rationalisation is necessary. Work on options is underway.
6. County Championships. Participation funding for CBs in the County Championship will be reduced by 40%, resulting in a reduction per CB from £10k to £6k dependant on a CB entering all three competitions. Further proportionate reductions for those entering less than three will still apply.
7. Aspirational Teams. The funding for the current four aspirational teams (England Counties, England Counties U20s, England Counties U18s and England Students) has been reduced by 30%, resulting in the suspension of the England Students programme for 19/20.
8. Artificial Grass Pitches. The planned build of 10 outstanding pitches has been suspended for 2019/20. These clubs have been notified and it is hoped to re-commence the works in the near future.

In addition to the eight key areas highlighted above there are also reductions in operational budgets which will have a knock-on effect to clubs and CBs. This includes the removal of direct funding for specific initiatives to support female coaching/officiating and young match officials, updating content production for coaching/refereeing and removal of subsidies for schools and colleges to attend CPD. There will be no central funding to the Leadership Academy Programme Leadership Academy (this will remain open but will require CBs/clubs to fund the costs) and the Leadership in Union Programme will be taking a planned break in 2019-20.

Changes in how the training programme for coaches and match officials is operated will be implemented from 1st July 2019. We will no longer offer a regulated qualification as part of the England Rugby Coaching and Refereeing Awards (learners will be able to undertake an independent assessment with the qualification provider at their own expense). Course fees will also increase slightly.

We appreciate that this is not easy news to deliver. Last summer, we began a series of communications and discussions with the game, facilitated through the CGB and Council members, to give an early warning of the impending 2019-20 budget cuts, and ensure we consulted with the game as much as possible to work out the best way to implement the budget adjustments needed.

Work is in progress across the RFU to reduce our general overheads, cost of sales, and the Professional Rugby budget. This work will soon be completed and communicated through the 2019-20 business plan, which all RFU Council members will have full sight of. In advance, we hope that this briefing on the Community Game Programme for 2019-20 helps your club plan for the year ahead.

As ever, if you need more information, please contact RFU staff or your RFU Council member.

Best regards

Rob Briers – Chairman of Community Game Board
Steve Grainger – Rugby Development Director