

CUMBRIA RUGBY FOOTBALL UNION

DISCIPLINARY JUDGMENT

ST BENEDICTS RUFC (“the Club”)

HEARING DATE: 9th December 2020

HEARING VENUE: Via Zoom

In Attendance:

DISCIPLINARY PANEL: Mike Hamlin-RFU-Chairman,
Mike Neal- Cumbria, David MacInnes – Cumbria

Cumbrian Disciplinary Secretary – David Morton

The Club: David Wood-Chairman; Richard Todd-
Treasurer; Neil Carruthers-Player Registrar; Sean
Doran- Committee Member

Also in Attendance: Rebecca Morgan-RFU Zoom
Facilitator; Amanda Evans-Cumbria-(Observer)

PARTICULARS OF OFFENCE:

“That St Benedict’s RUFC are guilty of conduct prejudicial to the interests of the Game in that they have persistently failed to submit their audited accounts in accordance with the Rules of

The Cumbria Rugby Football Union contrary to Rule 18.2 of the Rules of Cumbria Rugby Football Union and contrary to Rule 5.12 of Regulations of the Rugby Football Union.”

1. The Club admitted the offence.
2. Detailed documents and emails had been provided to the Club and the Panel in advance of the Hearing. David Morton on behalf of Cumbria RFU outlined the circumstances of the offence.
3. Rule 18.2 of Cumbria RFU Rules in force at the time of the commission of the offence provided (amended in 2020) as follows:

“On or before the 1st October each year a properly prepared financial statement for the previous season shall be sent by each club for examination by the committee. Such financial statement shall be audited in accordance with the rules of the union”

4. Rule 5.12 RFU Rules provides that:

“The Union shall have power to discipline any (a) Member; (b) Rugby Body; (c) non-voting member of the Union; (d) any player, official, member or employee of a Member or a Rugby Body; or (e) any other person or body that submits to the Union’s jurisdiction to discipline them; for any infringement of

these Rules, the RFU Regulations, The Laws of the Game or the World Rugby Regulations and/or for any conduct which is prejudicial to the interests of the Union or the Game or which amounts to cheating. The Union may terminate or suspend membership of the Union or impose any other appropriate punishment for a breach of RFU Rule 7 effective from 1st August 2020 for any such offence”

5. The Club are members of both the RFU and Cumbria RFU and therefore bound by the Rules and Regulations referred to above.

CIRCUMSTANCES of OFFENCE:

6. Between 2017 and 2020 the Club persistently failed to submit their accounts for auditing during this period. Cumbrian committee officials tried unsuccessfully to persuade the Club to comply with the relevant requirements of the financial rules. Between 2017 and 2019 Cumbria RFU and their officials, and in particular the County's Treasurer, Linda Cameron had offered help to the Club with the completion of their accounts and relevant paperwork. The Club were advised to incorporate. Notwithstanding this offer of assistance and help, the Club had failed to file with the Cumbrian Treasurer accounts to the required satisfactory

standard. The Club had also not complied with regulations appertaining to the RFU/England Rugby Accreditation Scheme which resulted in the Club's accreditation being withdrawn.

7. On 10th September 2019, John Heyworth, CRU Chairman wrote to the Club's Secretary Stephen Howse, inviting the Club to a meeting on 18th September to, inter alia,

“explore ways of avoiding further sanctions against your club for continued non-compliance with CRU & RFU regulations despite many recorded attempts to help you resolve this.”

The Club officials attended the meeting on 18th September. An action plan was agreed. Unfortunately, the plan was not implemented in full and the accounts outstanding were not filed.

MITIGATION:

8. Richard Todd, the Club's Treasurer spoke on behalf of the Club and the officials who attended the hearing. Mr Todd had taken over from Colin Murdock, (an accountant by profession) in 2017 who had been Treasurer for many years. Mr Todd has no accountancy qualifications. He initially encountered problems with

the Club's bank. The Club's account had been in the personal name of Mr Murdock. The bank mandate required only one signature and that is still the position. (In the opinion of the Panel this position needs to be rectified immediately). Mr Todd did provide financial information but it was not acceptable to Cumbria's Treasurer. He had been using a type of spreadsheet as the format for the accounts, but accepted that he needed to rectify matters. He had acquired some accountancy software and in January 2020 thought he was on the road to progress.

9. The action plan agreed in September 2019 at the meeting referred to above was in the process of being implemented and then the pandemic arrived. He acknowledged that accurate and acceptable accounts for the past 3 years remain outstanding. He stated that it was not a deliberate refusal to comply but unfamiliarity with accountancy process. Fortunately, the club did not face any financial difficulties, in fact the Club had a relatively healthy bank balance, the details of which were disclosed to the Panel.

10. Mr Todd also confirmed that he and another member of the committee would be prepared to attend the RFU's Rugby Leadership Network

Programme which is to be launched in 2021 specifically to deal with managing a club's risks and liabilities.

SANCTION:

11. The Panel made the following findings:

1. The offending was serious. The Panel accepted that the change of treasurer at the club had created problems. Mr Todd had no accountancy experience unlike Mr Murdock. However, the requirement for all clubs to comply with financials rules and regulations is an important obligation.
2. The breaches had been ongoing for 2 years before the September 2019 meeting.
3. Whilst not intentional or a deliberate flouting of the rule, the failure to comply with the help offered and recognise that the Club needed to put its house in order, was conduct which was unacceptable.
4. It was not acceptable that even at the date of the hearing, the amended/finalised accounts had still not been filed or completed. Notwithstanding the existence of the pandemic, the Club had, in the Panel's judgment, time to rectify matters since March 2020.

12. Sanction is at large for offences contrary to Rule 5.12 and can range from a reprimand, financial penalty to suspension from the union or any punishment the panel deem appropriate based upon the circumstances of the case. Based upon the findings above a reprimand was inappropriate. Cumbria is a small county, comprising 20 clubs. The other 19 clubs readily comply with the financial regulations, as did the Club till 2017. The Panel had no desire to make an example of the Club but the nature of the offending, the failure to respond to the help offered and the length of time over which the offending continued and indeed continues justifies a significant financial penalty. One member of the Panel concluded that the financial penalty should be higher than that imposed by the Panel.

13. The Panel determined that a percentage of the financial penalty will be suspended until 31st October 2022 to encourage future compliance. If the Club breaches any of the conditions set out below or commits any further breaches for off field misconduct, then all or part of the suspended fine will become payable, in addition to any sanction imposed for any additional misconduct or breach relating to the Club's financial obligations to the RFU or Cumbria RFU.

14. (i) The Panel impose a financial penalty of £2,000 payable as follows:

(ii) £1,000 will become payable to Cumbria RFU within 14 days of the date of circulation of this Judgment and

(iii) £1,000 will be suspended until 31st October 2022 subject to the following conditions:

1. That the Club files with the Treasurer for Cumbria RFU by 31st March 2021 in an acceptable form and content to the Cumbrian Treasurer, the outstanding accounts (if any) for 2017/18; 2018/19 and 2019/20
2. Continues to comply with the Cumbrian RFU's rules and regulations relating to the filing of accounts acceptable to the Treasurer for Cumbria RFU by the due dates as provided for in Cumbria's Constitution Rules and Regulations
3. That the Club's Treasurer and at least one other Club Committee member enrol and attend the RFU's Rugby Leadership Network Programme and provide written evidence of their enrolment and attendance to the Cumbrian RFU's Disciplinary Secretary

15. The Club will also pay £125 Costs to Cumbria RFU.

16. The Club has a Right of Appeal against this decision in accordance with RFU Regulation 19.12.6.

Mike Hamlin (Chairman)

12th December 2020.