

Communities and Culture Committee

Inquiry into Major Sporting events in Wales

Response from The Welsh Rugby Union

Summary of terms

"WAG" - The Welsh Assembly Government

"WRU" - The Welsh Rugby Union Limited

"Stadium" - The Millennium Stadium

"MS" - Millennium Stadium plc, a subsidiary of WRU which owns and operates the Stadium

"WRUG" - The Welsh Rugby Union Group comprising WRU and MS

Welsh Rugby Union

The WRUG operates as a business focusing on three strands which are elite rugby, community rugby and the Millennium Stadium.

The core strategy of the WRUG is to enable the creation of a winning Wales team which drives capacity crowds to the Millennium Stadium and builds a brand which delivers revenue used to sustain and develop our national sport.

Other major events at the Millennium Stadium are also fundamental to the delivery of revenue streams which help achieve the WRUG core strategy aims.

The primary activity of the WRUG is the game of rugby which defines Wales as a nation around the world, even in countries where the sport is not widely played..

WRU

The WRU governs the national sport of Wales and generates income which is utilised to achieve success at the highest level and encourage participation throughout the grassroots game.

It is a clearly defined remit of the WRU to increase those participation levels through its unique reach into the heart of communities across Wales and positively influencing them.

MS

The Millennium Stadium is wholly owned and operated by the WRUG and is the home of Welsh international rugby.

It also enjoys iconic status as a symbol of Wales and is one of the ten biggest visitor attractions in the United Kingdom.

Major Events Overview

The WRUG hosts more than one million visitors every year to events held at the Stadium.

These events are held within an operational diary which is replicated to a large degree year-on-year and is partly confirmed and contracted for more than a decade ahead.

The Stadium is the home of Welsh international rugby and also hosts non international rugby along with an annual line-up of major rock and pop concerts and the FIM British Speedway Grand Prix.

Other major events regularly hosted include the Monster Jam giant trucks extravaganza, other motorsports and major non-international rugby matches and world-title boxing promotions, conferences and exhibitions.

Events which have been hosted and may return to the Stadium include Heineken Cup Finals and pool matches, Magners League fixtures, FA Cup and Carling Cup soccer finals, equestrian events and other motorsports. The British and Irish Lions have also played at the Stadium.

The Stadium is currently due to host pool and knock-out phase international rugby within the 2015 Rugby World Cup and pool and knock-out phase soccer international matches in the 2012 Olympics.

The Stadium benefits from a city centre location, a removable pitch and a closing roof which guarantees that all scheduled events will take place in a premium quality environment whatever the weather.

The unique qualities of the stadium combined with its 74,500 crowd capacity mean it appeals as a venue to sporting and non-sporting event organisers and promoters around the world.

The Stadium hosts more than 20 major events each year and is also committed to holding another 15 community events annually.

The Stadium is provided free of hire charge for these community events which are largely charity based functions and gatherings for small local organisations.

Ticketing, sponsorship, venue hire and broadcast rights income from major events held at the Stadium each year constitute a major contribution to the turnover of WRUG which was £49.4million during the last financial year.

The WRUG exists to govern the game in Wales and to generate income which is solely for re-investment aimed at developing the national sport of Wales.

All the Regions, clubs and affiliates of the WRUG are associated with highly visible activity involving local communities, schools and men and women of all ages.

Economic impact of Millennium Stadium

The economic impact of events held each year at the Stadium contribute an average £100 million a year into the economy of South East Wales.

The Stadium boasts a 74,500 crowd capacity but major events can attract more than double that number of people into the wider region and the capital city of Cardiff itself.

The combined spending power of those visitors, particularly in hotels, restaurants, bars and shops, helps to secure some 2,400 full time jobs across South Wales generating a clear benefit to the wider community of Wales.

Only a small element of the visitor spend is related to ticket purchases and hospitality offered by the WRUG to the 1 million people who attend the Stadium events each year.

Some events at the Stadium help promote Cardiff and Wales worldwide. For instance, the RBS 6 Nations matches at the Stadium are regularly broadcast into more than 70 countries, attracting multi million strong television audiences.

Close to 40,000 visitors a year also purchase tickets for guided tours of the Stadium.

Community impact of MS and WRU Events

A direct impact of the financial viability of the WRUG is expressed through its measurable benefits to the communities around Wales where its 241 clubs and more than 80 other affiliates are based.

The WRUG achieves some of this benefit through its declared "Club as the Hub" initiative which recognises how communities can utilise the rugby club infrastructure for benefits outside rugby.

This is a forward looking priority which aims to assist clubs in organising activities and developing functions which promote the quality of life in Welsh communities and for individuals in Wales.

This commitment is being achieved through schemes which can help develop the use of clubhouses by organisations or bodies such as Parent and Toddler gatherings or as learning centres for computer skills.

Some community clubs offer gymnasium and other fitness facilities for use by the non-rugby playing public to help promote personal health initiatives.

Regional and National player, coach and match official academies stand within the structural core of the WRU to develop locally recruited Welsh talent into the senior and professional game.

Major Impact Future Events

The WRUG is associated with the forthcoming Ryder Cup as a recognised venue which will be used to host at least one major event to promote and launch this competition.

The WRUG is currently scheduled to bring the 2012 Olympics to Wales as a venue for between four and fifteen soccer international games.

The 2015 Rugby World Cup will feature international rugby matches in Wales with the Stadium hosting fixtures up to the quarter final stage.

WAG Support

The WRUG works closely with WAG to align strategies for the benefit of communities across Wales.

These benefits are achieved through initiatives such as Health Challenge Wales and projects to develop local club facilities, particularly in economically challenged areas of Wales.

A prime example of involvement in high profile legacy projects is the inaugural IRB Junior World Championship for U20 teams in 2008

which utilised the presence of teams from the world's greatest rugby nations to create a legacy by inviting local children to meet and train with players and coaches.

The WRUG has also developed its Welsh Language policy through projects such as the production of bilingual literature for competitions such as the Junior World Championship and the launch of a Welsh language WRU website option.

Any support for WRU projects can obviously help the WRUG achieve its strategic aims. This document outlines how the success of WRUG impacts community life across WALES. Therefore assistance such as the Sports Council for Wales financial help towards acquiring and preparing National Centre of Excellence pitches has a wider reach beyond the specific spend.

Current Levels of Support

WAG Support

Major events at the Stadium are facilitated by the WRUG or achieved through the effective use of the Stadium by outside promoters.

Although some major rugby international games are facilitated through the International Rugby Board others are secured through direct negotiation involving the WRU as event host.

The WRUG does not routinely receive WAG financial support to secure major sporting events at the Stadium.

There have been several occasions when WAG and Cardiff County Council have contributed on a limited basis towards the staging costs or marketing and promotion of some Stadium events; for example, past Heineken Cup Finals.

WAG actively supports initiatives associated with the development of rugby clubs in communities across Wales. Some of these initiatives or projects have been assisted through the Sports Council for Wales.

WAG has supported the WRU through identifying relevant funding streams which have greatly assisted community based rugby clubs. There has also been direct cooperation through initiatives such as Health Challenge Wales.

Another relevant example of useful alignment is the way in which the WRUG operates closely with organisations such as Cardiff and Co to unify areas of parallel strategy.

WAG Event Creation Support

Event creation at the Stadium is facilitated through the WRUG.

Historically, WRUG understand that some bodies such as the Rugby League and motorsport organisations have received direct support from WAG for events held at the Stadium.

The WRUG and the WAG are currently developing formal alignments of strategy through regular discussions which provide a clear signal of WAG support to outsiders, stakeholders and potential users of the Stadium

Recommendations

Maximisation of Major Event Impact

Successfully staging major sporting events at the Stadium creates profit which helps sustain and develop our national sport. Detailed above are the strategic and operational priorities and initiatives which are adopted by the WRUG and its clubs for the benefit of individuals and communities in Wales. These benefits are expressed through the innovative use of facilities and direct help in improving the general health of a large proportion of the population.

It is clear that attracting more major events to the Stadium would create increased revenue streams which are utilised within the WRUG to improve and expand Welsh rugby, its clubs and local communities.

Major events at the Stadium attract huge attendances and worldwide broadcast audiences which can be utilised to market and promote beneficial campaigns, initiatives and projects involving WAG.

The constitution of the WRUG which enshrines its total financial and ideological commitment to the sustainability and development of Welsh rugby and its clubs is ideal for alignment and cooperation with WAG. The WRUG constitute an organisation with similar restraints and aims to a public service organisation.

WAG Planning and Preparation Support

It is clear that the early identification of mutually beneficial major sporting events and support to contract them at the Stadium with its stated advantages would benefit the whole of Wales.

Work now underway to align the WRUG and WAG must continue and be strengthened in future to achieve the required levels of cooperation.

WAG Departmental Coordination

The alignment of specific departments within WAG and WRUG through planned meetings and discussions would benefit the process of cooperation and create a model for other major sporting bodies in Wales.

Specific Recommendations

The WRUG does not currently benefit from the direct material support from WAG delivered to parallel events or institutions such as the Ryder Cup, the Ashes test series or the Wales Millennium Centre.

The impact of the WRU and its Stadium on the economy, culture and communities of Wales should be more accurately reflected through direct financial assistance when the benefits are clearly identified.

The potential for marketing, promoting and seeking assistance for Welsh communities through the annual foreign tours by the National Squad, the Rugby World Cup Sevens winning squad, the women's national squad and international pathway teams should be recognised and acted on.

Conclusion

The WRUG is a successful and effective independent governing body which already delivers identifiable beneficial affects into the communities of Wales and the culture of the nation.

Undoubtedly these achievements would be increased and accelerated if the WRUG received levels of financial assistance similar to those delivered to other organisations and institutions in Wales; these could be re-invested into the national sport

The ability of the WRUG to deliver powerful and meaningful messages through the successes of its teams at home and around the world should be recognised and embraced more effectively by all.

The WRUG recognises clear benefits through its associations and alignments with WAG, but both organisations are working closely to forge an even more effective relationship in future.

Successfully hosting major events at the iconic Millennium Stadium helps set Wales apart from other nations.

The WRUG needs help from all quarters to compete to host these events and cannot be as effective when operating in isolation.

We have to work together as any diminution of the impact of the Millennium Stadium will have a direct impact on the economy of south east Wales.