

CHAMPIONSHIP 2021

APPLICATION PROCESS AND CRITERIA



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A. BACKGROUND, AIMS AND OBJECTIVES

Due to the exceptional circumstances caused by Covid-19 pandemic in July 2020, the RFL (Governing Body) Limited (“RFL”) Board determined that at the end of the 2020 Season: (i) there should be no relegation from the Betfred Super League; (ii) no team should be promoted from the Betfred Championship on the basis of On Field performance in the 2020 Season; and (iii) there would be no promotion and relegation between the Betfred Championship and League 1 on the basis of On Field performance in the 2020 Season.

Following the decision by the RFL and SLE that the 12th Club in Super League shall be determined in accordance with the process published for that purpose, the RFL has therefore also determined that, as the Championship in 2021 shall consist of 14 Clubs, a process is required to select the 2020 League 1 Club that will compete in the Championship in 2021.

In participating in the application process, each applicant club agrees to the following Aims and Objectives of the selection process which involve the Panel selecting the club it is considered has the greatest potential to:

- 1. *enhance the commercial value of the Championship to Broadcast and Sponsorship Partner(s) of the RFL (both current and potential future partners);***
- 2. *deliver value to other members of the Championship;***
- 3. *be competitive on the field of play;***
- 4. *be sustainable for the 2021 Season (and beyond); and***
- 5. *as a result of being in the Championship, help deliver the broader Goals of the Sport as set out in the RFL Strategy Reset document (http://secure.rugby-league.com/ign_docs/RFL%20STRATEGY%20EXTERNAL.pdf).***

B. APPLICATION AND SELECTION PROCESS

In participating in the application process, each applicant club agrees to the following application and selection process:

Selection Panel & RFL Board

1. The RFL has established a Panel made up of four (4) representatives of the RFL and chaired by Dean Andrew OBE (the “**Panel**”) to consider the applications and make a recommendation to the RFL Board based on its assessment made in accordance with the other provisions of this document. In the event of an equality of votes of Panel members, the Chair shall have the casting vote.
2. In addition to Mr Andrew, the Panel members are:
 - a. Mark Foster, RFL Chief Commercial Officer;
 - b. Alison O’Brien, RFL Director of Insight & Customer;
 - c. Dave Rotheram, RFL Chief On Field Officer, and
 - d. Tony Sutton, RFL Chief Operating Officer.
3. After taking into account the recommendation from the Panel, the RFL Board will determine which of the applicant clubs shall be granted a place in the Championship.

Application Process

4. The RFL have set out Initial Criteria that any club wishing to apply for and obtain a place in the Championship from 2021 must have attained, and accordingly only clubs who reasonably believe that they have attained such Initial Criteria are entitled to apply. The Initial Criteria are set out in Section C.
5. In addition, the RFL have set Assessment Criteria against which any club wishing to obtain a place in the Championship in 2021 will be assessed. The Assessment Criteria are set out in Section D.
6. Clubs wishing to obtain a place in the Championship must submit a signed declaration and application form assessing the club against the Initial Criteria and the Assessment Criteria and all supporting information referred to in the application form by noon on Wednesday 2 December 2020 to tony.sutton@rfl.co.uk. All applications must be in English.

CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA

7. It is envisaged that the successful applicant will be announced by Thursday 10 December 2020 (however this is subject to change at the discretion of the RFL).
8. The RFL are conscious of the limited period of time that applicant clubs have to prepare their applications: this is necessary to allow the successful club time to prepare for the 2021 Season. In recognition of this, the RFL have sought, where possible, to align the application criteria with information and documentation already held by the RFL or which applicant clubs should already have in existence.
9. It is the applicant's responsibility to ensure any relevant information is made available in a suitable and relevant manner and is accurate. Only information provided by the club in the application form and any attachments and/or appendices will be considered by the Panel and, subject to paragraphs 9 and 14 below, no information will be accepted by the Panel after the time and date stated in paragraph 5 above unless the Panel has specifically requested it. Late applications will not be considered.
10. All information given will be treated with the strictest confidence although the RFL may need to share information with employees or agents employed as part this selection process. Each applicant club shall, on the Panel's request, provide the Panel with its books and records and access to its premises to enable the Panel to review any information provided by that club (as the Panel considers appropriate).
11. It is the applicant's responsibility to ensure that any change in circumstances, that is known or reasonably ought to be known, which may or does materially affect the applicant's application is brought to the attention of the Panel within a reasonable period in particular bearing in mind the timetable and the ambition to conclude the selection process by Thursday 10 December 2020.

Selection

12. Applicants will be first assessed against the Initial Criteria. Those clubs which, in the reasonable opinion of the Panel, do not satisfy the Initial Criteria (or in relation to stadium capacity have no reasonable potential of doing so by the start of the 2021 season) will have its application rejected.
13. The second stage will be to assess those clubs which satisfy the Initial Criteria against each of the Assessment Criteria. The Panel will have absolute discretion in the weighting of the Assessment Criteria. For the avoidance of doubt, the Assessment Criteria do not carry equal weight.
14. **At the conclusion of the steps set out in paragraphs 12 and 13 above the Panel will use its discretion to make a recommendation to the RFL Board based on its assessment of the applicant clubs as to who in its reasonable opinion it believes is the most suitable club to be granted a Championship place taking into account:**
 - a. **an assessment of each of the applicant clubs against the Assessment Criteria;**
 - b. **the extent to which each club has the potential to meet the Aims and Objectives as set out in Section A – in determining this, it will consider:**
 - i. **the historical performance of the clubs under consideration; and**
 - ii. **the Panel's reasonable opinion as to the future performance of the clubs under consideration as the Panel reasonably considers appropriate.**
15. The Panel will base its assessment on the extent to which a club meets the Aims and Objectives on the information provided by each applicant with their completed application form: if any applicant would like the Panel to take any additional information relating to the club into consideration it should provide such information with its application form. The Panel may, at its sole discretion, obtain independent or other information that it considers relevant to a club's application for the purposes of assessing such application which has not been provided by an applicant club.
16. The Panel may also choose to visit any or each applicant to discuss any area covered by the application, if the Panel chooses to do so it is expected this will take place on the 5th, 6th or 7th of December. For the avoidance of doubt, any visit by the Panel does not change or limit the information required to be provided by an applicant pursuant to this Document.
17. On receipt of the Panel's recommendation the RFL Board shall determine the successful applicant (based on the same criteria and Aims and Objectives as considered by Panel).

CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA

18. Neither the Panel nor the RFL Board will not be obliged to provide any reasons for an application being successful or unsuccessful.

Terms of Participation

19. The successful applicant club shall have all the same rights as the other Championship clubs with their funding being determined by the Return on Investment Model.

No Appeal Against Decision

20. All applicant clubs agree to be bound by the arbitration provisions contained within this document (and by virtue enter into an arbitration agreement for the purposes of Section 6 of the Arbitration Act 1996 (the "Act")). Each applicant agrees that they waive irrevocably their right to any form of challenge, claim, complaint, appeal, review or recourse to any state court, or other judicial authority, subject to any applicable statutory or other rights.
21. There is no appeal against the exercise of the RFL Board or the Panel's discretion. However, an applicant club, which feels that the process has not been applied fairly and reasonably, may apply to Sports Resolution (UK) in accordance with the Act and Sports Resolutions (UK) Arbitration Rules, which are deemed incorporated and activated by reference for a review of the procedure and a declaration as to whether the process has been fair and reasonable.
22. Any appeal must be submitted within 14 days of the date of the decision of the RFL Board granting a place in the 2021 Championship competition and shall be to a one-person tribunal appointed in accordance with the Arbitration Rules of Sports Resolutions (UK). Any decision shall be final and binding on all parties.
23. The tribunal appointed by Sports Resolutions (UK) shall determine responsibility for costs at the end of the proceedings, and shall have the power to order that all, or part, of the legal and other costs incurred by one party be paid by another party. The starting point in exercising the tribunal's discretion shall be that the unsuccessful party shall bear the costs of the arbitration.
24. The seat of the arbitrations shall be Manchester, England, unless otherwise determined.
25. Procedurally, arbitrations shall be governed by the Act unless otherwise determined by the tribunal appointed by Sports Resolutions (UK), and shall incorporate all the provisions of the Act, and shall amount to a binding arbitration agreement (save that sections 44, 45 and 69 of the Act shall not apply).

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

C. INITIAL CRITERIA

Criteria	Evidence Required
Club was in the Championship or finished in the League 1 Top 4 in either 2018 or 2019	RFL to confirm
Stadium has an operational capacity of 2,000*	Copy of Ground Safety Certificate (or other evidence)
Club has audited turnover of £300,000 or more, financial year ending 2018 or unaudited turnover of £300,000 or more in financial year ending in 2019	Copy of Audited or management accounts as applicable
Club has a regular season home average attendance of at least 750 in the 2018 or 2019 Seasons (defined as per Section D below)	RFL to confirm

** New Stadiums or redevelopments of existing stadiums will only be taken into account if the Panel is satisfied (at its complete discretion) that the Stadium will be open / redevelopment finished by the start of the 2021 season*

D. ASSESSMENT STANDARDS

Areas Covered

1. The criteria cover the following categories:
 - a. Market Size and Commercial Potential
 - b. Future Performance and Growth Plans
 - c. Playing Performance
 - d. Facilities and ability to host live TV Broadcast and key partners
 - e. Finance and Sustainability
 - f. Ownership, Management and Governance

General Principles

2. Where possible the information required is aligned to the Return on Investment Criteria for Championship and League 1 funding.
3. Where the Assessment Criteria refer to a document, it is quality and content of the document that will be assessed.
4. Where applicable, applicant clubs should reference how Covid-19 (and related restrictions) may impact on the delivery of any of the future plans set out in its application and the contingencies that it will put in place to deal with such impacts.

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

A MARKET SIZE AND COMMERCIAL POTENTIAL <i>(where relevant (and save where expressly stated to the contrary), for 2018, 2019 and as far as possible 2020)</i>			
Item	Guidance	Source	
1	Attendances	<p>a. Regular season average home attendance in 2019 and 2018.</p> <ul style="list-style-type: none"> - Regular Season is defined as: (i) in 2019, Championship Rounds 1 to 26 inclusive not including Summer Bash and for League 1 Rounds 1 to 22 inclusive; and (ii) in 2018, the Championship Rounds 1 to 23 inclusive (not including Summer Bash) and for League 1 Rounds 1 to 26. - The figure used should not include the attendance for any cup games or friendlies. <p>b. Highest Regular Season home attendance in 2019 and 2018.</p>	RFL to confirm based on centrally held data.
2	Community footprint – scale and range of community engagement activities	<p>a. Evidence of engagement with local community including, but not limited to, number of engagements and number of schools and local clubs engaged.</p> <p>b. Existing (and potential) footprint of the applicant club’s community programmes.</p>	<p>Copy of plan / objective evidence of activity</p> <p>Copy of objective evidence of reach and any plans to extend</p>
3	Sponsors and other commercial partners	<p>a. Sponsors broken down by property, setting out value and nature of business of partners</p>	Club to provide (including, where possible, objective supporting evidence)
4	Population and sources of elite sporting competition		Report from RFL D&I team on local population and elite sporting competition
5	Social and digital media footprint	<p>a. Club Website traffic – total number of website page visits from 1st October 19 to 30th September 20</p> <p>b. Number of Database records – total database size contactable by email</p> <p>c. The number of social media followers – measured as of 30th September 20 for:</p> <ul style="list-style-type: none"> i. Number of Facebook likes for the club’s page; ii. Number of Twitter followers for the club’s account; and iii. Number of Instagram followers. <p>d. Engagement of social media followers – measured from 1st October 19 to 30th September 20 for:</p>	Nothing required from the club – data already held by the RFL from previously submitted ROI Data Capture Returns for 2020

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

		<p>i. Facebook – the total number of page views;</p> <p>ii. Twitter – the engagement; and</p> <p>iii. Instagram – the total number of impressions.</p> <p>e. Our League – membership numbers per club as of 30th September 20.</p>	
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B FUTURE PERFORMANCE AND GROWTH PLANS			
Item	Guidance	Source	
1	Sales and Marketing plans for the 2021 Season, and beyond where available	Available club sales and marketing plan(s)	Club to provide

C PLAYING PERFORMANCE			
Item	Guidance	Source	
1	League finishing position in 2018 and 2019 (after Regular Season and after Play Offs)		RFL to confirm based on centrally held data.
2	Coaching and multi-disciplinary support team for 2021	Information on existing coaching and support staff (including CV's of Head Coach and Head Physiotherapist) and details of whether and how the applicant club would strengthen if it was in the Championship.	Club to provide (including, where possible, objective supporting evidence (e.g. Job descriptions, contracts of employment))
3	2021 Playing Squad	<p>Information on existing playing staff and details of whether and how the applicant club would strengthen if it was in the Championship.</p> <p>Please demonstrate how you will sustain a supply of players through to your first team to include areas such as;</p> <ul style="list-style-type: none"> • Dual registration with SL Club (if permitted) • Does the Club have a funded Category 1 or 2 Academy 	Club to provide (including, where possible, objective supporting or historic evidence)

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

		<ul style="list-style-type: none"> • Does the Club have a Development Academy partnership with a College or University • Local Community game activity 	
4	Training Facilities	<p>Information on how the club has access to appropriate facilities commensurate with a Championship programme, including:</p> <ol style="list-style-type: none"> a. Outdoor pitches (grass, 4G) b. Gymnasium c. Meeting rooms d. Office space for coaches e. Medical room f. Car Parking <p>To include legal agreement with owners if club is not the owner.</p>	Club to provide (including, where possible, objective supporting evidence)

D FACILITIES AND ABILITY TO HOST LIVE TV BROADCAST AND KEY PARTNERS			
New Stadiums or redevelopments of existing stadiums will only be taken into account if the Panel is satisfied (at its complete discretion) that the Stadium will be open / redevelopment finished by the start of the 2021 season			
Item	Guidance	Source	
1	Stadium operational capacity		Copy of ground safety certificate or Operational Manual with current Regulated Stand certificate
2	Compliance with RFL Facility Standards for Championship		Possible Panel inspection / RFL records
3	Quality of facilities available for the broadcaster and media.	<p>Panel will consider facilities including:</p> <ol style="list-style-type: none"> a. OB compound space b. Car park space for broadcasters and media 	Club to provide / Possible Panel inspection / RFL records

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

		<ul style="list-style-type: none"> c. Gantry space and position d. Floodlight Lux level e. Wi-Fi quality f. Power points – quantity in media area g. Secure written / radio facilities h. Suitable interview space and access i. Suitable hospitality space for the media 	
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E FINANCE AND SUSTAINABILITY			
	Item	Guidance	Source
1	Financial Performance for the financial years 2018, 2019 and 2020	Copy of fully audited (where available) non-abbreviated filed accounts for 2018 and 2019 and management accounts for 2020 to date.	Club to provide.
2	Any “insolvency event” since 1 January 2018.	Insolvency definition as specified in RFL Articles of Association	Club to confirm. Review of Companies House filings – to be carried out by Panel
3	Confirmation that Directors of the applicant club consider it is a going concern at the date of the application and club has fully completed the ‘Going Concern’ template provided.	Club to provide a signed and completed ‘Going Concern’ paper in format set out in Annex A, including confirmation of introduction of owner funding (and evidence of owner wealth) where relevant.	Club to provide.
4	Proposed financial performance and budget for the 2021 Season to cover: <ul style="list-style-type: none"> i. Sustainability; and ii. Ability to field a competitive team in the 2021 Season. 	Budgeted P&L account and cash flow covering the one-year period from 01/12/2020 to 30/11/2021 in which the assumptions clearly outline any impact of Covid-19 or the restrictions on Rugby League or clubs that arise from it	Club to provide.

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

5	General administration and regulatory compliance.	<p>Panel will consider compliance including the following (and each applicant club should cover each of the below in its application):</p> <ol style="list-style-type: none"> a. All NI/PAYE/VAT & other HMRC (or relevant countries equivalent) payments are up to date, with the exclusion of any ongoing investigation or recent extraordinary assessments b. Club has not paid its players late in 2018, 2019 or 2020 c. Club has not had any court judgments made against it in 2018, 2019 or 2020 d. No party has commenced legal action against the club for overdue payments e. Club has not been late filing accounts with Companies House (or equivalent in other countries or territories) for its 2018 & 2019 financial years 	<p>Confirmation by club (with explanations for any exceptions).</p> <p>Panel to also complete register searches / Companies House filings.</p>
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F OWNERSHIP, MANAGEMENT AND GOVERNANCE			
	Item	Guidance	Source
1	Club ownership structure	Full details of all shareholdings and directors	Club to provide
2	Club organisational and staffing model (current and proposed)	Staffing chart with details of existing and proposed roles.	Club to provide
3	Club working towards compliance with Professional Clubs' Governance Code	Completed Governance Code Assessment	Club to provide
4	Club Inclusion and Diversity Statement and Plan	Copy of statement / plan	Club to provide
5	Material compliance with Operational Rules during 2018, 2019 and 2020 Season	Panel will consider any cases of Misconduct which led to a points deduction and/or a fine of £2k or greater (including any suspended fine)	RFL to confirm

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

E. DIRECTORS' DECLARATION

Each application must be accompanied by a declaration in the following form.

We the Directors of **[insert name of club company]** (the "Club") certify that:

1. We agree to the Aims and Objectives and the selection process set out in the 2021 Championship Application Process and Criteria Document.
2. We agree to and shall comply with the application and selection process set out in the 2021 Championship Application Process and Criteria Document.
3. To the best of our knowledge and belief all information which we have provided in our application form and/or business plan and/or any attachments or appendices is correct.
4. We agree that the RFL Memorandum and Articles of Association and Operational Rules are legally binding and to agree to comply with the provisions of the RFL Memorandum and Articles of Association and Operational Rules (including the Salary Cap Regulations).

Date:

Name of Director:

Signature:

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

ANNEX A

GOING CONCERN TEMPLATE

GOING CONCERN REVIEW - [xxx] (“the Club”)(to be completed on club headed paper)

Note for completion of the paper – the below headings are intended as a guide as to the level and breadth of information required – it is not intended to be exhaustive, please add headings and sections you feel may also be appropriate for your Club and your application.

1.0 INTRODUCTION AND PURPOSE

- 1.1 As part of the process of applying for entry to the Championship for 2021 the Club has carried out a review of the business and its ability to continue to trade as a going concern into the foreseeable future.
- 1.2 As part of its review the key considerations in the opinion of the Club, are:
 - Impact of Covid-19
 - Performance and financial position as at 31 December 2019 (or last accounts filing date)
 - Performance and financial position as at the date of application
 - Analysis of future financial performance and cashflow sensitivities
 - Additional support and forward outlook

2.0 IMPACT OF COVID-19

- 2.1 The impact of Covid-19 has been significant for Rugby League. The key areas which directly affect the Club’s trading activities and finances are as follows:
 - Games – [].
 - Broadcast income – [].
 - Merchandising - [].
 - Shareholders own business activities - [].

3.0 PERFORMANCE AND FINANCIAL POSITION AS AT 31 DECEMBER 2019 (or last accounts filing date)

- 3.1 [Summary review of last three years].
- 3.2 [Review of 2019].
- 3.3 [Any exceptional or other items or issues].
- 3.4 [Cash balance history].
- 3.5 [Analysis of how the Club has been funded in the past if applicable].

4.0 PERFORMANCE AND FINANCIAL POSITION AS AT THE DATE OF APPLICATION

- 4.1 [Review of 2020].
- 4.2 [Govt loan application summary – if applicable].
- 4.3 [Use of Govt interventions, bounceback funding, CJRS, Govt/RFL loan application].
- 4.4 [Changes to/negotiations on wages structure for 2020, player and staff wages reductions, redundancies].

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

4.5 [Other].

5.0 ANALYSIS OF FUTURE FINANCIAL PERFORMANCE AND CASHFLOW SENSITIVITIES

5.1 [commentary on outcomes and assumptions of business plan, particularly on cash flow and its assumptions].

5.2 [Owner cash input assumptions, commentary on owner's personal ability and willingness to fund, history of owners funding input and where the business plan assumes owner cash input in order to maintain liquidity a certified statement of owner personal net wealth].

5.3 [Commentary and assumptions for post business plan period i.e. for the period after 30/11/2021]

5.4 [Details of background assumptions on games played, season structure, games BCD, for 2021].

5.5 [Other].

6.0 ADDITIONAL SUPPORT AND FORWARD OUTLOOK

6.1 Covid-19 Government Support

6.1.1 [assumptions for use of]

6.1.1.1 Furlough leave and CJRS

6.1.1.2 Government loans (bounceback or CBILS)

6.1.1.3 RFLI loans (and any potential extension of this scheme)

6.1.1.4 VAT & PAYE deferral

6.2 [Details of any other funding required or planned]

6.2.1 Bank overdraft or lending including dates of renewal

6.2.2 Other sources of funding

6.3 Asset Sales

6.3.1 [Details of any if planned]

7.0 SUMMARY

7.1 []

8.0 DIRECTORS' DECLARATION

We the Directors of [insert name of club company] (the "Club") certify that:

**CHAMPIONSHIP 2021
APPLICATION PROCESS AND CRITERIA**

We consider the Club is a going concern at the date of the application and we have fully completed the 'Going Concern' paper according to the template provided above to the best of our knowledge at the date of application. To the extent that the need for additional owner funding has been identified as part of this review, we have attached the owner's confirmation that i) the required funds are available (supported by attached evidence of the owner's (or ownership group) wealth) and ii) the required amount will be introduced to the Club as required

Date:

Name of Director:

Signature:

Name of Director:

Signature: