

Dear ECF Bronze member,

## 2016 ECF Finance Council meeting

I am writing to you to tell you about the ECF Finance Council meeting which takes place on 16 April and to seek your input on how, as your representative, I should vote.

(For some background on the workings of the ECF and its Council meetings, please see the section below. Also below is a brief report of last October's AGM.)

The agenda for this month's Finance meeting is [here](#). Supporting papers can be found [here](#). Also relevant is discussion on the EC Forum (<http://www.ecforum.org.uk/> - see the 'ECF Matters' section).

I think the issues most likely to be of interest to Bronze members are:

1. The report of the Finance Director and the budget for 2016/2017 (items 6 and 11 on the agenda);
2. Direct members' subscriptions (item 7);
3. Determination of Game Fee (item 10); and,
4. Transparent Council votes and proxy preference.

In relation to the above, I would draw attention to the following documents:

5. [Finance Report](#) The Finance Director's report on the ECF's finances and the budget proposals;
6. [Budget Option A](#). The version of the budget recommended by the Board with increased expenditure supported by increased fees;
7. [Budget Option B](#). The version of the budget with no increased fees; and,
8. [Transparent Council Votes and Proxy preference](#).

There are two versions of the budget. [Option A](#) – which the ECF Board recommends - has increases in expenditure supported by increases in membership and game fees. [Option B](#) is an alternative with no increases in membership and game fees. [Taking Option A first](#), increases in expenditure (or, where a shortfall is anticipated in income, in net expenditure) would be in the following areas: International; Junior; Home; the British Chess Championships; and, Publicity. **The Bronze membership fee would rise from the current £15 (£11 for juniors) to £16 (£12 [edit: correction]) in 2016/17. It would then be projected to rise to £19 (£14) in 2017/18 and to £20 (£15) in 2018/19.**

For [international](#) chess, there is now no budget for sponsorship income for the next three years. Expenditure is increased for Senior Chess “ensuring representation and offering some training to club players attending” and for Elite Development “with a performance target of establishing a second English player rated consistently over 2,700”. Net expenditure for International Chess as a whole is now £50,623 for 2016/17 (against the £41,123 for 2016/17 projected in last year's budget) and £65,623 for 2017/18 (against the £41,123 for 2017/18 projected [in] last year's budget).

For [junior](#) chess, the Finance Report states “An important new development, not previously budgeted for, is the inclusion of an Elite tier [of the Junior Academy]”. I'm a bit surprised by this as the Elite tier was described in the presentation given by the Director of Junior Chess and Education at last year's Finance Council meeting. Further, the presentation made reference to offering financial and other support to help players get norms, so shouldn't this have been costed?

Home Directorate expenditure includes £10K for League Management Software (in support of monthly reporting of results to the ECF) to be spread over five years (£2K in each year). In my view there should be [a] separate proposal for the adoption of monthly grading and the implementation of new league management software. These are part of a major project which requires review and approval (not to mention consultation).

For the British Chess Championships, the Finance Report says: *“Despite the support from the [chess trusts to which the ECF has access], it is increasingly difficult, particularly for events where there is not a free venue available, to produce a balanced budget while offering some conditions to titled players without increasing entry fees to a level that will discourage participation. The Board has approved additional expenditure of £5,000 for the 2016 event in Bournemouth (which falls within the 2015/16 financial year) to support the running of the event: the budget for 2016/17 envisages a similar contribution”*.

Publicity expenditure is budgeted to increase from £1,643 (forecast for 2015/16) to £11,500 a year. The Finance report says: *“It is envisaged that £4,000 will be spent on an initiative to engage the public by bringing a chess master to local pubs, £1,000 on a National Chess Day in support of MIND, £2,000 on road shows and £2,000 on net presence and the You Tube channel (more details in the budget workbook)”*.

For the Option B budget, with no increases in membership or game fees for the next year (and projected for the two years which follow), the Finance Report states:

*“This is the Board’s alternative budget without any Membership/Game fee increases over the next three years. As an illustration of the impact of this approach the effects will be:*

- Extra Publicity expenditure will be eliminated
- Administration: Yearbook will be discontinued
- British Championship: additional £5,000 in 2016/17 will be eliminated
- Home: League Management Software will be scrapped
- International: International tournaments and two years worth of international matches dropped
- Junior: Elite Tier of the Academy dropped; Additional Academy funding will be reduced

*This option will result in a much reduced level of ECF promoted chess activity, and is not recommended by the Board”*.

On another subject, I would like to support the proposal for “Transparent Council votes and proxy preference”. This would result in the publication of the details of card votes in Council meetings, to show, by default (opt outs would be allowed), how each representative (or proxy for the same) voted. In general, I think chess organisations should be more accountable to their members/players.

**Please let me know your views on the above** - and anything else on the agenda - so that I cast my vote as your representative accordingly and possibly ask questions at the meeting. The more responses I get, the greater the weight of your (collective) opinion. **I would also urge you to contact the ECF representative(s) for the league(s) in which you participate** – especially if you feel strongly about the proposed increases in membership fees. Leagues including those run by county associations have, in total, 190 of 324 votes and potentially a huge say in decisions.

**PLEASE send replies to [angusmisc@angusf.myzen.co.uk](mailto:angusmisc@angusf.myzen.co.uk).**

Finally, there remains a vacancy for a second Bronze Members' representative. If you are interested in applying for this position, please write to the ECF Company Secretary, John Philpott at [company.secretary@englishchess.org.uk](mailto:company.secretary@englishchess.org.uk). Having two representatives and two votes would give Bronze members a bigger voice on Council.

### **Background on the workings of the ECF and its Council meetings**

Most ECF decisions are taken by the Board and Officers but the more important decisions are taken by ECF Council. ECF Council meets twice year:

- in October for its AGM, to receive reports from Board members and senior officers, to consider proposals and to elect a new Board and senior officers; and,
- In April for its Finance meeting, to approve the previous year's accounts, to set a Budget for the following year and to consider (typically finance-related) proposals.

For the most part, Council is made up of representatives of the leagues, tournaments, unions and other groups which organise the playing of graded chess. Each membership category also has up to two representatives. Board members and senior officers are also members of Council. Council meetings are usually attended by forty to fifty individuals (some of them acting as proxies for other representatives) with, in theory, over 300 votes at their disposal. Bronze members' representatives have a single vote each to cast.

I put myself forward to be a Bronze Members' representative in early 2015 as I thought Bronze members – who at 1 March 2015 numbered ~~just over~~ 4,003 of a total membership of 9,251 – deserved representation and a voice. (There had been no bronze member representatives since 2012 when the ECF switched to Membership Scheme funding.) I also represent the Croydon & District Chess League and have attended the last nine Council meetings. I was briefly, from May until October 2014, a Board member of the ECF - as a Non-executive Director - though by no means am I an ECF insider.

### **2015 ECF AGM**

This took place last October. The minutes are available [here](#). The Southern Counties Chess Union report is [here](#). Ben Edgell's report is [here](#).

I asked for feedback on two issues in particular:

- The election of Board members; and,
- The report of the Governance and Constitutional Review Commission (the "Pearce Commission") and its recommendations

I received 31 responses which are summarised [here](#). I had clear steers to vote for Julian Clissold and Julie Denning as Non-Executive Directors, for Alex Holowczak as Home Director and for Malcolm Pein as International Director. I duly voted for these people. On the other appointments, many respondents indicated that I should vote as I thought fit. I voted against the reappointment of Phil Ehr as Chief Executive, principally as I thought he'd made a poor decision to suspend the Home Director of Chess (a decision subsequently overturned by the remaining Board members but not before the suspension had been served) and as he was at the centre of Board disharmony (as documented in several Director reports). I abstained from voting to reappoint Bob Kane as Commercial Director. I recognised Bob had done a lot to promote the ECF, had helped arrange a major sponsorship deal with Tradewise and had negotiated member benefits such as free sample copies of Informator and New In Chess magazine. But I was also concerned that Bob had fallen out with a fellow Director and pursued the row injudiciously into the public domain. I voted to reappoint each of Dominic Lawson (President), David Eustace (Finance Director), Traci Whitfield (Director of Junior Chess and Education) and Dave Thomas (Director of Membership).

On the issue of reform of the make-up of Council and using one-member-one-vote to elect Council representatives, I spoke and voted against the proposal to discharge the Pearce Commission which I felt had mis-analysed the situation and reached the wrong conclusion. In my view, ordinary members aren't adequately represented on ECF Council.

Regards,  
Angus French

**PLEASE send replies to [angusmisc@angusf.myzen.co.uk](mailto:angusmisc@angusf.myzen.co.uk)**